

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2000

SIMON PROPERTY GROUP, L.P.

-----  
(Exact name of registrant as specified in its charter)

Delaware

-----  
(State of incorporation or organization)

33-11491

-----  
(Commission File No.)

34-1755769

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(I.R.S. Employer Identification No.)

National City Center  
115 West Washington Street, Suite 15 East  
Indianapolis, Indiana 46204

-----  
(Address of principal executive offices)

(317) 636-1600

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(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES  NO

SIMON PROPERTY GROUP, L.P.

FORM 10-Q

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SIMON PROPERTY GROUP, L.P.  
CONSOLIDATED CONDENSED BALANCE SHEETS  
(Unaudited and dollars in thousands)

	September 30, 2000	December 31, 1999
	-----	-----
<b>ASSETS:</b>		
Investment properties, at cost	\$ 12,790,497	\$ 12,640,146
Less-- accumulated depreciation	1,363,346	1,093,103
	-----	-----
	11,427,151	11,547,043
Cash and cash equivalents	104,324	153,743
Tenant receivables and accrued revenue, net	233,558	287,950
Notes and advances receivable from Management Company and affiliate	167,866	162,082
Note receivable from the SRC Operating Partnership (Interest at 8%, due 2009)	24,498	9,848
Investments in unconsolidated entities, at equity	1,439,929	1,519,504
Other investment	--	41,902
Goodwill, net	38,677	39,556
Deferred costs and other assets	250,361	249,168
Minority interest, net	42,221	35,931
	-----	-----
Total assets	\$ 13,728,585	\$ 14,046,727
	=====	=====
<b>LIABILITIES:</b>		
Mortgages and other indebtedness	\$ 8,792,597	\$ 8,768,841
Accounts payable and accrued expenses	435,007	477,780
Cash distributions and losses in partnerships and joint ventures, at equity	45,034	32,995
Other liabilities	143,958	213,874
	-----	-----
Total liabilities	9,416,596	9,493,490
	-----	-----
<b>COMMITMENTS AND CONTINGENCIES (Note 11)</b>		
<b>PARTNERS' EQUITY:</b>		
Preferred units, 22,049,570 and 22,066,056 units outstanding, respectively	1,028,368	1,032,320
General Partners, 170,263,774 and 171,494,311 units outstanding, respectively	2,460,572	2,631,618
Limited Partners, 64,966,226 and 65,444,680 units outstanding, respectively	938,861	1,004,263
Note receivable from SPG (Interest at 7.8%, due 2009)	(92,825)	(92,825)
Unamortized restricted stock award	(22,987)	(22,139)
	-----	-----
Total partners' equity	4,311,989	4,553,237
	-----	-----
Total liabilities and partners' equity	\$ 13,728,585	\$ 14,046,727
	=====	=====

The accompanying notes are an integral part of these statements.

SIMON PROPERTY GROUP, L.P.  
CONDENSED STATEMENTS OF OPERATIONS

(Unaudited and dollars in thousands, except per unit amounts)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2000	1999	2000	1999
<b>REVENUE:</b>				
Minimum rent	\$ 296,897	\$ 278,126	\$ 881,792	\$ 822,117
Overage rent	9,657	12,238	28,329	40,161
Tenant reimbursements	143,872	155,336	439,726	429,817
Other income	40,048	21,213	98,542	69,431
Total revenue	490,474	466,913	1,448,389	1,361,526
<b>EXPENSES:</b>				
Property operating	77,183	75,656	230,133	214,801
Depreciation and amortization	106,038	92,465	301,789	269,879
Real estate taxes	48,400	47,622	144,739	137,463
Repairs and maintenance	15,839	15,275	51,337	51,927
Advertising and promotion	11,114	15,746	42,038	44,979
Provision for credit losses	3,275	1,985	7,632	6,693
Other	7,100	5,286	22,075	19,709
Total operating expenses	268,949	254,035	799,743	745,451
OPERATING INCOME	221,525	212,878	648,646	616,075
INTEREST EXPENSE	161,049	144,091	475,563	428,149
INCOME BEFORE MINORITY INTEREST	60,476	68,787	173,083	187,926
MINORITY INTEREST	(2,659)	(2,236)	(7,446)	(7,739)
GAIN (LOSS) ON SALES OF ASSET, NET OF ASSET WRITE DOWNS OF \$0, \$0, \$10,572 AND \$0, RESPECTIVELY	151	--	8,809	(4,188)
INCOME BEFORE UNCONSOLIDATED ENTITIES	57,968	66,551	174,446	175,999
INCOME FROM UNCONSOLIDATED ENTITIES	20,400	17,613	53,613	42,538
INCOME BEFORE EXTRAORDINARY ITEMS, CUMULATIVE EFFECT OF ACCOUNTING CHANGE AND UNUSUAL ITEM	78,368	84,164	228,059	218,537
UNUSUAL ITEM	--	(12,000)	--	(12,000)
EXTRAORDINARY ITEMS - DEBT RELATED TRANSACTIONS	--	(410)	(440)	(2,227)
CUMULATIVE EFFECT OF ACCOUNTING CHANGE (Note 6)	--	--	(12,311)	--
NET INCOME	78,368	71,754	215,308	204,310
PREFERRED DIVIDENDS	(19,334)	(16,690)	(58,074)	(50,518)
NET INCOME AVAILABLE TO UNITHOLDERS	\$ 59,034	\$ 55,064	\$ 157,234	\$ 153,792
NET INCOME AVAILABLE TO UNITHOLDERS ATTRIBUTABLE TO:				
General Partners:				
SPG (Managing General Partner)	\$ 14,346	\$ 12,879	\$ 38,398	\$ 35,279
SPG Properties and SD Property Group (Note 10)	28,366	26,923	75,424	75,711
Limited Partners	16,322	15,262	43,412	42,802
Net income	\$ 59,034	\$ 55,064	\$ 157,234	\$ 153,792
<b>BASIC EARNINGS PER UNIT:</b>				
Income before extraordinary items and cumulative effect of accounting change	\$ 0.25	\$ 0.24	\$ 0.71	\$ 0.68
Extraordinary items	--	--	--	(0.01)
Cumulative effect of accounting change	--	--	(0.05)	--
Net income	\$ 0.25	\$ 0.24	\$ 0.66	\$ 0.67
<b>DILUTED EARNINGS PER UNIT:</b>				
Income before extraordinary items and cumulative effect of accounting change	\$ 0.25	\$ 0.24	\$ 0.71	\$ 0.68
Extraordinary items	--	--	--	(0.01)
Cumulative effect of accounting change	--	--	(0.05)	--
Net income	\$ 0.25	\$ 0.24	\$ 0.66	\$ 0.67

The accompanying notes are an integral part of these statements.



SIMON PROPERTY GROUP, L.P.  
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

(Unaudited and dollars in thousands)

	For the Nine Months Ended September 30,	
	2000	1999
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 215,308	\$ 204,310
Adjustments to reconcile net income to net cash provided by operating activities--		
Depreciation and amortization	309,388	278,313
Extraordinary items - debt related transactions	440	2,227
Unusual item	--	12,000
(Gain) loss on sales of assets, net of asset write downs of \$10,572 and \$0, respectively	(8,809)	4,188
Cumulative effect of accounting change	12,311	--
Straight-line rent	(12,045)	(13,661)
Minority interest	7,446	7,739
Equity in income of unconsolidated entities	(53,613)	(42,538)
Changes in assets and liabilities--		
Tenant receivables and accrued revenue	54,751	(24,612)
Deferred costs and other assets	(8,214)	(22,676)
Accounts payable, accrued expenses and other liabilities	(95,687)	34,588
Net cash provided by operating activities	421,276	439,878
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Acquisitions	--	(265,715)
Capital expenditures	(300,936)	(347,020)
Cash from acquisitions, and consolidation of joint ventures, net	--	10,812
Net proceeds from sales of assets	114,284	42,000
Net proceeds from sale of investment	49,998	--
Investments in unconsolidated entities	(105,751)	(55,991)
Note payment from the SRC Operating Partnership	--	20,565
Loan to the SRC Operating Partnership	(14,650)	--
Distributions from unconsolidated entities	233,276	191,442
Advances to the Management Company and affiliates	(5,784)	(24,360)
Net cash used in investing activities	(29,563)	(428,267)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Purchase of treasury units and limited partner units	(50,828)	--
Partnership contributions, net	387	1,407
Partnership distributions	(400,368)	(401,803)
Minority interest distributions, net	(13,287)	(12,188)
Note payment to the SRC Operating Partnership	--	(15,164)
Mortgage and other note proceeds, net of transaction costs	1,341,735	1,658,633
Mortgage and other note principal payments	(1,318,771)	(1,272,842)
Net cash used in financing activities	(441,132)	(41,957)
DECREASE IN CASH AND CASH EQUIVALENTS	(49,419)	(30,346)
CASH AND CASH EQUIVALENTS, beginning of period	153,743	124,466
CASH AND CASH EQUIVALENTS, end of period	\$ 104,324	\$ 94,120

The accompanying notes are an integral part of these statements.

SIMON PROPERTY GROUP, L.P.  
Notes to Unaudited Consolidated Condensed Financial Statements

(Dollars in thousands, except per Unit amounts)

Note 1 - Organization

Simon Property Group, L.P. (the "SPG Operating Partnership"), a Delaware limited partnership, is a majority owned subsidiary of Simon Property Group, Inc. ("SPG"), a Delaware corporation. SPG is a self-administered and self-managed real estate investment trust ("REIT") under the Internal Revenue Code of 1986, as amended (the "Code"). Each share of common stock of SPG is paired ("Paired Shares") with a beneficial interest in 1/100<sup>th</sup> of a share of common stock of SPG Realty Consultants, Inc., also a Delaware corporation ("SRC"). Units of ownership interest ("Units") in the SPG Operating Partnership are paired ("Paired Units") with a Unit in SPG Realty Consultants, L.P. (the "SRC Operating Partnership" and together with the SPG Operating Partnership, the "Operating Partnerships"). The SRC Operating Partnership is the primary subsidiary of SRC.

The SPG Operating Partnership is engaged primarily in the ownership, operation, management, leasing, acquisition, expansion and development of real estate properties, primarily regional malls and community shopping centers. As of September 30, 2000, the SPG Operating Partnership owned or held an interest in 251 income-producing properties, which consisted of 165 regional malls, 73 community shopping centers, five specialty retail centers, four mixed-use properties and four value-oriented super-regional malls in 36 states (the "Properties") and five additional retail real estate properties operating in Europe. The SPG Operating Partnership also owned an interest in two properties under construction and 10 parcels of land held for future development, which together with the Properties are hereafter referred to as the "Portfolio Properties". The SPG Operating Partnership also holds substantially all of the economic interest in M.S. Management Associates, Inc. (the "Management Company").

Note 2 - Basis of Presentation

The accompanying consolidated condensed financial statements are unaudited; however, they have been prepared in accordance with generally accepted accounting principles for interim financial information and in conjunction with the rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the disclosures required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments necessary for fair presentation, consisting of only normal recurring adjustments, have been included. The results for the interim period ended September 30, 2000 are not necessarily indicative of the results to be obtained for the full fiscal year. These unaudited financial statements have been prepared in accordance with the accounting policies described in the SPG Operating Partnership's annual report on Form 10-K for the year ended December 31, 1999 and should be read in conjunction therewith.

The accompanying consolidated condensed financial statements of the SPG Operating Partnership include all accounts of all entities owned or controlled by the SPG Operating Partnership. All significant intercompany amounts have been eliminated.

Net operating results of the SPG Operating Partnership are allocated after preferred distributions, based on its partners' weighted average ownership interests during the period. SPG's remaining direct and indirect weighted average ownership interests in the SPG Operating Partnership for the three-month periods ended September 30, 2000 and September 30, 1999 were 72.3%. SPG's remaining direct and indirect weighted average ownership interests in the SPG Operating Partnership for the nine-month periods ended September 30, 2000 and September 30, 1999 were 72.4% and 72.2%, respectively.

Note 3 - Reclassifications

Certain reclassifications of prior period amounts have been made in the financial statements to conform to the 2000 presentation. These reclassifications have no impact on the net operating results previously reported.

Note 4 - Per Unit Data

Basic earnings per Unit is based on the weighted average number of Units outstanding during the period and diluted earnings per Unit is based on the weighted average number of Units outstanding combined with the incremental weighted average Units that would have been outstanding if all dilutive potential Units would have been converted into Units at the earliest date possible. None of the convertible preferred Units issued and outstanding during the comparative periods had a dilutive effect on earnings per Unit. The increase in weighted average Units outstanding under the diluted method over the basic method in every period presented for the SPG Operating Partnership is due entirely to the effect of outstanding stock options. Basic earnings and diluted earnings were the same for all periods presented. The following table presents weighted average and diluted weighted average Units outstanding:

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2000	September 30, 1999	September 30, 2000	September 30, 1999
Weighted Average Units Outstanding	236,491,268	232,636,887	236,973,511	230,933,329
Diluted Weighted Average Units Outstanding	236,593,972	232,707,718	237,069,952	231,072,059

Note 5 - Cash Flow Information

Cash paid for interest, net of amounts capitalized, during the nine months ended September 30, 2000 was \$480,802 as compared to \$411,476 for the same period in 1999. Accrued and unpaid distributions were \$19,044 and \$876 at September 30, 2000 and December 31, 1999, respectively. See Note 10 for information about non-cash transactions during the nine months ended September 30, 2000.

Note 6 - Cumulative Effect of Accounting Change

On December 3, 1999, the Securities and Exchange Commission issued Staff Accounting Bulletin No. 101 ("SAB 101"), which addressed certain revenue recognition policies, including the accounting for overage rent by a landlord. SAB 101 requires overage rent to be recognized as revenue only when each tenant's sales exceed its sales threshold. The SPG Operating Partnership previously recognized overage rent based on reported and estimated sales through the end of the period, less the applicable prorated base sales amount. The SPG Operating Partnership adopted SAB 101 effective January 1, 2000 and recorded a loss from the cumulative effect of an accounting change of \$12,311, which includes the SPG Operating Partnership's \$1,765 share from unconsolidated entities. In addition, SAB 101 will impact the timing in which overage rent is recognized throughout each year, but will not have a material impact on the total overage rent recognized in each full year. The SPG Operating Partnership estimates the pro forma negative impact of adopting SAB 101 on combined net income for the three-month and nine-month periods ended September 30, 2000 to be approximately \$2,800 and \$14,100 respectively. The negative impact on earnings per unit for the three-month and nine-month periods ended September 30, 2000 was approximately \$0.01 and \$0.06, respectively.

Note 7 - Gain on Sales of Assets, net of Asset Write Downs

During the first nine months of 2000, the SPG Operating Partnership sold its interests in two regional malls, four community shopping centers and an office building for a total of approximately \$142,575, including the buyer's assumption of approximately \$25,900 of mortgage debt, which resulted in a net gain of \$19,381. The net proceeds of \$114,284, were used to reduce the outstanding borrowings on its \$1,250,000 unsecured revolving credit facility (the "Credit Facility"), to repurchase Paired Units, and for general corporate purposes. In addition, during the second quarter of 2000, the SPG Operating Partnership recognized a total asset write down of \$10,572 on two Properties. Both of the Properties are under contract for sale. The estimated sale price, net of estimated closing costs, for each of the Properties was the basis for determining the fair values of the Properties and the related asset write downs.



Note 8 - Investments in Unconsolidated Entities

Summary financial information of the SPG Operating Partnership's investment in partnerships and joint ventures accounted for using the equity method of accounting and a summary of the SPG Operating Partnership's investment in and share of income from such partnerships and joint ventures follow:

BALANCE SHEETS	September 30, 2000	December 31, 1999
	-----	-----
Assets:		
Investment properties at cost, net	\$ 6,516,545	\$ 6,471,992
Other assets	502,434	495,497
	-----	-----
Total assets	\$ 7,018,979	\$ 6,967,489
	=====	=====
Liabilities and Partners' Equity:		
Mortgages and other notes payable	\$ 4,722,728	\$ 4,484,598
Accounts payable, accrued expenses and other liabilities	262,450	291,213
	-----	-----
Total liabilities	\$ 4,985,178	\$ 4,775,811
Partners' equity	2,033,801	2,191,678
	-----	-----
Total liabilities and partners' equity	\$ 7,018,979	\$ 6,967,489
	=====	=====
The SPG Operating Partnership's Share of:		
Total assets	\$ 2,851,693	\$ 2,834,236
	=====	=====
The SPG Operating Partnership's net Investment in Joint Ventures	\$ 1,372,321	\$ 1,479,676
	=====	=====

STATEMENTS OF OPERATIONS	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2000	1999	2000	1999
	-----	-----	-----	-----
Revenue:				
Minimum rent	\$191,268	\$133,510	\$555,719	\$386,002
Overage rent	5,476	5,715	14,504	14,236
Tenant reimbursements	94,082	64,196	278,192	183,882
Other income	20,076	10,678	39,975	25,830
	-----	-----	-----	-----
Total revenue	310,902	214,099	888,390	609,950
Operating Expenses:				
Operating expenses and other	112,656	75,328	334,104	217,965
Depreciation and amortization	62,487	38,076	174,258	109,141
	-----	-----	-----	-----
Total operating expenses	175,143	113,404	508,362	327,106
	-----	-----	-----	-----
Operating Income	135,759	100,695	380,028	282,844
Interest Expense	91,094	58,557	262,232	155,773
	-----	-----	-----	-----
Net Income	44,665	42,138	117,796	127,071
Third Party Investors' Share of Net Income	25,889	25,499	68,507	77,938
	-----	-----	-----	-----
The SPG Operating Partnership's Share of Net Income	18,776	16,639	49,289	49,133
Amortization of Excess Investment (See below)	(5,467)	(5,347)	(16,050)	(17,010)
	-----	-----	-----	-----
Income from Unconsolidated Entities	\$ 13,309	\$ 11,292	\$ 33,239	\$ 32,123
	=====	=====	=====	=====

As of September 30, 2000 and December 31, 1999, the unamortized excess of the SPG Operating Partnership's investment over its share of the equity in the underlying net assets of the partnerships and joint ventures ("Excess Investment") was \$560,646 and \$592,457, respectively, which is amortized over the life of the related Properties.

The SPG Operating Partnership's share of consolidated net income of the Management Company, after intercompany profit eliminations, was \$7,091 and \$6,321 for the three-month periods ended September 30, 2000 and 1999, respectively, and \$20,374 and \$10,415 for the nine-month periods ended September 30, 2000 and 1999, respectively. The SPG Operating Partnership's investment in the Management Company was \$22,574 and \$6,833 as of September 30, 2000 and December 31, 1999, respectively.

Note 9 - Debt

At September 30, 2000, the SPG Operating Partnership had combined consolidated debt of \$8,792,597, of which \$6,132,692 was fixed-rate debt and \$2,659,905 was variable-rate debt. The SPG Operating Partnership's pro rata share of indebtedness of the unconsolidated joint venture Properties as of September 30, 2000 was \$1,993,834. As of September 30, 2000, the SPG Operating Partnership had interest-rate protection agreements related to \$404,200 of its combined consolidated variable-rate debt. The agreements are generally in effect until the related variable-rate debt matures. The SPG Operating Partnership's hedging activity did not materially impact interest expense in the comparative periods.

On March 24, 2000, the SPG Operating Partnership refinanced \$450,000 of unsecured debt, which became due and bore interest at LIBOR plus 65 basis points. The new facility matures March 2001 and also bears interest at LIBOR plus 65 basis points. In addition, during September 2000, the SPG Operating Partnership refinanced \$500,000 of unsecured debt, which became due and bore interest at LIBOR plus 65 basis points, with a new \$475,000 facility and borrowings from the Credit Facility. The new \$475,000 facility matures September 2001 and bears interest at LIBOR plus 65 basis points.

Note 10 - Partners' Equity

The following table summarizes the changes in the Partners' equity since December 31, 1999.

	Preferred Units	General Partners		Limited Partners	Unamortized Restricted Stock Award	Note Receivable from SPG	Total Partners' Equity
		Managing General Partner	SPG Properties and SD (1)				
Balance at December 31, 1999	\$1,032,320	\$887,214	\$ 1,744,404	\$1,004,263	\$ (22,139)	\$ (92,825)	\$4,553,237
Managing General Partner Contributions (13,360 Units)		400					400
Conversion of 2,212 Series A Preferred Units into 84,046 Units (2)	(2,827)	2,819					(8)
Units issued as dividend (1,242 Units) (2)		31					31
Conversion of 14,274 Series B Preferred Units into 36,913 Units (3)	(1,327)	1,324					(3)
Stock incentive program (421,502 Units, net of forfeitures)		9,915	(251)		(9,703)		(39)
Amortization of stock incentive					8,855		8,855
Units purchased by subsidiary (191,500 Units)		(4,522)					(4,522)
Treasury Units purchased (1,596,100 Units)		(39,854)					(39,854)
Other (Accretion of Preferred Units, and 478,455 limited partner Units redeemed)	202			(11,183)			(10,981)
Adjustment to allocate net equity of the SPG Operating Partnership		9,302	(8,540)	(762)			--
Distributions	(58,074)	(89,121)	(172,223)	(99,115)			(418,533)
Subtotal	970,294	777,508	1,563,390	893,203	(22,987)	(92,825)	4,088,583
Comprehensive Income:							
Unrealized loss on long-term investment (4)		1,967	3,885	2,246			8,098
Net income	58,074	38,398	75,424	43,412			215,308
Total Comprehensive Income	58,074	40,365	79,309	45,658	--	--	223,406
Balance at September 30, 2000	\$1,028,368	\$817,873	\$ 1,642,699	\$ 938,861	\$ (22,987)	\$ (92,825)	\$4,311,989

- (1) SPG Properties, Inc. ("SPG Properties") and SD Property Group, Inc. ("SD"), the nonmanaging general partners, merged on February 29, 2000.
- (2) Effective June 16, 2000, 2,212 Series A Convertible Preferred Units were converted into 84,046 Units. In addition, the SPG Operating Partnership issued 1,242 Units to the holders of the converted Units in lieu of the cash dividends allocable to those preferred Units. At September 30, 2000, 51,059 Series A Convertible Preferred Units remained outstanding.
- (3) On March 1, 2000, 14,274 Series B Convertible Preferred Units were converted into 36,913 Units. At September 30, 2000, 4,830,057 Series B Convertible Preferred Units remained outstanding.
- (4) Amounts consist of the SPG Operating Partnership's pro rata share of the unrealized gain resulting from the change in market value of 1,408,450 shares of common stock of Chelsea GCA Realty, Inc. ("Chelsea"), a publicly traded REIT. On July 31, 2000, the SPG Operating Partnership sold these shares for \$50,000, which equaled the SPG Operating Partnership's original investment. No gain or loss was recognized on the transaction. The net proceeds were used for general corporate purposes.

## The Simon Property Group 1998 Stock Incentive Plan

At the time of the CPI Merger, the SPG Operating Partnership and SPG adopted The Simon Property Group 1998 Stock Incentive Plan (the "1998 Plan"). The 1998 Plan provides for the grant of equity-based awards during the ten-year period following its adoption in the form of options to purchase Paired Shares ("Options"), stock appreciation rights ("SARs"), restricted stock grants and performance unit awards (collectively, "Awards"). Options may be granted which are qualified as "incentive stock options" within the meaning of Section 422 of the Code and Options which are not so qualified. During 2000, 421,502 Paired Shares of restricted stock were awarded, net of forfeitures, to executives related to 1999 performance. As of September 30, 2000, 2,246,588 Paired Shares of restricted stock, net of forfeitures, were deemed earned and awarded under the 1998 Plan. Approximately \$2,895 and \$2,604 relating to these programs were amortized in the three-month periods ended September 30, 2000 and 1999, respectively. Approximately \$8,855 and \$7,971 relating to these programs were amortized in the nine-month periods ended September 30, 2000 and 1999, respectively. The cost of restricted stock grants, which is based upon the stock's fair market value at the time such stock is earned, awarded and issued, is charged to shareholders' equity and subsequently amortized against earnings of the SPG Operating Partnership over the vesting period.

### Note 11 - Commitments and Contingencies

#### Litigation

Triple Five of Minnesota, Inc., a Minnesota corporation, v. Melvin Simon, et. al. On or about November 9, 1999, Triple Five of Minnesota, Inc. ("Triple Five") commenced an action in the District Court for the State of Minnesota, Fourth Judicial District, against, among others, Mall of America, certain members of the Simon family and entities allegedly controlled by such individuals, and the SPG Operating Partnership. Two transactions form the basis of the complaint: (i) the sale by Teachers Insurance and Annuity Association of America of one-half of its partnership interest in Mall of America Company and Minntertainment Company to the SPG Operating Partnership and related entities (the "Teachers Sale"); and (ii) a financing transaction involving a loan in the amount of \$312,000 obtained from The Chase Manhattan Bank ("Chase") that is secured by a mortgage placed on Mall of America's assets (the "Chase Mortgage").

The complaint, which contains twelve counts, seeks remedies of damages, rescission, constructive trust, accounting, and specific performance. Although the complaint names all defendants in several counts, the SPG Operating Partnership is specifically identified as a defendant in connection with the Teachers Sale.

The SPG Operating Partnership has agreed to indemnify Chase and other nonparties to the litigation that are related to the offering of certificates secured by the Chase Mortgage against, among other things, (i) any and all litigation expenses arising as a result of litigation or threatened litigation brought by Triple Five, or any of its owners or affiliates, against any person regarding the Chase Mortgage, the Teachers Sale, any securitization of the Chase Mortgage or any transaction related to the foregoing and (ii) any and all damages, awards, penalties or expenses payable to or on behalf of Triple Five (or payable to a third party as a result of such party's obligation to pay Triple Five) arising out of such litigation. These indemnity obligations do not extend to liabilities covered by title insurance.

The SPG Operating Partnership believes that the Triple Five litigation is without merit and intends to defend the action vigorously. The SPG Operating Partnership believes that neither the Triple Five litigation nor any potential payments under the indemnity, if any, will have a material adverse effect on the SPG Operating Partnership. Given the early stage of the litigation it is not possible to provide an assurance of the ultimate outcome of the litigation or an estimate of the amount or range of potential loss, if any.

Carlo Angostinelli et al. v. DeBartolo Realty Corp. et al. On October 16, 1996, a complaint was filed in the Court of Common Pleas of Mahoning County, Ohio, captioned Carlo Angostinelli et al. v. DeBartolo Realty Corp. et al. The

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named defendants are SD Property Group, Inc., an indirect 99%-owned subsidiary of SPG, and DeBartolo Properties Management, Inc., a subsidiary of the Management Company, and the plaintiffs are 27 former employees of the defendants. In the complaint, the plaintiffs alleged that they were recipients of deferred stock grants under the DeBartolo Realty Corporation ("DRC") Stock Incentive Plan (the "DRC Plan") and that these grants immediately vested under the DRC Plan's "change in control" provision as a result of the DRC Merger. Plaintiffs asserted that the defendants' refusal to issue them approximately 542,000 shares of DRC common stock, which is equivalent to approximately 370,000 Paired Shares computed at the 0.68 exchange ratio used in the DRC Merger, constituted a breach of contract and a breach of the implied covenant of good faith and fair dealing under Ohio law. Plaintiffs sought damages equal to such number of shares of DRC common stock, or cash in lieu thereof, equal to all deferred stock ever granted to them under the DRC Plan, dividends on such stock from the time of the grants, compensatory damages for breach of the implied covenant of good faith and fair dealing, and punitive damages. The plaintiffs and the defendants each filed motions for summary judgment. On October 31, 1997, the Court of Common Pleas entered a judgment in favor of the defendants granting their motion for summary judgment. The plaintiffs appealed this judgment to the Seventh District Court of Appeals in Ohio. On August 18, 1999, the District Court of Appeals reversed the summary judgement order in

favor of the defendants entered by the Common Pleas Court and granted plaintiffs' cross motion for summary judgement, remanding the matter to the Common Pleas Court for the determination of plaintiffs' damages. The defendants petitioned the Ohio Supreme Court asking that they exercise their discretion to review and reverse the Appellate Court decision, but the Ohio Supreme court did not grant the petition for review. The case has been remanded to the Court of Common Pleas of Mahoning County, Ohio, to conduct discovery relevant to each plaintiff's damages and the counterclaims asserted by the SPG Operating Partnership. The Trial Court referred these matters to a Magistrate. Plaintiffs have filed a Supplemental Motion for Summary Judgement on the question of damages. That motion has been fully briefed and is pending before the Magistrate. The Magistrate has ruled on the counterclaims and found in Defendants' favor on one of them. This ruling would result in a set-off of approximately \$2,000 against any damage award assessed in favor of two of the plaintiffs. As a result of the appellate court's decision, by the SPG Operating Partnership recorded a \$12,000 loss in the third quarter of 1999 related to this litigation as an unusual item.

Roel Vento et al v. Tom Taylor et al. An affiliate of the SPG Operating Partnership is a defendant in litigation entitled Roel Vento et al v. Tom Taylor

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et al., in the District Court of Cameron County, Texas, in which a judgment in  
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the amount of \$7,800 was entered against all defendants. This judgment includes approximately \$6,500 of punitive damages and is based upon a jury's findings on four separate theories of liability including fraud, intentional infliction of emotional distress, tortious interference with contract and civil conspiracy arising out of the sale of a business operating under a temporary license agreement at Valle Vista Mall in Harlingen, Texas. The SPG Operating Partnership appealed the verdict and on May 6, 1999, the Thirteenth Judicial District (Corpus Christi) of the Texas Court of Appeals issued an opinion reducing the trial court verdict to \$3,364 plus interest. The SPG Operating Partnership filed a petition for a writ of certiorari to the Texas Supreme Court requesting that they review and reverse the determination of the Appellate Court. The Texas Supreme Court granted certiorari and heard oral arguments on October 4, 2000. A decision is expected to be rendered within the next few months. Management, based upon the advice of counsel, believes that the ultimate outcome of this action will not have a material adverse effect on the SPG Operating Partnership.

The SPG Operating Partnership currently is not subject to any other material litigation other than routine litigation and administrative proceedings arising in the ordinary course of business. On the basis of consultation with counsel, management believes that such routine litigation and administrative proceedings will not have a material adverse impact the SPG Operating Partnership's financial position or its results of operations.

#### Note 12 - New Accounting Pronouncements

On June 15, 1998, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities ("SFAS 133"). SFAS 133 establishes accounting and reporting standards requiring that every derivative instrument (including certain derivative instruments embedded in other contracts) be recorded in the balance sheet as either an asset or liability measured at its fair value. SFAS 133 requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. Special accounting for qualifying hedges allows a derivative's gains and losses to offset related results on the hedged item in the income statement, and requires that a company formally document, designate, and assess the effectiveness of transactions that receive hedge accounting.

SFAS 133 will be effective for the SPG Operating Partnership beginning with the 2001 fiscal year and may not be applied retroactively. Management is currently evaluating the impact of SFAS 133, which it believes could increase volatility in earnings and other comprehensive income.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Certain statements made in this report may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the SPG Operating Partnership to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions, which will, among other things, affect demand for retail space or retail goods, availability and creditworthiness of prospective tenants, lease rents and the terms and availability of financing; adverse changes in the real estate markets including, among other things, competition with other companies and technology; risks of real estate development and acquisition; governmental actions and initiatives; substantial indebtedness; conflicts of interests; maintenance of REIT status; and environmental/safety requirements.

### Overview

The following Property acquisitions, openings and dispositions (the "Property Transactions") impacted the SPG Operating Partnership's consolidated results of operations in the comparative periods. During 1999, the SPG Operating Partnership acquired the remaining ownership interests in five Properties for approximately \$213.9 million, which resulted in the consolidation of each of those Properties. In November 1999, the SPG Operating Partnership opened the following wholly-owned Properties: The Shops at North East Mall and Waterford Lakes Town Center. During 2000, the SPG Operating Partnership sold its interests in seven Properties for approximately \$142.6 million, including the buyer's assumption of \$25.9 million of mortgage debt.

### Cumulative Effect of Accounting Change

On December 3, 1999, the Securities and Exchange Commission issued Staff Accounting Bulletin No. 101 ("SAB 101"), which addressed certain revenue recognition policies, including the accounting for overage rent by a landlord. SAB 101 requires overage rent to be recognized as revenue only when each tenant's sales exceeds its sales threshold. The SPG Operating Partnership previously recognized overage rent based on reported and estimated sales through the end of the period, less the applicable prorated base sales amount. The SPG Operating Partnership adopted SAB 101 effective January 1, 2000 and recorded a loss from the cumulative effect of an accounting change of \$12.3 million in the first quarter of 2000. In addition, SAB 101 will impact the timing in which overage rent is recognized throughout each year, but will not have a material impact on the total overage rent recognized in each full year.

### Results of Operations

Three Months ended September 30, 2000 vs. Three Months Ended September 30, 1999

Operating income increased \$8.6 million or 4.1% for the three months ended September 30, 2000, as compared to the same period in 1999. This increase includes the net result of the Property Transactions (\$6.1 million). Excluding these transactions, operating income increased approximately \$2.5 million, primarily resulting from a \$13.2 million increase in minimum rents, a \$7.0 million increase in consolidated revenues realized from marketing initiatives throughout the Portfolio, an \$8.4 million increase in lease settlements, offset by an \$10.3 million decrease in net tenant reimbursements, a \$1.2 million increase in other expenses, \$13.1 million increase in depreciation and amortization, and a \$2.6 million decrease in overage rents. The increase in minimum rent primarily results from increased occupancy levels, the replacement of expiring tenant leases with renewal leases at higher minimum base rents, and an increase in rents from tenants operating under license agreements. The decrease in net tenant reimbursements was the result of billing finalizations during 1999 for acquired Properties and lower expenditure levels. The increase in depreciation and amortization is primarily due to an increase in depreciable real estate realized through renovation and expansion activities. The decrease in overage rent was primarily the result of the SPG Operating Partnership's adoption of SAB 101 effective January 1, 2000, which changed the timing in which overage rents were recognized throughout the year.

Interest expense increased \$17 million, or 11.8% for the three months ended September 30, 2000, as compared to the same period in 1999. This increase is primarily a result of overall increases in interest rates during the comparative periods of approximately \$6.1 million, the Property Transactions (\$0.9 million) and incremental interest on borrowings under the Credit Facility to complete the 1999 acquisition of ownership interests in 14 regional malls from New England Development Company (the "NED Acquisition") (\$3.1 million) and acquire an ownership interest in Mall of America (\$1.0 million), with the remainder being primarily from borrowings for Property redevelopments that opened in the comparative periods.

Income from unconsolidated entities increased from \$17.6 million in 1999 to \$20.4 million in 2000, resulting from a \$0.8 million increase in income from the Management Company and a \$2.0 million increase in income from unconsolidated

partnerships and joint ventures. The increase in Management Company income is primarily the result of a \$2.6 million increase in management fees offset by decreased construction management and architectural and engineering fees (\$1.8 million).

Net income was \$78.4 million for the three months ended September 30, 2000, which reflects an increase of \$6.6 million over the same period in 1999, primarily for the reasons discussed above. Net income was allocated to the partners of the SPG Operating Partnership based on their preferred Unit preferences and weighted average ownership interests in the SPG Operating Partnerships during the period.

Preferred distributions of the SPG Operating Partnership represent distributions on preferred Units issued in connection with the NED Acquisition. Preferred dividends of subsidiary represent distributions on preferred stock of SPG Properties, Inc., a 99.999% owned subsidiary of SPG.

Nine Months Ended September 30, 2000 vs. Nine Months Ended September 30, 1999

Operating income increased \$32.6 million or 5.3% for the nine months ended September 30, 2000, as compared to the same period in 1999. This increase includes the net result of the Property Transactions (\$14.6 million). Excluding these transactions, operating income increased approximately \$18 million, primarily resulting from a \$37.5 million increase in minimum rents, an \$11.3 million increase in consolidated revenues realized from marketing initiatives throughout the Portfolio, an \$8.7 million increase in miscellaneous income, and a \$9.5 million increase in lease settlements, partially offset by a \$25.6 million increase in depreciation and amortization, a \$9.4 million decrease in net tenant reimbursements, a \$2.4 million increase in other expenses, and a \$12.0 million decrease in overage rents. The increase in minimum rent primarily results from increased occupancy levels, the replacement of expiring tenant leases with renewal leases at higher minimum base rents, and a \$4.3 million increase in rents from tenants operating under license agreements. The increase in miscellaneous income results from gift certificate sales and incidental fee revenues. The increase in depreciation and amortization is primarily due to an increase in depreciable real estate realized through renovation and expansion activities. The decrease in net tenant reimbursements was the result of billing finalizations during 1999 for acquired Properties and lower expenditure levels. The decrease in overage rent was primarily the result of the SPG Operating Partnership's adoption of SAB 101 effective January 1, 2000, which changed the timing in which overage rents were recognized throughout the year.

Interest expense increased \$47.4 million, or 11.1% for the nine months ended September 30, 2000, as compared to the same period in 1999. This increase is primarily the result of overall increases in interest rates during the comparative periods (\$14.0 million), the Property Transactions (\$7.6 million) and incremental interest on borrowings under the Credit Facility to complete the NED Acquisition (\$9.3 million) and acquire an ownership interest in Mall of America (\$2.9 million), with the remainder being primarily from borrowings for Property redevelopments that opened in the comparative periods.

The \$8.8 million net gain on the sales of assets in 2000 results from the sale of the SPG Operating Partnership's interests in an office building, two regional malls and four community shopping centers for approximately \$142.6 million, partially offset by a \$10.6 million asset write-down on two Properties recognized in the second quarter of 2000. In 1999 the SPG Operating Partnership recognized a net loss of \$4.2 million on the sale of a community shopping center.

Income from unconsolidated entities increased from \$42.5 million in 1999 to \$53.6 million in 2000, resulting from a \$9.9 million increase in income from the Management Company and a \$1.2 million increase in income from unconsolidated partnerships and joint ventures. The increase in Management Company income is primarily the result of a \$8.5 million increase in management fees due to property acquisitions and increased minimum rents, as well as a \$3.4 million decrease in the income tax provision, which is primarily due to a \$2.0 million tax refund receivable recognized in 2000.

During the first quarter of 2000, the SPG Operating Partnership recorded a \$12.3 million expense resulting from the cumulative effect of an accounting change as described above.

Net income was \$215.3 million for the nine months ended September 30, 2000, which reflects an increase of \$11.0 million over the same period in 1999, primarily for the reasons discussed above. Net income was allocated to the partners of the SPG Operating Partnership based on their preferred Unit preferences and weighted average ownership interests in the SPG Operating Partnerships during the period.

Preferred distributions of the SPG Operating Partnership represent distributions on preferred Units issued in connection with the NED Acquisition. Preferred dividends of subsidiary represent distributions on preferred stock of SPG Properties, Inc., a 99.999% owned subsidiary of SPG.

## Liquidity and Capital Resources

As of September 30, 2000, the SPG Operating Partnership's balance of unrestricted cash and cash equivalents was \$104.3 million, including \$30 million related to the SPG Operating Partnership's gift certificate program, which management does not consider available for general working capital purposes. The SPG Operating Partnership's Credit Facility had available credit of \$600.5 million at September 30, 2000. The Credit Facility bears interest at LIBOR plus 65 basis points and has an initial maturity of August 2002, with an additional one-year extension available at the SPG Operating Partnership's option. SPG and the SPG Operating Partnership also have access to public equity and debt markets.

Management anticipates that cash generated from operating performance will provide the necessary funds on a short- and long-term basis for its operating expenses, interest expense on outstanding indebtedness, recurring capital expenditures, and distributions to shareholders. Sources of capital for nonrecurring capital expenditures, such as major building renovations and expansions, as well as for scheduled principal payments, including balloon payments, on outstanding indebtedness are expected to be obtained from: (i) excess cash generated from operating performance; (ii) working capital reserves; (iii) additional debt financing; and (iv) additional equity raised in the public markets.

## Financing and Debt

At September 30, 2000, the SPG Operating Partnership had combined consolidated debt of \$8,793 million, of which \$6,133 million is fixed-rate debt bearing interest at a weighted average rate of 7.28% and \$2,660 million is variable-rate debt bearing interest at a weighted average rate of 7.42%. As of September 30, 2000, the SPG Operating Partnership had interest rate protection agreements related to \$404 million of combined consolidated variable-rate debt. The SPG Operating Partnership's interest rate protection agreements did not materially impact interest expense or weighted average borrowing rates during the comparative periods.

The SPG Operating Partnership's share of total scheduled principal payments of mortgage and other indebtedness, including unconsolidated joint venture indebtedness, over the next five years is \$6,110 million, with \$4,509 million thereafter. The SPG Operating Partnership's combined ratio of consolidated debt-to-market capitalization was 57.6% and 58.1% at September 30, 2000 and December 31, 1999, respectively.

On March 24, 2000, the SPG Operating Partnership refinanced \$450 million of unsecured debt, which became due and bore interest at LIBOR plus 65 basis points. The new facility matures March 2001 and also bears interest at LIBOR plus 65 basis points. In addition, during September 2000, the SPG Operating Partnership refinanced \$500 million of unsecured debt, which became due and bore interest at LIBOR plus 65 basis points, with a new \$475 million facility and borrowings from the Credit Facility. The new \$475 million facility matures September 2001 and bears interest at LIBOR plus 65 basis points.

## Acquisitions

Management continues to review and evaluate a limited number of individual property and portfolio acquisition opportunities. Management believes, however, that due to the rapid consolidation of the regional mall business, coupled with the current status of the capital markets, that acquisition activity in the near term will be a less significant component of the SPG Operating Partnership's growth strategy. Management believes that funds on hand and amounts available under the Credit Facility provide the means to finance certain acquisitions. No assurance can be given that the SPG Operating Partnership will not be required to, or will not elect to, even if not required to, obtain funds from outside sources, including through the sale of debt or equity securities, to finance significant acquisitions, if any.

## Dispositions

During the first nine months of 2000, the SPG Operating Partnership sold its interests in two regional malls, four community shopping centers and an office building for a total of approximately \$142.6 million, including the buyer's assumption of approximately \$25.9 million of mortgage debt, which resulted in a net gain of \$19.4 million. The net proceeds of \$114.3 million were used to reduce the outstanding borrowings on the Credit Facility, to repurchase Paired Shares, and for general corporate purposes.

In addition to the Property sales described above, as a continuing part of the SPG Operating Partnership's long-term strategy, management continues to pursue the sale of its remaining non-retail holdings and a number of retail assets that are no longer aligned with the SPG Operating Partnership's strategic criteria, including seven Properties currently under contract for sale. Management expects the sale prices of its non-core assets, if sold, will not differ materially from the carrying value of the related assets.



## Development Activity

**New Developments.** Development activities are an ongoing part of the SPG Operating Partnership's business. The SPG Operating Partnership opened Orlando Premium Outlets in Orlando, Florida in May 2000. In addition, Arundel Mills is scheduled to open this year in Anne Arundel, Maryland and Bowie Town Center is scheduled to open in the fall of 2001 in Bowie, Maryland. The SPG Operating Partnership invested approximately \$138 million on new developments during the first nine months of 2000 and expects to invest a total of approximately \$198 million on new developments in 2000.

**Strategic Expansions and Renovations.** A key objective of the SPG Operating Partnership is to increase the profitability and market share of the Properties through the completion of strategic renovations and expansions. The SPG Operating Partnership has a number of renovation and/or expansion projects currently under construction, or in preconstruction development. The SPG Operating Partnership invested approximately \$165 million on renovations and expansions during the first nine months of 2000 and expects to invest a total of approximately \$210 million on renovations and expansions in 2000.

**Technology Initiatives.** The SPG Operating Partnership continues to evolve its technology initiatives through its association with several third party participants. Through MerchantWired LLC, the SPG Operating Partnership is creating a full service retail infrastructure company that provides retailers across the country access to a high speed, highly reliable and secure broadband network. The SPG Operating Partnership owns approximately 53% interest in MerchantWired LLC and accounts for it using the equity method of accounting. In addition, the SPG Operating Partnership recently announced it has joined with leading real estate companies across a broad range of property sectors to form Constellation Real Technologies, which is designed to form, incubate and sponsor real estate-related Internet, e-commerce and technology enterprises; acquire interests in existing "best of breed" companies; and act as a consolidator of real estate technology across property sectors. In September, Constellation announced its initial investment of \$25 million in FacilityPro.com, a business-to-business electronic marketplace designed for the efficient procurement of facilities products and services. The SPG Operating Partnership's share of this investment is \$2.5 million.

These new activities may generate losses in the initial years of operation, while programs are being developed and customer bases are being established. The SPG Operating Partnership has investments totaling approximately \$20 million related to such programs through September 30, 2000. The SPG Operating Partnership expects to continue to invest in these programs over the next two years, and has guaranteed MerchantWired equipment lease payments up to \$46 million. The other MerchantWired members have committed to a pro rata share of the \$46 million lease guarantee equal to their respective ownership percentages, which aggregates approximately \$22 million.

**Distributions.** The SPG Operating Partnership declared a distribution of \$0.505 per Paired Unit in the third quarter of 2000. The current annual distribution rate is \$2.02 per Paired Unit. Future distributions will be determined based on actual results of operations and cash available for distribution. In addition, preferred distributions of \$32.765 per unit of SPG's Series A preferred unit and \$3.25 per unit of SPG's Series B preferred unit were paid during 2000.

## Investing and Financing Activities

On July 31, 2000, the SPG Operating Partnership sold its 1,408,450 shares of common stock of Chelsea for \$50 million, which equaled the SPG Operating Partnership's original investment. No gain or loss was recognized on the transaction. The net proceeds were used for general corporate purposes.

Pursuant to a stock repurchase program authorized by the Board of Directors of SPG, on August 8, 2000, the SPG Operating Partnership purchased 1,596,100 Paired Shares at an average price of \$25.00 per Paired Share. The purchase is part of a plan announced by management earlier in the year to make opportunistic repurchases of Paired Shares during 2000 funded solely by a portion of the net proceeds realized from the sales of its non-core assets.

Cash used in investing activities of \$30 million for the nine months ended September 30, 2000 includes capital expenditures of \$301 million; investments in unconsolidated joint ventures of \$106 million, which includes \$45 million related to a financing transaction with the remainder consisting primarily of development funding; a \$15 million advance to the SRC Operating Partnership; and a \$6 million advance to the Management Company. These cash uses are partially offset by net proceeds of \$114 million from the sale of the SPG Operating Partnership's interest in seven Properties, proceeds from the sale of investment of \$50 million, and distributions from unconsolidated entities of \$233 million. Distributions from unconsolidated entities includes approximately \$68 million related to financing transactions, with the remainder resulting primarily from operating activities.

Cash used in financing activities for the nine months ended September 30, 2000 was \$441 million and includes net distributions of \$413 million, purchase of Paired Units of \$40 million and conversion of units to cash of \$11 million, partially offset by net borrowings of \$23 million.

## Inflation

Inflation has remained relatively low and has had a minimal impact on the operating performance of the Properties. Nonetheless, substantially all of the tenants' leases contain provisions designed to lessen the impact of inflation. Such provisions include clauses enabling the SPG Operating Partnership to receive percentage rentals based on tenants' gross sales, which generally increase as prices rise, and/or escalation clauses, which generally increase rental rates during the terms of the leases. In addition, many of the leases are for terms of less than ten years, which may enable the SPG Operating Partnership to replace existing leases with new leases at higher base and/or percentage rentals if rents of the existing leases are below the then-existing market rate. Substantially all of the leases, other than those for anchors, require the tenants to pay a proportionate share of operating expenses, including common area maintenance, real estate taxes and insurance, thereby reducing the SPG Operating Partnership's exposure to increases in costs and operating expenses resulting from inflation.

However, inflation may have a negative impact on some of the SPG Operating Partnership's other operating items. Interest and general and administrative expenses may be adversely affected by inflation as these specified costs could increase at a rate higher than rents. Also, for tenant leases with stated rent increases, inflation may have a negative effect as the stated rent increases in these leases could be lower than the increase in inflation at any given time.

## Seasonality

The shopping center industry is seasonal in nature, particularly in the fourth quarter during the holiday season, when tenant occupancy and retail sales are typically at their highest levels. In addition, shopping malls achieve most of their temporary tenant rents during the holiday season. As a result of the above, earnings are generally highest in the fourth quarter of each year.

## Item 3. Qualitative and Quantitative Disclosure About Market Risk

**Sensitivity Analysis.** The SPG Operating Partnership's combined future earnings, cash flows and fair values relating to financial instruments are primarily dependent upon prevalent market rates of interest, primarily LIBOR. Based upon combined consolidated indebtedness and interest rates at September 30, 2000, a 0.25% increase in the market rates of interest would decrease future earnings and cash flows by approximately \$6.1 million, and would decrease the fair value of debt by approximately \$157 million. A 0.25% decrease in the market rates of interest would increase future earnings and cash flows by approximately \$6.1 million, and would increase the fair value of debt by approximately \$167 million.

Part II - Other Information

Item 1: Legal Proceedings

Please refer to Note 11 of the combined financial statements for a summary of material pending litigation and routine litigation and administrative proceedings arising in the ordinary course of business.

Item 6: Exhibits and Reports on Form 8-K

(a) Exhibits

- 4.1 Credit Agreement dated March 24, 2000 in the amount of \$450 million. This is unsecured debt that bears interest at LIBOR plus 65 basis points and matures March 24, 2001.
- 4.2 Credit Agreement dated September 22, 2000 in the amount of \$475 million. This is unsecured debt that bears interest at LIBOR plus 65 basis points and matures September 24, 2001.

(b) Reports on Form 8-K

None.

SIGNATURE

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.

SIMON PROPERTY GROUP, L.P.  
By: Simon Property Group, Inc.  
General Partner

/s/ John Dahl

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John Dahl,  
Senior Vice President and Chief Accounting Officer  
(Principal Accounting Officer)

Date: November 10, 2000

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CREDIT AGREEMENT

Dated as of March 24, 2000

among

SIMON PROPERTY GROUP, L.P.,

SIMON PROPERTY GROUP, INC.

THE INSTITUTIONS FROM TIME TO TIME  
PARTY HERETO AS LENDERS

and

THE CHASE MANHATTAN BANK, AS ADMINISTRATIVE AGENT,

and

BANK OF AMERICA, N.A., AS DOUMENTATION AGENT,

and

UBS AG, STAMFORD BRANCH, AS SYNDICATION AGENT

and

MORGAN GUARANTY TRUST COMPANY OF NEW YORK,  
AS CO-SYNDICATION AGENT

and

CHASE SECURITIES INC.,  
AS LEAD ARRANGER AND BOOK MANAGER

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Schedule 15.23 -- Retained Properties

CREDIT AGREEMENT

This Credit Agreement, dated as of March 24, 2000 (as amended, supplemented or modified from time to time, the "Agreement") is entered into

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among SIMON PROPERTY GROUP, L.P., SIMON PROPERTY GROUP, INC., the institutions from time to time a party hereto as Lenders, whether by execution of this Agreement or an Assignment and Acceptance, THE CHASE MANHATTAN BANK, as Administrative Agent, BANK OF AMERICA, N.A., as Documentation Agent, UBS AG, STAMFORD BRANCH, as Syndication, and MORGAN GUARANTY TRUST COMPANY OF NEW YORK, as Co-Syndication Agent.

R E C I T A L S

WHEREAS, the parties hereto agree as follows:

ARTICLE I  
DEFINITIONS

1.1 Certain Defined Terms. The following terms used in this

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Agreement shall have the following meanings, applicable both to the singular and the plural forms of the terms defined:

"Administrative Agent" is Chase, and each successor Administrative

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Agent appointed pursuant to the terms of Article XII of this Agreement.

"Affiliate", as applied to any Person, means any other Person that

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directly or indirectly controls, is controlled by, or is under common control with, that Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to vote fifteen percent (15.0%) or more of the equity Securities having voting power for the election of directors of such Person or otherwise to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting equity Securities or by contract or otherwise.

"Agent" means Chase in its capacity as Administrative Agent, each Documentation Agent, Syndication Agent, and each successor agent appointed pursuant to the terms of Article XII of this Agreement.

"Agreement" is defined in the preamble hereto.

"Annual EBITDA" means, with respect to any Project or Minority Holding, as of the first day of each fiscal quarter for the immediately preceding consecutive four fiscal quarters, an amount equal to (i) total revenues relating to such Project or Minority Holding for such period, less (ii) total operating expenses relating to such Project or Minority Holding for such period (it being understood that the foregoing calculation shall exclude non-cash charges as determined in accordance with GAAP). Each of the foregoing amounts shall be determined by reference to the Borrower's Statement of Operations for the applicable periods. An example of the foregoing calculation is set forth on Exhibit G hereto.

"Applicable Lending Office" means, with respect to a particular Lender, (i) its Eurodollar Lending Office in respect of provisions relating to Eurodollar Rate Loans, and (ii) its Domestic Lending Office in respect of provisions relating to Base Rate Loans.

"Applicable Margin" means, with respect to each Loan, the respective percentages per annum determined, at any time, based on the range into which Borrower's Credit Rating then falls, in accordance with the following tables. Any change in the Applicable Margin shall be effective immediately as of the date on which any of the rating agencies announces a change in the Borrower's Credit Rating or the date on which the Borrower has no Credit Rating, whichever is applicable.

The Applicable Margin, from time to time, depending on Borrower's Credit Rating shall be as follows:

Range of Borrower's Credit Rating S&P/Moody's Ratings)	Applicable Margin for Eurodollar Rate Loans (% per annum)	Applicable Margin for Base Rate Loans (% per annum)
below BBB-/Baa3	1.350%	0.00%
BBB-/Baa3	0.900%	0.00%
BBB/Baa2	0.750%	0.00%
BBB+/Baa1	0.650%	0.00%
A-/A3	0.500%	0.00%

If at any time the Borrower has a Credit Rating by both Moody's and S&P which Credit Ratings are split, then: (A) if the difference between such Credit Ratings is one ratings category (e.g. Baa2 by Moody's and BBB- by S&P), the Applicable Margin shall be the rate per annum that would be applicable if the higher of the Credit Ratings were used; and (B) if the difference between such Credit Ratings is two ratings category (e.g. Baa1 by Moody's and BBB- by S&P), the Applicable Margin shall be the rate per annum that would be applicable if the median of the applicable Credit Ratings is used.

"Assignment and Acceptance" means an Assignment and Acceptance in substantially the form of Exhibit A attached hereto and made a part hereof (with blanks appropriately completed) delivered to the Administrative Agent in connection with an assignment of a Lender's interest under this Agreement in accordance with the provisions of Section 15.1.

"Authorized Financial Officer" means a chief executive officer, chief financial officer, treasurer or other qualified senior officer acceptable to the Administrative Agent.

"Base Rate" means, for any period, a fluctuating interest rate per annum as shall be in effect from time to time, which rate per annum shall at all times be equal to the higher of:

- (i) the rate of interest announced publicly by Chase in New York, New York from time to time, as Chase's prime rate; and
- (ii) the sum of (A) one-half of one percent (0.50%) per annum plus (B) the Federal Funds Rate in effect from time to time during such period.

"Base Rate Loan" means (i) a Loan which bears interest at a rate determined by reference to the Base Rate and the Applicable Margin as provided in Section 5.1(a) or (ii) an overdue amount which was a Base Rate Loan immediately before it became due.

"Borrower" means SIMON PROPERTY GROUP, L.P., a Delaware limited partnership.

"Borrower Partnership Agreement" means the Seventh Amended and Restated Limited Partnership Agreement of the Borrower, dated as of August 27, 1999, as such agreement may be amended, restated, modified or supplemented from time to time with the consent of the Administrative Agent or as permitted under Section 10.10.

"Borrowing" means a borrowing consisting of Loans of the same type made, continued or converted on the same day.

"Business Activity Report" means (i) an Indiana Business Activity Report from the Indiana Department of Revenue, Compliance Division, or (ii) a Notice of Business Activities Report from the State of New Jersey Division of Taxation, (iii) a Minnesota Business Activity Report from the Minnesota Department of Revenue, or (iv) a similar report to those referred to in clauses (i) through (iii) hereof with respect to any jurisdiction where the failure to file such report would have a Material Adverse Effect.

"Business Day" means a day, in the applicable local time, which is not a Saturday or Sunday or a legal holiday and on which banks are not required or permitted by law or other governmental action to close (i) in New York, New York and (ii) in the case of Eurodollar Rate Loans, in London, England and/or New York, New York.

"Capital Expenditures" means, for any period, the aggregate of all expenditures (whether payable in cash or other Property or accrued as a liability (but without duplication)) during such period that, in conformity with GAAP, are required to be included in or reflected by the Company's, the Borrower's or any of their Subsidiaries' fixed asset accounts as reflected in any of their respective balance sheets; provided, however, (i) Capital Expenditures shall include, whether or not such a designation would be in conformity with GAAP, (a) that portion of Capital Leases which is capitalized on the consolidated balance sheet of the

Company, the Borrower and their Subsidiaries and (b) expenditures for Equipment which is purchased simultaneously with the trade-in of existing Equipment owned by either General Partner, the Borrower or any of their Subsidiaries, to the extent the gross purchase price of the purchased Equipment exceeds the book value of the Equipment being traded in at such time; and (ii) Capital Expenditures shall exclude, whether or not such a designation would be in conformity with GAAP, expenditures made in connection with the restoration of Property, to the extent reimbursed or financed from insurance or condemnation proceeds.

"Capitalization Value" means the sum of (i) Combined EBITDA

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capitalized at an annual interest rate equal to 8.25%, and (ii) Cash and Cash Equivalents, and (iii) Construction Asset Cost.

"Capital Lease" means any lease of any property (whether real,

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personal or mixed) by a Person as lessee which, in conformity with GAAP, is accounted for as a capital lease on the balance sheet of that Person.

"Capital Stock" means, with respect to any Person, any capital stock

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of such Person, regardless of class or designation, and all warrants, options, purchase rights, conversion or exchange rights, voting rights, calls or claims of any character with respect thereto.

"Cash and Cash Equivalents" means (i) cash, (ii) marketable direct

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obligations issued or unconditionally guaranteed by the United States government and backed by the full faith and credit of the United States government; and (iii) domestic and Eurodollar certificates of deposit and time deposits, bankers' acceptances and floating rate certificates of deposit issued by any commercial bank organized under the laws of the United States, any state thereof, the District of Columbia, any foreign bank, or its branches or agencies (fully protected against currency fluctuations), which, at the time of acquisition, are rated A-1 (or better) by S&P or P-1 (or better) by Moody's; provided that the maturities of such Cash and Cash Equivalents shall not exceed  
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one year.

"Cash Interest Expense" means, for any period, total interest expense,  
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whether paid or accrued, but without duplication, (including the interest  
component of Capital Leases) of the Borrower, which is payable in cash, all as  
determined in conformity with GAAP.

"CERCLA" means the Comprehensive Environmental Response, Compensation  
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and Liability Act of 1980, 42 U.S.C. (S)(S) 9601 et seq., any amendments  
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thereto, any successor statutes, and any regulations or guidance promulgated  
thereunder.

"Chase" means The Chase Manhattan Bank.  
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"Claim" means any claim or demand, by any Person, of whatsoever kind  
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or nature for any alleged Liabilities and Costs, whether based in contract,  
tort, implied or express warranty, strict liability, criminal or civil statute,  
Permit, ordinance or regulation, common law or otherwise.

"Closing Date" means [March 24], 2000.  
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"Combined Debt Service" means, for any period, the sum of (i)  
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regularly scheduled payments of principal and interest of the Consolidated  
Businesses paid during such period and (ii) the portion of the regularly  
scheduled payments of principal and interest of Minority Holdings allocable to  
the Borrower in accordance with GAAP, paid during such period, in each case  
including participating interest expense and excluding balloon payments of  
principal and extraordinary interest payments and net of amortization of  
deferred costs associated with new financings or refinancings of existing  
Indebtedness.

"Combined EBITDA" means the sum of (i) 100% of the Annual EBITDA from  
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the Consolidated Businesses; and (ii) the portion of the Annual EBITDA of the  
Minority Holdings allocable to the Borrower in accordance with GAAP; and (iii)  
for so long as the Borrower owns a majority economic interest in the Management  
Company, 100% of the Borrower's share of the actual Annual EBITDA of the  
Management Company; provided, however that the



Borrower's share of the Annual EBITDA of the Management Company shall in no event constitute in excess of five percent (5%) of Combined EBITDA. For purposes of newly opened Projects which are no longer capitalized, the Annual EBITDA shall be based upon twelve-month projections of contractual rental revenues multiplied by the EBITDA profit margin of the Borrower property type (i.e.

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regional mall or community center) as such margin is reported in the most recently published annual report or 10-K for the Company, until such time as actual performance data for a twelve-month period is available.

"Combined Equity Value" means Capitalization Value minus Total

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Adjusted Outstanding Indebtedness.

"Combined Interest Expense" means, for any period, the sum of (i)

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interest expense of the Consolidated Businesses paid during such period and (ii) interest expense of the Consolidated Businesses accrued for such period and (iii) the portion of the interest expense of Minority Holdings allocable to the Borrower in accordance with GAAP and paid during such period and (iv) the portion of the interest expense of Minority Holdings allocable to the Borrower in accordance with GAAP and accrued for such period, in each case including participating interest expense but excluding extraordinary interest expense, and net of amortization of deferred costs associated with new financings or refinancings of existing Indebtedness.

"Commission" means the Securities and Exchange Commission and any

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Person succeeding to the functions thereof.

"Commitment" means, with respect to any Lender, the obligation of such

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Lender to make Loans pursuant to the terms and conditions of this Agreement, and which shall not exceed the principal amount set forth opposite such Lender's name under the heading "Commitment" on the signature pages hereof or the signature page of the Assignment and Acceptance by which it became a Lender, as modified from time to time pursuant to the terms of this Agreement or to give effect to any applicable Assignment and Acceptance, and "Commitments" means the

aggregate principal amount of the Commitments of all the Lenders, the maximum amount of which shall be \$450,000,000, as reduced from time to time pursuant to Section 4.1.

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"Company" means Simon Property Group, Inc., a Delaware corporation.

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"Compliance Certificate" is defined in Section 8.2(b).

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"Consolidated" means consolidated, in accordance with GAAP.

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"Consolidated Businesses" means the General Partners, the Borrower and

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their wholly-owned Subsidiaries (for purposes hereof, "wholly-owned" shall be deemed to include those Subsidiaries which are REITs and which are at least 99% owned).

"Construction Asset Cost" means, with respect to Property on which

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construction of Improvements has commenced (such commencement evidenced by foundation excavation) but has not yet been completed (as such completion shall be evidenced by such Property being opened for business to the general public), the aggregate sums expended on the construction of such Improvements (including land acquisition costs).

"Contaminant" means any waste, pollutant, hazardous substance, toxic

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substance, hazardous waste, special waste, petroleum or petroleum-derived substance or waste, radioactive materials, asbestos (in any form or condition), polychlorinated biphenyls (PCBs), or any constituent of any such substance or waste, and includes, but is not limited to, these terms as defined in federal, state or local laws or regulations.

"Contingent Obligation" as to any Person means, without duplication,

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(i) any contingent obligation of such Person required to be shown on such Person's balance sheet in accordance with GAAP, and (ii) any obligation required to be disclosed in the footnotes to such Person's financial statements in accordance with

GAAP, guaranteeing partially or in whole any non-recourse Indebtedness, lease, dividend or other obligation, exclusive of contractual indemnities (including, without limitation, any indemnity or price-adjustment provision relating to the purchase or sale of securities or other assets) and guarantees of non-monetary obligations (other than guarantees of completion) which have not yet been called on or quantified, of such Person or of any other Person. The amount of any Contingent Obligation described in clause (ii) shall be deemed to be (a) with respect to a guaranty of interest or interest and principal, or operating income guaranty, the sum of all payments required to be made thereunder (which in the case of an operating income guaranty shall be deemed to be equal to the debt service for the note secured thereby), calculated at the interest rate applicable to such Indebtedness, through (i) in the case of an interest or interest and principal guaranty, the stated date of maturity of the obligation (and commencing on the date interest could first be payable thereunder), or (ii) in the case of an operating income guaranty, the date through which such guaranty will remain in effect, and (b) with respect to all guarantees not covered by the preceding clause (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such guaranty is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as recorded on the balance sheet and on the footnotes to the most recent financial statements of the applicable Borrower required to be delivered pursuant hereto. Notwithstanding anything contained herein to the contrary, guarantees of completion shall not be deemed to be Contingent Obligations unless and until a claim for payment has been made thereunder, at which time any such guaranty of completion shall be deemed to be a Contingent Obligation in an amount equal to any such claim. Subject to the preceding sentence, (i) in the case of a joint and several guaranty given by such Person and another Person (but only to the extent such guaranty is recourse, directly or indirectly to the applicable Borrower), the amount of the guaranty shall be deemed to be 100% thereof unless and only to the extent that (X) such other Person has delivered Cash or Cash Equivalents to secure all or any part of such Person's guaranteed obligations or (Y) such other

Person holds an Investment Grade Credit Rating from either Moody's or S&P, and (ii) in the case of a guaranty, (whether or not joint and several) of an obligation otherwise constituting Debt of such Person, the amount of such guaranty shall be deemed to be only that amount in excess of the amount of the obligation constituting Indebtedness of such Person. Notwithstanding anything contained herein to the contrary, "Contingent Obligations" shall not be deemed to include guarantees of loan commitments or of construction loans to the extent the same have not been drawn.

"Contractual Obligation", as applied to any Person, means any

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provision of any Securities issued by that Person or any indenture, mortgage, deed of trust, security agreement, pledge agreement, guaranty, contract, undertaking, agreement or instrument to which that Person is a party or by which it or any of its properties is bound, or to which it or any of its properties is subject.

"Credit Rating" means the publicly announced rating of a Person given

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by Moody's or S&P.

"Cure Loans" is defined in Section 4.2(b)(v)(C).

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"Customary Permitted Liens" means

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(1) Liens (other than Environmental Liens and Liens in favor of the PBGC) with respect to the payment of taxes, assessments or governmental charges in all cases which are not yet due or which are being contested in good faith by appropriate proceedings in accordance with Section 9.4 and

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with respect to which adequate reserves or other appropriate provisions are being maintained in accordance with GAAP;

(2) statutory Liens of landlords against any Property of the Borrower or any of its Subsidiaries and Liens against any Property of the Borrower or any of its Subsidiaries in favor of suppliers, mechanics, carriers, materialmen, warehousemen or workmen and other Liens against any Property of the Borrower or any of its Subsidiaries imposed by law created in the ordinary course of business for amounts which, if not resolved in favor of

the Borrower or such Subsidiary, could not result in a Material Adverse Effect;

(3) Liens (other than any Lien in favor of the PBGC) incurred or deposits made in the ordinary course of business in connection with worker's compensation, unemployment insurance or other types of social security benefits or to secure the performance of bids, tenders, sales, contracts (other than for the repayment of borrowed money), surety, appeal and performance bonds; provided that (A) all such Liens do not in the

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aggregate materially detract from the value of the Borrower's or such Subsidiary's assets or Property or materially impair the use thereof in the operation of their respective businesses, and (B) all Liens of attachment or judgment and Liens securing bonds to stay judgments or in connection with appeals do not secure at any time an aggregate amount of recourse Indebtedness exceeding \$10,000,000; and

(4) Liens against any Property of the Borrower or any Subsidiary of the Borrower arising with respect to zoning restrictions, easements, licenses, reservations, covenants, rights-of-way, utility easements, building restrictions and other similar charges or encumbrances on the use of Real Property which do not interfere with the ordinary conduct of the business of the Borrower or any of its Subsidiaries to the extent it could not result in a Material Adverse Effect.

"Debt Yield" is defined in Section 10.12(d).  
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"Designee Lender" shall have the meaning set forth in Section 15.1(f)  
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hereof.

"Documentation Agent" means any Lender who shall be appointed as  
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Documentation Agent, and each successor Documentation Agent appointed pursuant to the terms of Article XII of this Agreement.  
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"DOL" means the United States Department of Labor and any Person  
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succeeding to the functions thereof.

"Dollars" and "\$" mean the lawful money of the United States.  
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"Domestic Lending Office" means, with respect to any Lender, such  
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Lender's office, located in the United States, specified as the "Domestic Lending

Office" under its name on the signature pages hereof or on the Assignment and Acceptance by which it became a Lender or such other United States office of such Lender as it may from time to time specify by written notice to the Borrower and the Administrative Agent.

"Eligible Assignee" means (i) a Lender or any Affiliate thereof; (ii)

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a commercial bank having total assets in excess of \$2,500,000,000; (iii) the central bank of any country which is a member of the Organization for Economic Cooperation and Development; or (iv) a finance company or other financial institution reasonably acceptable to the Administrative Agent, which is regularly engaged in making, purchasing or investing in loans and having total assets in excess of \$300,000,000 or is otherwise reasonably acceptable to the Administrative Agent.

"Environmental, Health or Safety Requirements of Law" means all

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Requirements of Law derived from or relating to any federal, state or local law, ordinance, rule, regulation, Permit, license or other binding determination of any Governmental Authority relating to, imposing liability or standards concerning, or otherwise addressing the environment, health and/or safety, including, but not limited to the Clean Air Act, the Clean Water Act, CERCLA, RCRA, any so-called "Superfund" or "Superlien" law, the Toxic Substances Control Act and OSHA, and public health codes, each as from time to time in effect.

"Environmental Lien" means a Lien in favor of any Governmental

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Authority for any (i) liabilities under any Environmental, Health or Safety Requirement of Law, or (ii) damages arising from, or costs incurred by such Governmental Authority in response to, a Release or threatened Release of a Contaminant into the environment.

"Environmental Property Transfer Act" means any applicable

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Requirement of Law that conditions, restricts, prohibits or requires any notification or disclosure triggered by the transfer, sale, lease or closure of any Property or deed or title for any Property for environmental reasons, including, but not limited to, any so-called "Environmental Cleanup Responsibility Act" or "Responsible Property Transfer Act".

"Equipment" means equipment used in connection with the maintenance of

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Projects and Properties.

"ERISA" means the Employee Retirement Income Security Act of 1974, 29  
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U.S.C. (S)(S) 1000 et seq., any amendments thereto, any successor statutes, and  
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any regulations or guidance promulgated thereunder.

"ERISA Affiliate" means (i) any corporation which is a member of the  
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same controlled group of corporations (within the meaning of Section 414(b) of  
the Internal Revenue Code) as the Borrower; (ii) a partnership or other trade or  
business (whether or not incorporated) which is under common control (within the  
meaning of Section 414(c) of the Internal Revenue Code) with the Borrower; and  
(iii) a member of the same affiliated service group (within the meaning of  
Section 414(m) of the Internal Revenue Code) as the Borrower, any corporation  
described in clause (i) above or any partnership or trade or business described  
in clause (ii) above.

"ERISA Termination Event" means (i) a Reportable Event with respect to  
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any Plan; (ii) the withdrawal of the Borrower or any ERISA Affiliate from a Plan  
during a plan year in which the Borrower or such ERISA Affiliate was a  
"substantial employer" as defined in Section 4001(a)(2) of ERISA or the  
cessation of operations which results in the termination of employment of 20% of  
Plan participants who are employees of the Borrower or any ERISA Affiliate;  
(iii) the imposition of an obligation on the Borrower or any ERISA Affiliate  
under Section 4041 of ERISA to provide affected parties written notice of intent  
to terminate a Plan in a distress termination described in Section 4041(c) of  
ERISA; (iv) the institution by the PBGC of proceedings to terminate a Plan; (v)  
any event or condition which might constitute grounds under Section 4042 of  
ERISA for the termination of, or the appointment of a trustee to administer, any  
Plan; or (vi) the partial or complete withdrawal of the Borrower or any ERISA  
Affiliate from a Multiemployer Plan.

"Eurodollar Affiliate" means, with respect to each Lender, the  
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Affiliate of such Lender (if any) set forth below such Lender's name under the  
heading "Eurodollar Affiliate" on the signature pages hereof or on the  
Assignment and Acceptance by which it became a Lender or such Affiliate of a  
Lender as it may from time to time specify by written notice to the Borrower and  
the Administrative Agent.

"Eurodollar Interest Period" is defined in Section 5.2(b)(i).  
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"Eurodollar Interest Rate Determination Date" is defined in Section  
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5.2(c)(i).  
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"Eurodollar Lending Office" means, with respect to any Lender, such

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Lender's office (if any) specified as the "Eurodollar Lending Office" under its name on the signature pages hereof or on the Assignment and Acceptance by which it became a Lender or such other office or offices of such Lender as it may from time to time specify by written notice to the Borrower and the Administrative Agent.

"Eurodollar Rate" means, for any Eurodollar Interest Period, an

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interest rate per annum equal to the rate per annum obtained by multiplying (a) a rate per annum equal to the rate for U.S. dollar deposits with maturities comparable to such Eurodollar Interest Period which appears on Telerate Page 3750 as of 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Eurodollar Interest Period, provided, however, that if such rate does not appear on Telerate Page 3750, the "Eurodollar Rate" applicable to a particular Eurodollar Interest Period shall mean a rate per annum equal to the rate at which U.S. dollar deposits in an amount approximately equal to the principal balance (or the portion thereof which will bear interest at a rate determined by reference to the Eurodollar Rate during the Eurodollar Interest Period to which such Eurodollar Rate is applicable in accordance with the provisions hereof), and with maturities comparable to the last day of the Eurodollar Interest Period with respect to which such Eurodollar Rate is applicable, are offered in immediately available funds in the London Interbank Market to the London office of Chase by leading banks in the Eurodollar market at 11:00 a.m., London time, two (2) Business Days prior to the commencement of the Eurodollar Interest Period to which such Eurodollar Rate is applicable, by (b) a fraction (expressed as a decimal) the numerator of which shall be the number one and the denominator of which shall be the number one minus the

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Eurodollar Reserve Percentage for such Eurodollar Interest Period.

"Eurodollar Rate Loan" means (i) a Loan which bears interest at a rate

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determined by reference to the Eurodollar Rate and the Applicable Margin for Eurodollar Rate Loans, as provided in Section 5.1(a) or (ii) an overdue amount  
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which was a Eurodollar Rate Loan immediately before it became due.

"Eurodollar Reserve Percentage" means, for any day, that percentage

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which is in effect on such day, as prescribed by the Federal Reserve Board for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for a member bank of the Federal Reserve System in New York, New York with deposits exceeding five billion Dollars in respect of "Eurocurrency Liabilities" (or in respect of any other category of liabilities which includes deposits by reference to which the interest rate on Eurodollar Rate Loans is determined or any category of extensions of credit or



other assets which includes loans by a non-United States office of any bank to United States residents).

"Event of Default" means any of the occurrences set forth in Section 11.1 after the expiration of any applicable grace period and the giving of any applicable notice, in each case as expressly provided in Section 11.1.

"Facility Fee" is defined in Section 5.3(a).

"Facility Fee Percentage" means the applicable percentage per annum determined, at any time, based on the range into which Borrower's Credit Rating (if any) then falls, in accordance with the following tables. Any change in the Facility Fee Percentage shall be effective immediately as of the date on which any of the rating agencies announces a change in the Borrower's Credit Rating or the date on which the Borrower has no Credit Rating, whichever is applicable.

The Facility Fee Percentage during the time, from time to time, that the Borrower maintains an Investment Grade Credit Rating by either Moody's or S&P shall be as follows:

Range of Borrower's Credit Rating S&P/Moody's Ratings	Percentage of Maximum Credit Amount
below BBB-/Baa3	0.00%
BBB-/Baa3	0.20%
BBB/Baa2	0.20%
BBB+/Baa1	0.15%
A-/A3	0.15%

If at any time the Borrower has a Credit Rating by both Moody's and S&P which Credit Ratings are split, then: (A) if the difference between such Credit Ratings is one ratings category (e.g. Baa2 by Moody's and BBB- by S&P), the Facility Fee Percentage shall be the rate per annum that would be applicable if the highest of the Credit Ratings were used; and (B) if the difference between such Credit Ratings is two ratings category (e.g. Baa1 by Moody's and BBB- by S&P), the Facility Fee Percentage shall be the rate per annum that would be appli-

cable if the median of the applicable Credit Ratings is used.

"Federal Funds Rate" means, for any period, a fluctuating interest

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rate per annum equal for each day during such period 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 in New York, New York, for the next preceding Business Day) in New York, New York by the Federal Reserve Bank of New York, or if such rate is not so published for any day which is a Business Day in New York, New York, the average of the quotations for such day on transactions by the Reference Bank, as determined by the Administrative Agent.

"Federal Reserve Board" means the Board of Governors of the Federal

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Reserve System or any Governmental Authority succeeding to its functions.

"Financial Statements" means (i) quarterly and annual consolidated

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statements of income and retained earnings, statements of cash flow, and balance sheets, (ii) such other financial statements as any General Partner shall routinely and regularly prepare on a quarterly or annual basis, and (iii) such other financial statements of the Consolidated Businesses or Minority Holdings as the Requisite Lenders may from time to time reasonably specify; provided,

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however, that the Financial Statements referenced in clauses (i) and (ii) above  
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shall be prepared in form satisfactory to the Administrative Agent.

"Fiscal Year" means the fiscal year of the Company and the Borrower

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for accounting and tax purposes, which shall be the 12-month period ending on December 31 of each calendar year.

"GAAP" means generally accepted accounting principles set forth in the

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opinions and pronouncements of the American Institute of Certified Public Accountants' Accounting Principles Board and Financial Accounting Standards Board or in such other statements by such

other entity as may be in general use by significant segments of the accounting profession as in effect on the Closing Date (unless otherwise specified herein as in effect on another date or dates).

"General Partner" or "General Partners" means SPG, the Company and any  
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successor general partner(s) of the Borrower.

"Governmental Approval" means all right, title and interest in any  
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existing or future certificates, licenses, permits, variances, authorizations and approvals issued by any Governmental Authority having jurisdiction with respect to any Project.

"Governmental Authority" means any nation or government, any federal,  
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state, local or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Holder" means any Person entitled to enforce any of the Obligations,  
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whether or not such Person holds any evidence of Indebtedness, including, without limitation, the Administrative Agent, and each other Lender.

"Improvements" means all buildings, fixtures, structures, parking  
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areas, landscaping and all other improvements whether existing now or hereafter constructed, together with all machinery and mechanical, electrical, HVAC and plumbing systems presently located thereon and used in the operation thereof, excluding (a) any such items owned by utility service providers, (b) any such items owned by tenants or other third-parties unaffiliated with the Borrower and (c) any items of personal property.

"Indebtedness", as applied to any Person, means, at any time, without  
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duplication, (a) all indebtedness, obligations or other liabilities of such Person (whether consolidated or representing the proportionate interest in any other Person) (i) for borrowed money (including construction loans) or evidenced by debt securities, debentures, acceptances, notes or other

similar instruments, and any accrued interest, fees and charges relating thereto, (ii) under profit payment agreements or in respect of obligations to redeem, repurchase or exchange any Securities of such Person or to pay dividends in respect of any stock, (iii) with respect to letters of credit issued for such Person's account, (iv) to pay the deferred purchase price of property or services, except accounts payable and accrued expenses arising in the ordinary course of business, (v) in respect of Capital Leases, (vi) which are Contingent Obligations or (vii) under warranties and indemnities; (b) all indebtedness, obligations or other liabilities of such Person or others secured by a Lien on any property of such Person, whether or not such indebtedness, obligations or liabilities are assumed by such Person, all as of such time; (c) all indebtedness, obligations or other liabilities of such Person in respect of interest rate contracts and foreign exchange contracts, net of liabilities owed to such Person by the counterparties thereon; (d) all preferred stock subject (upon the occurrence of any contingency or otherwise) to mandatory redemption; and (e) all contingent Contractual Obligations with respect to any of the foregoing.

"Indemnified Matters" is defined in Section 15.3.  
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"Indemnitees" is defined in Section 15.3.  
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"Interest Period" is defined in Section 5.2(b).  
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"Interest Rate Hedges" is defined in Section 9.9.  
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"Internal Revenue Code" means the Internal Revenue Code of 1986, as  
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amended to the date hereof and from time to time hereafter, any successor statute and any regulations or guidance promulgated thereunder.

"Investment" means, with respect to any Person, (i) any purchase or  
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other acquisition by that Person of Securities, or of a beneficial interest in Securities, issued by any other Person, (ii) any purchase by that Person of all or substantially all of the assets of a

business conducted by another Person, and (iii) any loan, advance (other than deposits with financial institutions available for withdrawal on demand, prepaid expenses, accounts receivable, advances to employees and similar items made or incurred in the ordinary course of business) or capital contribution by that Person to any other Person, including, without limitation, all Indebtedness to such Person arising from a sale of property by such Person other than in the ordinary course of its business. The amount of any Investment shall be the original cost of such Investment, plus the cost of all additions thereto less the amount of any return of capital or principal to the extent such return is in cash with respect to such Investment without any adjustments for increases or decreases in value or write-ups, write-downs or write-offs with respect to such Investment.

"Investment Grade" means (i) with respect to Moody's a Credit Rating -----  
of Baa3 or higher and (ii) with respect to S&P, a Credit Rating of BBB- or higher.

"Investment Grade Credit Rating" means (i) a Credit Rating of Baa3 or -----  
higher given by Moody's or (ii) a Credit Rating of BBB- or higher given by S&P.

"IRS" means the Internal Revenue Service and any Person succeeding to ---  
the functions thereof.

"knowledge" with reference to any General Partner, the Borrower or any -----  
Subsidiary of the Borrower, means the actual knowledge of such Person after reasonable inquiry (which reasonable inquiry shall include, without limitation, interviewing and questioning such other Persons as such General Partner, the Borrower or such Subsidiary of the Borrower, as applicable, deems reasonably necessary).

"Lease" means a lease, license, concession agreement or other -----  
agreement providing for the use or occupancy of any portion of any Project, including all amendments, supplements, modifications and assignments thereof and all side letters or side agreements relating thereto.

"Lender" means each financial institution a signatory hereto as a

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Lender as of the Closing Date and, at any other given time, each financial institution which is a party hereto as a Lender, whether as a signatory hereto or pursuant to an Assignment and Acceptance, and regardless of the capacity in which such entity is acting (i.e. whether as Administrative Agent, Syndication Agent or Lender).

"Liabilities and Costs" means all liabilities, obligations,

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responsibilities, losses, damages, personal injury, death, punitive damages, economic damages, consequential damages, treble damages, intentional, willful or wanton injury, damage or threat to the environment, natural resources or public health or welfare, costs and expenses (including, without limitation, attorney, expert and consulting fees and costs of investigation, feasibility or Remedial Action Studies), fines, penalties and monetary sanctions, interest, direct or indirect, known or unknown, absolute or contingent, past, present or future.

"Lien" means any mortgage, deed of trust, pledge, hypothecation,

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assignment, conditional sale agreement, deposit arrangement, security interest, encumbrance, lien (statutory or other and including, without limitation, any Environmental Lien), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever in respect of any property of a Person, whether granted voluntarily or imposed by law, and includes the interest of a lessor under a Capital Lease or under any financing lease having substantially the same economic effect as any of the foregoing and the filing of any financing statement or similar notice (other than a financing statement filed by a "true" lessor pursuant to ' 9-408 of the Uniform Commercial Code), naming the owner of such property as debtor, under the Uniform Commercial Code or other comparable law of any jurisdiction.

"Limited Minority Holdings" means Minority Holdings in which (i)

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Borrower has a less than fifty percent (50%) ownership interest and (ii) neither the Borrower nor the Company directly or indirectly controls

the management of such Minority Holdings, whether as the general partner or managing member of such Minority Holding, or otherwise. As used in this definition only, the term "control" shall mean the authority to make major management decisions or the management of day-to-day operations of such entity and shall include instances in which the Management Company manages the day-to-day leasing, management, control or development of the Properties of such Minority Interest pursuant to the terms of a management agreement.

"Limited Partners" means those Persons who from time to time are  
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limited partners of the Borrower; and "Limited Partner" means each of the  
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Limited Partners, individually.

"Loan" means the Loan made by a Lender pursuant to Section 2.1;  
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provided that, if any such Loan or Loans (or portions thereof) are combined or subdivided pursuant to a Notice of Conversion/Continuation, the term "Loan" shall refer to the combined principal amount resulting from such combination or to each of the separate principal amounts resulting from such subdivision, as the case may be.

"Loan Account" is defined in Section 4.3(b).  
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"Loan Documents" means this Agreement, the Notes and all other  
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instruments, agreements, and written Contractual Obligations between the Borrower and any of the Lenders pursuant to or in connection with the transactions contemplated hereby.

"Management Company" means, collectively, (i) M.S. Management  
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Associates, Inc., a Delaware corporation and its wholly-owned or controlled Subsidiaries and (ii) such other property management companies controlled (directly or indirectly) by the Company for which the Borrower has previously provided the Administrative Agent with: (1) notice of such property management company, and (2) evidence reasonably satisfactory to the Administrative Agent that such property management company is controlled (directly or indirectly) by the Company.

"Margin Stock" means "margin stock" as such term is defined in  
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Regulation U.

"Material Adverse Effect" means a material adverse effect upon (i) the  
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financial condition or assets of the Borrower and its Subsidiaries taken as a  
whole, (ii) the ability of the Borrower to perform its obligations under the  
Loan Documents, or (iii) the ability of the Lenders or the Administrative Agent  
to enforce any of the Loan Documents.

"MIS" means a computerized management information system for recording  
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and maintenance of information regarding purchases, sales, aging,  
categorization, and locations of Properties, creation and aging of receivables,  
and accounts payable (including agings thereof).

"Minority Holdings" means partnerships, joint ventures and  
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corporations held or owned by the Borrower or a General Partner which are not  
wholly-owned by the Borrower or a General Partner.

"Moody's" means Moody's Investor Services, Inc.  
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"Multiemployer Plan" means a "multiemployer plan" as defined in  
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Section 4001(a)(3) of ERISA which is, or within the immediately preceding six  
(6) years was, contributed to by either the Borrower or any ERISA Affiliate or  
in respect of which the Borrower or any ERISA Affiliate has assumed any  
liability.

"Non Pro Rata Loan" is defined in Section 4.2 (b)(v).  
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"Note" means a promissory note in the form attached hereto as Exhibit  
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B payable to a Lender, evidencing certain of the Obligations of the Borrower to  
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such Lender and executed by the Borrower as required by Section 4.3(a), as the  
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same may be amended, supplemented, modified or restated from time to time;  
"Notes" means, collectively, all of such Notes outstanding at any given time.  
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"Notice of Borrowing" means a notice substantially in the form of  
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Exhibit C attached hereto and made a part hereof.  
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"Notice of Conversion/Continuation" means a notice substantially in  
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the form of Exhibit D attached hereto and made a part hereof with respect to a  
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proposed conversion or continuation of a Loan pursuant to Section 5.1(c).  
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"Obligations" means all Loans, advances, debts, liabilities,  
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obligations, covenants and duties owing by the Borrower to the Administrative  
Agent, any other Lender, any Affiliate of the Administrative Agent, any other  
Lender, or any Person entitled to indemnification pursuant to Section 15.3 of  
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this Agreement, of any kind or nature, arising under this Agreement, the Notes  
or any other Loan Document. The term includes, without limitation, all  
interest, charges, expenses, fees, reasonable attorneys' fees and disbursements  
and any other sum chargeable to the Borrower under this Agreement or any other  
Loan Document.

"Officer's Certificate" means, as to a corporation, a certificate  
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executed on behalf of such corporation by the chairman of its board of directors  
(if an officer of such corporation) or its chief executive officer, president,  
any of its vice-presidents, its chief financial officer, or its treasurer and,  
as to a partnership, a certificate executed on behalf of such partnership by the  
chairman of the board of directors (if an officer of such corporation) or chief  
executive officer, president, any vice-president, or treasurer of the general  
partner of such partnership.

"Operating Lease" means, as applied to any Person, any lease of any  
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property (whether real, personal or mixed) by that Person as lessee which is not  
a Capital Lease.

"Organizational Documents" means, with respect to any corporation,  
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limited liability company, or partnership (i) the articles/certificate of  
incorporation (or the equivalent organizational documents) of such corpora-

tion or limited liability company, (ii) the partnership agreement executed by the partners in the partnership, (iii) the bylaws (or the equivalent governing documents) of the corporation, limited liability company or partnership, and (iv) any document setting forth the designation, amount and/or relative rights, limitations and preferences of any class or series of such corporation's Capital Stock or such limited liability company's or partnership's equity or ownership interests.

"OSHA" means the Occupational Safety and Health Act of 1970, 29 U.S.C.

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(S)(S) 651 et seq., any amendments thereto, any successor statutes and any  
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regulations or guidance promulgated thereunder.

"PBGC" means the Pension Benefit Guaranty Corporation and any Person

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succeeding to the functions thereof.

"Permits" means any permit, consent, approval, authorization, license,

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variance, or permission required from any Person, including any Governmental  
Approvals.

"Permitted Securities Options" means the subscriptions, options,

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warrants, rights, convertible Securities and other agreements or commitments  
relating to the issuance of the Borrower's Securities or the Company's Capital  
Stock identified as such on Schedule 1.1.4.  
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"Person" means any natural person, corporation, limited liability

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company, limited partnership, general partnership, joint stock company, joint  
venture, association, company, trust, bank, trust company, land trust, business  
trust or other organization, whether or not a legal entity, and any Governmental  
Authority.

"Plan" means an employee benefit plan defined in Section 3(3) of ERISA

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in respect of which the Borrower or any ERISA Affiliate is, or within the  
immediately preceding six (6) years was, an "employer" as defined in Section  
3(5) of ERISA or the Borrower or any ERISA Affiliate has assumed any liability.

"Potential Event of Default" means an event that has occurred with  
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respect to the Borrower which, with the giving of notice or the lapse of time,  
or both, would constitute an Event of Default.

"Prepayment Date" is defined in Section 4.1(d).  
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"Process Agent" is defined in Section 15.17(a).  
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"Project" means any shopping center, retail property and mixed-use  
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property owned, directly or indirectly, by any of the Consolidated Businesses or  
Minority Holdings.

"Property" means any Real Property or personal property, plant,  
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building, facility, structure, underground storage tank or unit, equipment,  
general intangible, receivable, or other asset owned, leased or operated by any  
Consolidated Business or any Minority Holding (including any surface water  
thereon or adjacent thereto, and soil and groundwater thereunder).

"Pro Rata Share" means, with respect to any Lender, the percentage  
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obtained by dividing (i) the sum of such Lender's Commitment (in each case, as  
adjusted from time to time in accordance with the provisions of this Agreement  
or any Assignment and Acceptance to which such Lender is a party) by (ii) the  
aggregate amount of all of the Commitments.

"RCRA" means the Resource Conservation and Recovery Act of 1976, 42  
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U.S.C. (S)(S) 6901 et seq., any amendments thereto, any successor statutes, and  
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any regulations or guidance promulgated thereunder.

"Real Property" means all of the Borrower's present and future right,  
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title and interest (including, without limitation, any leasehold estate) in (i)  
any plots, pieces or parcels of land, (ii) any Improvements of every nature  
whatsoever (the rights and interests described in clauses (i) and (ii) above  
being the "Premises"), (iii) all easements, rights of way, gores of land or any  
lands occupied by streets, ways, alleys, passages, sewer rights, water courses,  
water rights and powers, and public places adjoining such land, and any

other interests in property constituting appurtenances to the Premises, or which hereafter shall in any way belong, relate or be appurtenant thereto, (iv) all hereditaments, gas, oil, minerals (with the right to extract, sever and remove such gas, oil and minerals), and easements, of every nature whatsoever, located in, on or benefitting the Premises and (v) all other rights and privileges thereunto belonging or appertaining and all extensions, additions, improvements, betterments, renewals, substitutions and replacements to or of any of the rights and interests described in clauses (iii) and (iv) above.

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"Reference Bank" means Chase.  
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"Register" is defined in Section 15.1(c).  
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"Regulation A" means Regulation A of the Federal Reserve Board as in effect from time to time.  
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"Regulation T" means Regulation T of the Federal Reserve Board as in effect from time to time.  
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"Regulation U" means Regulation U of the Federal Reserve Board as in effect from time to time.  
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"Regulation X" means Regulation X of the Federal Reserve Board as in effect from time to time.  
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"REIT" means a domestic trust, corporation or association that qualifies as a real estate investment trust under the provisions of Sections 856, et seq. of the Internal Revenue Code.  
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"Release" means any release, spill, emission, leaking, pumping, pouring, dumping, injection, deposit, disposal, abandonment, or discarding of barrels, containers or other receptacles, discharge, emptying, escape, dispersal, leaching or migration into the indoor or outdoor environment or into or out of any Property, including the movement of Contaminants through or in the air, soil, surface water, groundwater or Property.  
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"Remedial Action" means actions required to (i) clean up, remove, treat or in any other way address  
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Contaminants in the indoor or outdoor environment; (ii) prevent the Release or threat of Release or minimize the further Release of Contaminants; or (iii) investigate and determine if a remedial response is needed and to design such a response and post-remedial investigation, monitoring, operation and maintenance and care.

"Reportable Event" means any of the events described in Section

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4043(b) of ERISA and the regulations promulgated thereunder as in effect from time to time but not including any such event as to which the thirty (30) day notice requirement has been waived by applicable PBGC regulations.

"Requirements of Law" means, as to any Person, the charter and by-laws

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or other organizational or governing documents of such Person, and any law, rule or regulation, or determination of an arbitrator or a court or other Governmental Authority, 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 including, without limitation, the Securities Act, the Securities Exchange Act, Regulations T, U and X, ERISA, the Fair Labor Standards Act, the Worker Adjustment and Retraining Notification Act, Americans with Disabilities Act of 1990, and any certificate of occupancy, zoning ordinance, building, environmental or land use requirement or Permit and Environmental, Health or Safety Requirement of Law.

"Requisite Lenders" means Lenders (without regard to such Lenders'

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performance of their respective obligations hereunder) whose aggregate ratable shares (stated as a percentage) of the aggregate outstanding principal balance of all Loans are greater than sixty-six and two-thirds percent (66.67%).

"Retained Properties" shall mean those real properties more

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particularly described on Schedule 15.23 hereto.

"S&P" means Standard & Poor's Ratings Service.

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"Secured Indebtedness" means any Indebtedness secured by a Lien.  
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"Securities" means any stock, shares, voting trust certificates,  
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partnership interests, bonds, debentures, notes or other evidences of  
indebtedness, secured or unsecured, convertible, subordinated or otherwise, or  
in general any instruments commonly known as "securities", including, without  
limitation, any "security" as such term is defined in Section 8-102 of the  
Uniform Commercial Code, or any certificates of interest, shares, or  
participations in temporary or interim certificates for the purchase or  
acquisition of, or any right to subscribe to, purchase or acquire any of the  
foregoing, but shall not include the Notes or any other evidence of the  
Obligations.

"Securities Act" means the Securities Act of 1933, as amended from  
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time to time, and any successor statute.

"Securities Exchange Act" means the Securities Exchange Act of 1934,  
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as amended from time to time, and any successor statute.

"Solvent", when used with respect to any Person, means that at the  
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time of determination:

(5) the fair saleable value of its assets is in excess of the total  
amount of its liabilities (including, without limitation, contingent  
liabilities); and

(6) the present fair saleable value of its assets is greater than its  
probable liability on its existing debts as such debts become absolute and  
matured; and

(7) it is then able and expects to be able to pay its debts  
(including, without limitation, contingent debts and other commitments) as  
they mature; and

(8) it has capital sufficient to carry on its business as conducted  
and as proposed to be conducted.

"SPG" means SPG Properties, Inc., a Maryland corporation.

"Subsidiary" of a Person means any corporation, limited liability

company, business trust, general or limited partnership, or other entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned or controlled by such Person, one or more of the other subsidiaries of such Person or any combination thereof.

"Syndication Agent" means any Lender who shall be appointed as

Syndication Agent, and each successor Syndication Agent appointed pursuant to the terms of Article XII of this Agreement.

"Taxes" is defined in Section 13.1(a).

"Telerate Page 3750" means the display designated as "Page 3750" on

the Associated Press-Dow Jones Telerate Service (or such other page as may replace Page 3750 on the Associated Press-Dow Jones Telerate Service or such other service as may be nominated by the British Bankers' Association as the information vendor for the purpose of displaying British Bankers' Association interest settlement rates for U.S. Dollar deposits). Any Eurodollar Rate determined on the basis of the rate displayed on Telerate Page 3750 in accordance with the provisions hereof shall be displayed by the Associated Press-Dow Jones Telerate Service within one hour of the time when such rate is first displayed by such service.

"Tenant Allowance" means a cash allowance paid to a tenant by the

landlord pursuant to a Lease or "free rent" granted to a tenant in lieu of a cash payment.

"Termination Date" means the earlier to occur of (i) March 24, 2001

(or, if not a Business Day, the next preceding Business Day); and (ii) the date of termination of the Commitments pursuant to the terms of this Agreement.

"TI Work" means any construction or other "build-out" of tenant

leasehold improvements to the space demised to such tenant under Leases (excluding such tenant's furniture, fixtures and equipment) performed pursuant to the terms of such Leases, whether or not such tenant improvement work is performed by or on behalf of the landlord or as part of a Tenant Allowance.

"Total Adjusted Outstanding Indebtedness" means, for any period, the  
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sum of (i) the amount of Indebtedness of the Consolidated Businesses set forth  
on the then most recent quarterly financial statements of the Borrower and (ii)  
the outstanding amount of Minority Holding Indebtedness allocable in accordance  
with GAAP to any of the Consolidated Businesses as of the time of determination  
and (iii) the Contingent Obligations of the Consolidated Businesses and, to the  
extent allocable to the Consolidated Businesses in accordance with GAAP, of the  
Minority Holdings.

"Total Unsecured Outstanding Indebtedness" means that portion of Total  
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Adjusted Outstanding Indebtedness that is not secured by a Lien.

"Unencumbered Combined EBITDA" means that portion of Combined EBITDA  
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which represents revenues earned from the Management Company (up to 5% of  
Combined EBITDA) or from Real Property that is not subject to or encumbered by  
Secured Indebtedness and is not subject to any agreements (other than those  
agreements more particularly described on Schedule 1.1.5), the effect of which  
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would be to restrict, directly or indirectly, the ability of the owner of such  
Property from granting Liens thereon, calculated on the first day of each fiscal  
quarter for the four immediately preceding consecutive fiscal quarters.

"Uniform Commercial Code" means the Uniform Commercial Code as enacted  
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in the State of New York, as it may be amended from time to time.

"Unsecured Debt Yield" is defined in Section 10.12(e).  
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"Unsecured Interest Expense" means the interest expense incurred on  
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the Total Unsecured Outstanding Indebtedness.

1.2 Computation of Time Periods. In this Agreement, in the  
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computation of periods of time from a specified date to a later specified date,  
the word "from" means "from and including" and the words "to" and "until" each  
mean "to but excluding". Periods of days referred to in this Agreement shall be  
counted in calendar days unless Business Days are expressly prescribed. Any  
period determined hereunder by reference to a month or months or year or years  
shall end on the day in the relevant calendar month in the relevant year, if  
applicable, immediately preceding the date numerically corresponding to the  
first day of such period, provided that if such period commences on the last day  
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of a calendar month (or on a day for which there is no numerically corresponding  
day in the calendar month during which such period is to end), such period  
shall, unless otherwise expressly required by the other provisions of this  
Agreement, end on the last day of the calendar month.



1.3 Accounting Terms. Subject to Section 15.4, for purposes of this

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Agreement, all accounting terms not otherwise defined herein shall have the meanings assigned to them in conformity with GAAP.

1.4 Other Terms. All other terms contained in this Agreement shall,

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unless the context indicates otherwise, have the meanings assigned to such terms by the Uniform Commercial Code to the extent the same are defined therein.

ARTICLE II  
AMOUNTS AND TERMS OF LOANS

1.5 Loans.

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(1) Availability. Subject to the terms and conditions set forth in

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this Agreement, each Lender hereby severally and not jointly agrees to make loans, in Dollars (each individually, a "Loan" and, collectively, the "Loans")

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to the Borrower as of the Closing Date, in an amount equal to such Lender's Pro Rata Share of the Commitments. All Loans comprising the same Borrowing under this Agreement shall be made by the Lenders simultaneously and proportionately to their then respective Pro Rata Shares, it being understood that no Lender shall be responsible for any failure by any other Lender to perform its obligation to make a Loan hereunder nor shall the Commitment of any Lender be increased or decreased as a result of any such failure. Subject to the provisions of this Agreement, the Borrower may repay any outstanding Loan on any day which is a Business Day and any amounts so repaid may not be reborrowed.

(2) Notice of Borrowing. The Borrower shall deliver to the

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Administrative Agent a Notice of Borrowing, signed by it no later than 12:00 noon (New York time) at least three (3) Business Days in advance of the Closing Date, in the case of a Borrowing of Eurodollar Rate Loans. Such Notice of Borrowing shall specify (i) whether the proposed Borrowing will be of Base Rate Loans or Eurodollar Rate Loans, (ii) in the case of Eurodollar Rate Loans, the requested Eurodollar Interest Period, and (iii) instructions for the disbursement of the proceeds of the proposed Borrowing. The Notice of Borrowing given pursuant to this Section 2.1(b) shall be irrevocable.

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(3) Making of Loans. (i) Promptly after receipt of the Notice of

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Borrowing under Section 2.1(b) (or telephonic notice in lieu thereof), the

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Administrative Agent shall notify each Lender by facsimile transmission, or other similar form of

transmission, of the proposed Borrowing (which notice to the Lenders, in the case of a Borrowing of Eurodollar Rate Loans, shall be at least three (3) Business Days in advance of the Closing Date). Each Lender shall deposit an amount equal to its Pro Rata Share of the Borrowing requested by the Borrower with the Administrative Agent at its office in New York, New York, in immediately available funds, not later than 12:00 noon (New York time) on the Closing Date. Subject to the fulfillment of the conditions precedent set forth in Section 6.1 or Section 6.2, as applicable, the Administrative Agent shall

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make the proceeds of such amounts received by it available to the Borrower at the Administrative Agent's office in New York, New York on the Closing Date and shall disburse such proceeds in accordance with the Borrower's disbursement instructions set forth in the Notice of Borrowing. The failure of any Lender to deposit the amount described above with the Administrative Agent on the Closing Date shall not relieve any other Lender of its obligations hereunder to make its Loan on the Closing Date. In the event the conditions precedent set forth in Section 6.1 or 6.2 are not fulfilled as of the Closing Date for the Borrowing, the Administrative Agent shall promptly return, by wire transfer of immediately available funds, the amount deposited by each Lender to such Lender.

(ii) Unless the Administrative Agent shall have been notified by any Lender on the Business Day immediately preceding the Closing Date that such Lender does not intend to fund its Loan requested to be made on the Closing Date, the Administrative Agent may assume that such Lender has funded its Loan and is depositing the proceeds thereof with the Administrative Agent on the Closing Date, and the Administrative Agent in its sole discretion may, but shall not be obligated to, disburse a corresponding amount to the Borrower on the Closing Date. If the Loan proceeds corresponding to that amount are advanced to the Borrower by the Administrative Agent but are not in fact deposited with the Administrative Agent by such Lender on or prior to the Closing Date, such Lender agrees to pay, and in addition the Borrower agrees to repay, to the Administrative Agent forthwith on demand such corresponding amount, together with interest thereon, for each day from the date such amount is disbursed to or for the benefit of the Borrower until the date such amount is paid or repaid to the Administrative Agent, at the interest rate applicable to such Borrowing. If such Lender shall pay to the Administrative Agent the corresponding amount, the amount so paid shall constitute such Lender's Loan, and if both such Lender and the Borrower shall pay and repay such corresponding amount, the Administrative Agent shall promptly pay to the Borrower such corresponding amount. This Section

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2.1(c)(ii) does not relieve any Lender of its obligation to make its Loan on the Closing Date.

1.6 Intentionally Omitted.  
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1.7 Use of Proceeds of Loans. The proceeds of the Loans issued for

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the account of the Borrower hereunder may be used for the purpose of refinancing of existing Indebtedness; which purpose shall be a lawful general corporate, partnership and working capital purpose of the Borrower.

1.8 Termination Date. The Commitments shall terminate on the Closing

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Date, and all outstanding Obligations shall be paid in full, on the Termination Date.

1.9 Intentionally Ommitted.

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1.10 Maximum Credit Facility. Notwithstanding anything in this

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Agreement to the contrary, in no event shall the aggregate principal Obligations exceed the aggregate Commitments.

1.11 Authorized Agents. On the Closing Date and from time to time

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thereafter, the Borrower shall deliver to the Administrative Agent an Officer's Certificate setting forth the names of the employees and agents authorized to request a conversion/continuation of any Loan and containing a specimen signature of each such employee or agent. The employees and agents so authorized shall also be authorized to act for the Borrower in respect of all other matters relating to the Loan Documents. The Administrative Agent and the Lenders shall be entitled to rely conclusively on such employee's or agent's authority to request such Loan or such conversion/continuation until the Administrative Agent receive written notice to the contrary. The Administrative Agent shall not have any duty to verify the authenticity of the signature appearing on any written Notice of Borrowing or Notice of Conversion/Continuation or any other document, and, with respect to an oral request for such conversion/continuation, the Administrative Agent shall have no duty to verify the identity of any person representing himself or herself as one of the employees or agents authorized to make such request or otherwise to act on behalf of the Borrower. None of the Administrative Agent or the Lenders shall incur any liability to the Borrower or any other Person in acting upon any telephonic or facsimile notice referred to above which the Administrative Agent believes to have been given by a person duly authorized to act on behalf of the Borrower and the Borrower hereby indemnifies and holds harmless the Administrative Agent and each other Lender from any loss or expense the Administrative Agent or the Lenders might incur in acting in good faith as provided in this Section 2.7.

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ARTICLE III  
INTENTIONALLY OMITTED

ARTICLE IV  
PAYMENTS AND PREPAYMENTS

1.12 Prepayments.

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(1) Voluntary Prepayments. The Borrower may, at any time and from

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time to time, prepay the Loans in part or in their entirety, subject to the following limitations. The Borrower shall give at least five (5) Business Days' prior written notice to the Administrative Agent (which the Administrative Agent shall promptly transmit to each Lender) of any prepayment in the entirety to be made prior to the occurrence of an Event of Default, which notice of prepayment shall specify the date (which shall be a Business Day) of prepayment. When notice of prepayment is delivered as provided herein, the outstanding principal amount of the Loans on the prepayment date specified in the notice shall become due and payable on such prepayment date. Each voluntary partial prepayment of the Loans shall be in a minimum amount of \$1,000,000 and in integral multiples of \$1,000,000 in excess of that amount. Eurodollar Rate Loans may be prepaid in part or in their entirety only upon payment of the amounts described in Section

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5.2(f). Any amount so prepaid pursuant to this Section 4.1(a) may not be

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reborrowed.

(2) Intentionally Omitted.

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(3) No Penalty. The prepayments and payments in respect of reductions

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described in clause (a) of this Section 4.1 may be made without premium or

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penalty (except as provided in Section 5.2(f)).

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(4) Mandatory Prepayment. If at any time from and after the Closing

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Date: (i) the Borrower merges or consolidates with another Person in violation of Section 10.7 hereof, or (ii) the Borrower or any Consolidated Business sells, transfers, assigns or conveys assets, the book value of which (computed in accordance with GAAP but without deduction for depreciation), in the aggregate of all such sales, transfers, assignments, foreclosures, or conveyances exceeds 30% of the Capitalization Value, or (iii) the portion of Capitalization Value attributable to the aggregate Limited Minority Holdings (but excluding the Borrower's interest in Pentagon Fashion Center) of the Borrower and its Consolidated Businesses exceed 20% of Capitalization Value, or (iv) the Borrower or the Management Company

ceases to provide directly or through their Affiliates property management and leasing services to at least 33% of the total number of shopping centers in which the Borrower has an ownership interest (the date any such event shall occur being the "Prepayment Date"), the Borrower shall be required to prepay the

Loans in their entirety as if the Prepayment Date were the Termination Date. The Borrower shall immediately make such prepayment together with interest accrued to the date of the prepayment on the principal amount prepaid. In connection with the prepayment of any Loan prior to the maturity thereof, the Borrower shall also pay any applicable expenses pursuant to Section 5.2(f). Each such

prepayment shall be applied to prepay ratably the Loans of the Lenders. Amounts prepaid pursuant to this Section 4.1(d) may not be reborrowed. As used in this

Section 4.1(d) only, the phrase "sells, transfers, assigns or conveys" shall not

include (i) sales or conveyances among Borrower and any Consolidated Businesses, or (ii) mortgages secured by Real Property. Any amount so prepaid pursuant to this Section 4.1(d) may not be reborrowed.

1.13 Payments.

(1) Manner and Time of Payment. All payments of principal of and

interest on the Loans and other Obligations (including, without limitation, fees and expenses) which are payable to the Administrative Agent or any other Lender shall be made without condition or reservation of right, in immediately available funds, delivered to the Administrative Agent not later than 12:00 noon (New York time) on the date and at the place due, to such account of the Administrative Agent as it may designate, for the account of the Administrative Agent or such other Lender, as the case may be; and funds received by the Administrative Agent, not later than 12:00 noon (New York time) on any given Business Day shall be credited against payment to be made that day and funds received by the Administrative Agent after that time shall be deemed to have been paid on the next succeeding Business Day. Payments actually received by the Administrative Agent for the account of the Lenders, or any of them, shall be paid to them by the Administrative Agent promptly after receipt thereof, in immediately available funds.

(2) Apportionment of Payments. (i) Subject to the provisions of

Section 4.2(b)(iv), all payments of principal and interest in respect of outstanding Loans, all payments of fees and all other payments in respect of any other Obligations, shall be allocated among such of the Lenders as are entitled thereto, in proportion to their respective Pro Rata Shares or otherwise as provided herein. Subject to the provisions of Section 4.2(b)(ii), all such payments and any other amounts received by the Administrative Agent from or for the benefit of the Borrower shall be applied in the following order:

(1) to pay principal of and interest on any portion of the Loans which the Administrative Agent may have advanced on behalf of any Lender other than itself for which the Administrative Agent has not then been reimbursed by such Lender or the Borrower,

(2) to pay all other Obligations then due and payable and

(3) as the Borrower so designates.

Unless otherwise designated by the Borrower, all principal payments in respect of Loans shall be applied first, to repay outstanding Base Rate Loans, and then

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to repay outstanding Eurodollar Rate Loans, with those Eurodollar Rate Loans which have earlier expiring Interest Periods being repaid prior to those which have later expiring Interest Periods.

(ii) After the occurrence of an Event of Default and while the same is continuing, the Administrative Agent shall apply all payments in respect of any Obligations in the following order:

(4) first, to pay principal of and interest on any portion of the Loans which the Administrative Agent may have advanced on behalf of any Lender other than itself for which the Administrative Agent has not then been reimbursed by such Lender or the Borrower;

(5) second, to pay Obligations in respect of any fees, expense reimbursements or indemnities then due to the Administrative Agent;

(6) third, to pay Obligations in respect of any fees, expense reimbursements or indemnities then due to the Lenders;

(7) fourth, to pay interest due in respect of Loans;

(8) fifth, to the ratable payment or prepayment of principal outstanding on Loans; and

(9) sixth, to the ratable payment of all other Obligations.

The order of priority set forth in this Section 4.2(b)(ii) and the related

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provisions of this Agreement are set forth solely to determine the rights and priorities of the

Administrative Agent, the other Lenders and other Holders as among themselves.  
The order of priority set forth in clauses (C) through (G) of this Section

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4.2(b)(ii) may at any time and from time to time be changed by the Requisite

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Lenders without necessity of notice to or consent of or approval by the  
Borrower, any Holder which is not a Lender, or any other Person. The order of  
priority set forth in clauses (A) and (B) of this Section 4.2(b)(ii) may be

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changed only with the prior written consent of the Administrative Agent.

(iii) Subject to Section 4.2(b)(iv), the Administrative Agent shall

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promptly distribute to each other Lender at its primary address set forth on the  
appropriate signature page hereof or the signature page to the Assignment and  
Acceptance by which it became a Lender, or at such other address as a Lender or  
other Holder may request in writing, such funds as such Person may be entitled  
to receive, subject to the provisions of Article XII; provided that the

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Administrative Agent shall under no circumstances be bound to inquire into or  
determine the validity, scope or priority of any interest or entitlement of any  
Holder and may suspend all payments or seek appropriate relief (including,  
without limitation, instructions from the Requisite Lenders or an action in the  
nature of interpleader) in the event of any doubt or dispute as to any  
apportionment or distribution contemplated hereby.

(iv) In the event that any Lender fails to fund its Pro Rata Share of  
any Loan requested by the Borrower which such Lender is obligated to fund under  
the terms of this Agreement (the funded portion of such Loan being hereinafter  
referred to as a "Non Pro Rata Loan"), until the earlier of such Lender's cure

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of such failure and the termination of the Commitments, the proceeds of all  
amounts thereafter repaid to the Administrative Agent by the Borrower and  
otherwise required to be applied to such Lender's share of all other Obligations  
pursuant to the terms of this Agreement shall be advanced to the Borrower by the  
Administrative Agent on behalf of such Lender to cure, in full or in part, such  
failure by such Lender, but shall nevertheless be deemed to have been paid to  
such Lender in satisfaction of such other Obligations. Notwithstanding anything  
in this Agreement to the contrary:

(10) the foregoing provisions of this Section 4.2(b)(iv) shall apply

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only with respect to the proceeds of payments of Obligations and shall not  
affect the conversion or continuation of Loans pursuant to Section 5.1(c);

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(11) a Lender shall be deemed to have cured its failure to fund its  
Pro Rata Share of any Loan at such time as an amount equal to such Lender's  
original Pro Rata Share of the requested principal portion of such Loan is  
fully funded to the Borrower, whether made by such Lender itself or by  
operation of

the terms of this Section 4.2(b)(iv), and whether or not the

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Non Pro Rata Loan with respect thereto has been repaid, converted or continued;

(12) amounts advanced to the Borrower to cure, in full or in part, any such Lender's failure to fund its Pro Rata Share of any Loan ("Cure Loans")

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shall bear interest at the Base Rate in effect from time to time, and for all other purposes of this Agreement shall be treated as if they were Base Rate Loans; and

(13) regardless of whether or not an Event of Default has occurred or is continuing, and notwithstanding the instructions of the Borrower as to its desired application, all repayments of principal which, in accordance with the other terms of this Section 4.2, would be applied to the

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outstanding Base Rate Loans shall be applied first, ratably to all Base

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Rate Loans constituting Non Pro Rata Loans, second, ratably to Base Rate

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Loans other than those constituting Non Pro Rata Loans or Cure Loans and, third, ratably to Base Rate Loans constituting Cure Loans.

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(3) Payments on Non-Business Days. Whenever any payment to be made by

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the Borrower hereunder or under the Notes is stated to be due on a day which is not a Business Day, the payment shall instead be due on the next succeeding Business Day (or, as set forth in Section 5.2(b)(iii), the next preceding

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Business Day).

1.14 Promise to Repay; Evidence of Indebtedness.  
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(1) Promise to Repay. The Borrower and the Company, jointly and

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severally, each hereby agrees to pay when due the principal amount of each Loan which is made to it, and further agrees to pay all unpaid interest accrued thereon, in accordance with the terms of this Agreement and the Notes. The Borrower shall execute and deliver to each Lender on the Closing Date, a promissory note, in form and substance acceptable to the Administrative Agent and such Lender, evidencing the Loans and thereafter shall execute and deliver such other promissory notes as are necessary to evidence the Loans owing to the Lenders after giving effect to any assignment thereof pursuant to Section 15.1,

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all in form and substance acceptable to the Administrative Agent and the parties to such assignment (all such promissory notes and all amendments thereto, replacements thereof and substitutions therefor being collectively referred to as the "Notes"; and "Note" means any one of the Notes).

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(2) Loan Account. Each Lender shall maintain in accordance with its

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usual practice an account or accounts (a "Loan Account") evidencing the



Indebtedness of the Borrower to such Lender resulting from each Loan owing to such Lender from time to time, including the amount of principal and interest payable and paid to such Lender from time to time hereunder and under the Notes. Notwithstanding the foregoing, the failure by any Lender to maintain a Loan Account shall in no way affect the Borrower's obligations hereunder, including, without limitation, the obligation to repay the Obligations.

(3) Control Account. The Register maintained by the Administrative Agent pursuant to Section 15.1(c) shall include a control account, and a subsidiary account for each Lender, in which accounts (taken together) shall be recorded (i) the date and amount of each Borrowing made hereunder, the type of Loan comprising such Borrowing and any Eurodollar Interest Period applicable thereto, (ii) the effective date and amount of each Assignment and Acceptance delivered to and accepted by it and the parties thereto, (iii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder or under the Notes and (iv) the amount of any sum received by the Administrative Agent from the Borrower hereunder and each Lender's share thereof.

(4) Entries Binding. The entries made in the Register and each Loan Account shall be conclusive and binding for all purposes, absent manifest error.

(5) No Recourse to Limited Partners or Certain General Partners. Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed that nothing herein or in the Notes shall be construed as creating any liability on any Limited Partner, any General Partner other than the Company, or any partner, officer, shareholder or director of any Limited Partner or any General Partner, to pay any of the Obligations other than liability arising from or in connection with (i) fraud or (ii) the misappropriation or misapplication of proceeds of the Loans; but nothing contained in this Section 4.3(e) shall be construed to prevent the exercise of any remedy allowed to the Administrative Agent or the Lenders by law or by the terms of this Agreement or the other Loan Documents which does not relate to or result in such an obligation by any Limited Partner or any General Partner (or any partner, officer, shareholder or director of any Limited Partner or any General Partner) to pay money.

ARTICLE V  
INTEREST AND FEES

1.15 Interest on the Loans and other Obligations.

(1) Rate of Interest. All Loans and the outstanding principal

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balance of all other Obligations shall bear interest on the unpaid principal amount thereof from the date such Loans are made and such other Obligations are due and payable until paid in full, except as otherwise provided in Section

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5.1(d), as follows:

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(1) If a Base Rate Loan or such other Obligation, at a rate per annum equal to the sum of (A) the Base Rate, as in effect from time to time as interest accrues, plus (B) the then Applicable Margin for Base Rate Loans;

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and

(2) If a Eurodollar Rate Loan, at a rate per annum equal to the sum of (A) the Eurodollar Rate determined for the applicable Eurodollar Interest Period, plus (B) the then Applicable Margin for Eurodollar Rate

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Loans.

The applicable basis for determining the rate of interest on the Loans shall be selected by the Borrower at the time the Notice of Borrowing or a Notice of Conversion/Continuation is delivered by the Borrower to the Administrative Agent; provided, however, the Borrower may not select the Eurodollar Rate as the

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applicable basis for determining the rate of interest on such a Loan if at the time of such selection an Event of Default or a Potential Event of Default would occur or has occurred and is continuing and further provided that, from and

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after the occurrence of an Event of Default or a Potential Event of Default, each Eurodollar Rate Loan then outstanding may, at the Administrative Agent's option, convert to a Base Rate Loan. If on any day any Loan is outstanding with respect to which notice has not been timely delivered to the Administrative Agent in accordance with the terms of this Agreement specifying the basis for determining the rate of interest on that day, then for that day interest on that Loan shall be determined by reference to the Base Rate.

(2) Interest Payments. (i) Interest accrued on each Loan shall be

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calculated on the last day of each calendar month and shall be payable in arrears (A) on the first day of each calendar month, commencing on the first such day following the making of such Loan, and (B) if not theretofore paid in full, at maturity (whether by acceleration or otherwise) of such Loan.

(ii) Interest accrued on the principal balance of all other Obligations shall be calculated on the last day of each calendar month and shall be payable in arrears (A) on the first day of each calendar month, commencing on the first such day following the incurrence of such Obligation, (B) upon repayment thereof in full or in part, and (C) if not theretofore paid in full, at the time such other Obligation becomes due and payable (whether by acceleration or otherwise).

(3) Conversion or Continuation. (i) The Borrower shall have the

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option (A) to convert at any time all or any part of outstanding Base Rate Loans to Eurodollar Rate Loans; (B) to convert all or any part of outstanding Eurodollar Rate Loans having Eurodollar Interest Periods which expire on the same date to Base Rate Loans on such expiration date; (C) to continue all or any part of outstanding Eurodollar Rate Loans having Eurodollar Interest Periods which expire on the same date as Eurodollar Rate Loans, and the succeeding Eurodollar Interest Period of such continued Loans shall commence on such expiration date; provided, however, no such outstanding Loan may be continued

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as, or be converted into, a Eurodollar Rate Loan (i) if the continuation of, or the conversion into, would violate any of the provisions of Section 5.2 or (ii)

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if an Event of Default or a Potential Event of Default would occur or has occurred and is continuing. Any conversion into or continuation of Eurodollar Rate Loans under this Section 5.1(c) shall be in a minimum amount of \$1,000,000

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and in integral multiples of \$100,000 in excess of that amount, except in the case of a conversion into or a continuation of an entire Borrowing of Non Pro Rata Loans.

(ii) To convert or continue a Loan under Section 5.1(c)(i), the

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Borrower shall deliver a Notice of Conversion/Continuation to the Administrative Agent no later than 11:00 a.m. (New York time) at least three (3) Business Days in advance of the proposed conversion/continuation date. A Notice of Conversion/Continuation shall specify (A) the proposed conversion/continuation date (which shall be a Business Day), (B) the principal amount of the Loan to be converted/continued, (C) whether such Loan shall be converted and/or continued, and (D) in the case of a conversion to, or continuation of, a Eurodollar Rate Loan, the requested Eurodollar Interest Period. In lieu of delivering a Notice of Conversion/Continuation, the Borrower may give the Administrative Agent telephonic notice of any proposed conversion/continuation by the time required under this Section 5.1(c)(ii), if the Borrower confirms such notice by delivery

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of the Notice of Conversion/Continuation to the Administrative Agent by facsimile transmission promptly, but in no event later than 3:00 p.m. (New York time) on the same day. Promptly after receipt of a Notice of Conversion/Continuation under this Section 5.1(c)(ii) (or telephonic notice in

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lieu thereof), the Administrative Agent shall notify each Lender by facsimile transmission, or other similar form of transmission, of the proposed conversion/continuation. Any Notice of Conversion/Continuation for conversion to, or continuation of, a Loan (or telephonic notice in lieu thereof) given pursuant to this Section 5.1(c)(ii) shall be irrevocable, and the Borrower shall

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be bound to convert or continue in accordance therewith. In the event no Notice of Conversion/Continuation is delivered as and when specified in this Section

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5.1(c)(ii) with respect to outstanding Eurodollar Rate Loans, upon the

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expiration of the Interest Period applicable thereto, such Loans shall automatically be continued as Eurodollar

Rate Loans with a Eurodollar Interest Period of thirty (30) days; provided,  
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however, no such outstanding Loan may be continued as, or be converted into, a  
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Eurodollar Rate Loan (i) if the continuation of, or the conversion into, would  
violate any of the provisions of Section 5.2 or (ii) if an Event of Default or a  
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Potential Event of Default would occur or has occurred and is continuing.

(4) Default Interest. Notwithstanding the rates of interest  
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specified in Section 5.1(a) or elsewhere in this Agreement, effective  
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immediately upon the occurrence of an Event of Default, and for as long  
thereafter as such Event of Default shall be continuing, the principal balance  
of all Loans and other Obligations shall bear interest at a rate equal to the  
sum of (A) the Base Rate, as in effect from time to time as interest accrues,  
plus (B) four percent (4.0%) per annum.  
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(5) Computation of Interest. Interest on all Obligations shall be  
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computed on the basis of the actual number of days elapsed in the period during  
which interest accrues and a year of 360 days. In computing interest on any  
Loan, the date of the making of the Loan or the first day of a Eurodollar  
Interest Period, as the case may be, shall be included and the date of payment  
or the expiration date of a Eurodollar Interest Period, as the case may be,  
shall be excluded.

(6) Eurodollar Rate Information. Upon the reasonable request of the  
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Borrower from time to time, the Administrative Agent shall promptly provide to  
the Borrower such information with respect to the applicable Eurodollar Rate as  
may be so requested.

1.16 Special Provisions Governing Eurodollar Rate Loans.  
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(1) Amount of Eurodollar Rate Loans. Each Eurodollar Rate Loan  
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shall be in a minimum principal amount of \$1,500,000 and in integral multiples  
of \$100,000 in excess of that amount.

(2) Determination of Eurodollar Interest Period. By giving notice  
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as set forth in Section 2.1(b) (with respect to a Borrowing of Eurodollar Rate  
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Loans), or Section 5.1(c) (with respect to a conversion into or continuation of  
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Eurodollar Rate Loans), the Borrower shall have the option, subject to the other  
provisions of this Section 5.2, to select an interest period (each, an "Interest  
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Period") to apply to the Loans described in such notice, subject to the  
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following provisions:

(1) The Borrower may only select, as to a particular Borrowing of  
Eurodollar Rate Loans, an Interest Period (each, a "Eurodollar Interest Pe-  
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riod") of one, two, three or six months in duration or, with the prior  
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written consent of the Administrative Agent, a shorter or a longer duration

(2) In the case of immediately successive Eurodollar Interest Periods applicable to a Borrowing of Eurodollar Rate Loans, each successive Eurodollar Interest Period shall commence on the day on which the next preceding Eurodollar Interest Period expires;

(3) If any Eurodollar Interest Period would otherwise expire on a day which is not a Business Day, such Eurodollar Interest Period shall be extended to expire on the next succeeding Business Day if the next succeeding Business Day occurs in the same calendar month, and if there will be no succeeding Business Day in such calendar month, the Eurodollar Interest Period shall expire on the immediately preceding Business Day;

(4) The Borrower may not select an Interest Period as to any Loan if such Interest Period terminates later than the Termination Date; and

(5) There shall be no more than four (4) Interest Periods in effect at any one time with respect to Eurodollar Rate Loans.

(3) Determination of Eurodollar Interest Rate. As soon as practicable  
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on the second Business Day prior to the first day of each Eurodollar Interest Period (the "Eurodollar Interest Rate Determination Date"), the Administrative  
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Agent shall determine (pursuant to the procedures set forth in the definition of "Eurodollar Rate") the interest rate which shall apply to the Eurodollar Rate Loans for which an interest rate is then being determined for the applicable Eurodollar Interest Period and shall promptly give notice thereof (in writing or by telephone confirmed in writing) to the Borrower and to each Lender. The Administrative Agent's determination shall be presumed to be correct, absent manifest error, and shall be binding upon the Borrower.

(4) Interest Rate Unascertainable, Inadequate or Unfair. In the event  
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that at least one (1) Business Day before a Eurodollar Interest Rate Determination Date:

(1) the Administrative Agent is advised by the Reference Bank that deposits in Dollars (in the applicable amounts) are not being offered by the Reference Bank in the London interbank market for such Eurodollar Interest Period; or

(2) the Administrative Agent determines that adequate and fair means do not exist for ascertaining the applicable interest rates by reference to which the Eurodollar Rate then being determined is to be fixed; or

(3) the Requisite Lenders advise the Administrative Agent that the Eurodollar Rate for Eurodollar Rate Loans comprising such Borrowing will not adequately reflect the cost to such Requisite Lenders of obtaining funds in Dollars in the London interbank market in the amount substantially equal to such Lenders' Eurodollar Rate Loans in Dollars and for a period equal to such Eurodollar Interest Period;

then the Administrative Agent shall forthwith give notice thereof to the Borrower, whereupon (until the Administrative Agent notifies the Borrower that the circumstances giving rise to such suspension no longer exist) the right of the Borrower to elect to have Loans bear interest based upon the Eurodollar Rate shall be suspended and each outstanding Eurodollar Rate Loan shall be converted into a Base Rate Loan on the last day of the then current Interest Period therefor, notwithstanding any prior election by the Borrower to the contrary.

(5) Illegality. (i) If at any time any Lender determines (which

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determination shall, absent manifest error, be final and conclusive and binding upon all parties) that the making or continuation of any Eurodollar Rate Loan has become unlawful or impermissible by compliance by that Lender with any law, governmental rule, regulation or order of any Governmental Authority (whether or not having the force of law and whether or not failure to comply therewith would be unlawful or would result in costs or penalties), then, and in any such event, such Lender may give notice of that determination, in writing, to the Borrower and the Administrative Agent, and the Administrative Agent shall promptly transmit the notice to each other Lender.

(ii) When notice is given by a Lender under Section 5.2(e)(i), (A)

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the Borrower's right to request from such Lender and such Lender's obligation, if any, to make Eurodollar Rate Loans shall be immediately suspended, and such Lender shall make a Base Rate Loan as part of any requested Borrowing of Eurodollar Rate Loans and (B) if the affected Eurodollar Rate Loans are then outstanding, the Borrower shall immediately, or if permitted by applicable law, no later than the date permitted thereby, upon at least one (1) Business Day's prior written notice to the Administrative Agent and the affected Lender, convert each such Loan into a Base Rate Loan.

(iii) If at any time after a Lender gives notice under Section

5.2(e)(i) such Lender determines that it may lawfully make Eurodollar Rate

Loans, such Lender shall promptly give notice of that determination, in writing, to the Borrower and the Administrative Agent, and the Administrative Agent shall promptly transmit the notice to each other Lender. The Borrower's right to request, and such Lender's obligation, if any, to make Eurodollar Rate Loans shall thereupon be restored.

(6) Compensation. In addition to all amounts required to be paid by

the Borrower pursuant to Section 5.1 and Article XIII, the Borrower shall

compensate each Lender, upon demand, for all losses, expenses and liabilities (including, without limitation, any loss or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund or maintain such Lender's Eurodollar Rate Loans to the Borrower but excluding any loss of Applicable Margin on the relevant Loans) which that Lender may sustain (i) if for any reason a Borrowing, conversion into or continuation of Eurodollar Rate Loans does not occur on a date specified therefor in a Notice of Borrowing or a Notice of Conversion/Continuation given by the Borrower or in a telephonic request by it for borrowing or conversion/ continuation or a successive Eurodollar Interest Period does not commence after notice therefor is given pursuant to Section 5.1(c), including, without limitation, pursuant to

Section 5.2(d), (ii) if for any reason any Eurodollar Rate Loan is prepaid

(including, without limitation, mandatorily pursuant to Section 4.1(d)) on a

date which is not the last day of the applicable Interest Period, (iii) as a consequence of a required conversion of a Eurodollar Rate Loan to a Base Rate Loan as a result of any of the events indicated in Section 5.2(d), or (iv) as a

consequence of any failure by the Borrower to repay a Eurodollar Rate Loan when required by the terms of this Agreement. The Lender making demand for such compensation shall deliver to the Borrower concurrently with such demand a written statement in reasonable detail as to such losses, expenses and liabilities, and this statement shall be conclusive as to the amount of compensation due to that Lender, absent manifest error.

(7) Booking of Eurodollar Rate Loans. Any Lender may make, carry or

transfer Eurodollar Rate Loans at, to, or for the account of, its Eurodollar Lending Office or Eurodollar Affiliate or its other offices or Affiliates. No Lender shall be entitled, however, to receive any greater amount under Sections 4.2 or 5.2(f) or Article XIII as a result of the transfer of any such Eurodollar

Rate Loan to any office (other than such Eurodollar Lending Office) or any Affiliate (other than such Eurodollar Affiliate) than such Lender would have been entitled to receive immediately prior thereto, unless (i) the transfer occurred at a time when circum-

stances giving rise to the claim for such greater amount did not exist and (ii) such claim would have arisen even if such transfer had not occurred.

(8) Affiliates Not Obligated. No Eurodollar Affiliate or other  
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Affiliate of any Lender shall be deemed a party to this Agreement or shall have any liability or obligation under this Agreement.

(9) Adjusted Eurodollar Rate. Any failure by any Lender to take into  
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account the Eurodollar Reserve Percentage when calculating interest due on Eurodollar Rate Loans shall not constitute, whether by course of dealing or otherwise, a waiver by such Lender of its right to collect such amount for any future period.

1.17 Fees.  
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(1) Facility Fee. Borrower shall pay to the Administrative Agent,  
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for the account of the Lenders based on their respective Pro Rata Shares, a fee (the "Facility Fee"), accruing at a per annum rate equal to the then applicable  
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Facility Fee Percentage on the aggregate outstanding Loans, such fee being payable monthly, in arrears, commencing on the first day of the month next succeeding the Closing Date and on the first day of each month thereafter. Notwithstanding the foregoing, in the event that any Lender fails to fund its Pro Rata Share of any Loan requested by the Borrower which such Lender is obligated to fund under the terms of this Agreement, (A) such Lender shall not be entitled to any portion of the Facility Fee with respect to its Commitment until such failure has been cured in accordance with Section 4.2(b)(iv)(B) and  
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(B) until such time, the Facility Fee shall accrue in favor of the Lenders which have funded their respective Pro Rata Shares of such requested Loan, shall be allocated among such performing Lenders ratably based upon their relative Commitments, and shall be calculated based upon the average amount by which the aggregate Commitments of such performing Lenders exceeds the outstanding principal amount of the Loans owing to such performing Lenders.

(2) Calculation and Payment of Fees. All fees shall be calculated on  
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the basis of the actual number of days elapsed in a 360-day year. All fees shall be payable in addition to, and not in lieu of, interest, compensation, expense reimbursements, indemnification and other Obligations. Fees shall be payable to the Administrative Agent at its office in New York, New York in immediately available funds. All fees shall be fully earned and nonrefundable when paid. All fees due to any other Lender, including, without limitation, those referred to in this Section 5.3, shall bear interest, if not paid when due, at the interest  
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rate specified in Section 5.1(d) and shall constitute Obligations.  
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ARTICLE VI  
CONDITIONS TO LOANS

1.18 Conditions Precedent to the Loans. The obligation of each

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Lender on the Closing Date to make any Loan requested to be made by it shall be subject to the satisfaction of all of the following conditions precedent:

(1) Documents. The Administrative Agent shall have received on or

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before the Closing Date all of the following:

(1) this Agreement, the Notes, and, to the extent not otherwise specifically referenced in this Section 6.1(a), all other Loan Documents

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and agreements, documents and instruments described in the List of Closing Documents attached hereto as Exhibit E and made a part hereof, each duly

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executed and in recordable form, where appropriate, and in form and substance satisfactory to the Administrative Agent; without limiting the foregoing, the Borrower hereby directs its legal counsel to prepare and deliver to the Agents, the Lenders, and Skadden, Arps, Slate, Meagher & Flom LLP the legal opinions referred to in such List of Closing Documents; and

(2) such additional documentation as the Administrative Agent may reasonably request.

(2) No Legal Impediments. No law, regulation, order, judgment or

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decree of any Governmental Authority shall, and the Administrative Agent shall not have received any notice that litigation is pending or threatened which is likely to (i) enjoin, prohibit or restrain the making of the Loans on the Closing Date or (ii) impose or result in the imposition of a Material Adverse Effect.

(3) No Change in Condition. No change in the business, assets,

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management, operations, financial condition or prospects of the Borrower or any of its Properties shall have occurred since September 30, 1999, which change, in the judgment of the Administrative Agent, will have or is reasonably likely to have a Material Adverse Effect.

(4) Interim Liabilities and Equity. Except as disclosed to the

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Lenders, since September 30, 1999, neither the Borrower nor the Company shall have (i) entered into any material (as determined in good faith by the Administrative Agent)

commitment or transaction, including, without limitation, transactions for borrowings and capital expenditures, which are not in the ordinary course of the Borrower's business, (ii) declared or paid any dividends or other distributions other than in the ordinary course of business, (iii) established compensation or employee benefit plans, or (iv) redeemed or issued any equity Securities.

(5) No Loss of Material Agreements and Licenses. Since September 30, -----  
1999, no agreement or license relating to the business, operations or employee relations of the Borrower or any of its Properties shall have been terminated, modified, revoked, breached or declared to be in default, the termination, modification, revocation, breach or default under which, in the reasonable judgment of the Administrative Agent, would result in a Material Adverse Effect.

(6) No Market Changes. Since [February 29, 2000], no material -----  
adverse change shall have occurred in the conditions in the capital markets or the market for loan syndications generally.

(7) No Default. No Event of Default or Potential Event of Default -----  
shall have occurred and be continuing or would result from the making of the Loans.

(8) Representations and Warranties. All of the representations and -----  
warranties contained in Section 7.1 and in any of the other Loan Documents shall -----  
be true and correct in all material respects on and as of the Closing Date.

(9) Fees and Expenses Paid. There shall have been paid to the -----  
Administrative Agent, for the accounts of the Agents and the other Lenders, as applicable, all fees due and payable on or before the Closing Date and all expenses due and payable on or before the Closing Date, including, without limitation, reasonable attorneys' fees and expenses, and other costs and expenses incurred in connection with the Loan Documents.

ARTICLE VII  
REPRESENTATIONS AND WARRANTIES

1.19 Representations and Warranties of the Borrower. In order to -----  
induce the Lenders to enter into this Agreement and to make the Loans and the other financial accommodations to the Borrower described herein, the Borrower hereby represents and warrants to each Lender that the following statements are true, correct and complete:

(1) Organization; Powers. (i) The Borrower (A) is a limited

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partnership duly organized, validly existing and in good standing under the laws of the State of Delaware, (B) is duly qualified to do business and is in good standing under the laws of each jurisdiction in which failure to be so qualified and in good standing will have or is reasonably likely to have a Material Adverse Effect, (C) has filed and maintained effective (unless exempt from the requirements for filing) a current Business Activity Report with the appropriate Governmental Authority in each state in which failure to do so would have a Material Adverse Effect, (D) has all requisite power and authority to own, operate and encumber its Property and to conduct its business as presently conducted and as proposed to be conducted in connection with and following the consummation of the transactions contemplated by this Agreement and (E) is a partnership for federal income tax purposes.

(ii) The Company (A) is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, (B) is duly authorized and qualified to do business and is in good standing under the laws of each jurisdiction in which failure to be so qualified and in good standing will have or is reasonably likely to have a Material Adverse Effect, and (C) has all requisite corporate power and authority to own, operate and encumber its Property and to conduct its business as presently conducted.

(iii) SPG (A) is a corporation duly organized, validly existing and in good standing under the laws of the State of Maryland, (B) is duly authorized and qualified to do business and is in good standing under the laws of each jurisdiction in which failure to be so qualified and in good standing will have or is reasonably likely to have a Material Adverse Effect, and (C) has all requisite corporate power and authority to own, operate and encumber its Property and to conduct its business as presently conducted.

(iv) True, correct and complete copies of the Organizational Documents identified on Schedule 7.1-A have been delivered to the Administrative Agent, each of which is in full force and effect, has not been modified or amended except to the extent set forth indicated therein and, to the best of the Borrower's knowledge, there are no defaults under such Organizational Documents and no events which, with the passage of time or giving of notice or both, would constitute a default under such Organizational Documents.

(v) Neither the Borrower, the Company nor any of their Affiliates are "foreign persons" within the meaning of Section 1445 of the Internal Revenue Code.

(2) Authority. (i) Each General Partner has the requisite power and

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authority to execute, deliver and perform this Agreement on behalf of the Borrower and each of the other Loan Documents which are required to be executed on behalf of the Borrower as required by this Agreement.

(ii) The Company has the requisite corporate power and authority to execute, deliver and perform this Agreement and each of the other Loan Documents to which it is a party.

(iii) The execution, delivery and performance of each of the Loan Documents which must be executed in connection with this Agreement by the Borrower and to which the Borrower is a party and the consummation of the transactions contemplated thereby are within the Borrower's partnership powers, have been duly authorized by all necessary partnership action (and, in the case of the General Partners acting on behalf of the Borrower in connection therewith, all necessary corporate action of such General Partner) and such authorization has not been rescinded. No other partnership or corporate action or proceedings on the part of the Borrower or any General Partner is necessary to consummate such transactions.

(iv) The execution, delivery and performance of each of the Loan Documents which must be executed in connection with this Agreement by the Company and to which the Company is a party and the consummation of the transactions contemplated thereby are within the Company's corporate powers, have been duly authorized by all necessary corporate action and such authorization has not been rescinded. No other corporate action or proceeding on the part of the Company is necessary to consummate such transactions.

(v) Each of the Loan Documents to which the Borrower is a party has been duly executed and delivered on behalf of the Borrower and constitutes the Borrower's legal, valid and binding obligation, enforceable against the Borrower in accordance with its terms, is in full force and effect and all the terms, provisions, agreements and conditions set forth therein and required to be performed or complied with by the Company, the Borrower and the Borrower's Subsidiaries on or before the Closing Date have been performed or complied with, and no Potential Event of Default, Event of Default or breach of any covenant by any of the Company, the Borrower or any Subsidiary of the Borrower exists thereunder.

(3) Subsidiaries; Ownership of Capital Stock and Partnership

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Interests. (i) Schedule 7.1-C (A) contains a diagram indicating the corporate  
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structure of the Company, the Borrower, and any other Person in which the Company or the

Borrower holds a direct or indirect partnership, joint venture or other equity interest indicating the nature of such interest with respect to each Person included in such diagram; and (B) accurately sets forth (1) the correct legal name of such Person, the jurisdiction of its incorporation or organization and the jurisdictions in which it is qualified to transact business as a foreign corporation, or otherwise, and (2) the authorized, issued and outstanding shares or interests of each class of Securities of the Company, the Borrower and the Subsidiaries of the Borrower and the owners of such shares or interests. None of such issued and outstanding Securities is subject to any vesting, redemption, or repurchase agreement, and there are no warrants or options (other than Permitted Securities Options) outstanding with respect to such Securities, except as noted on Schedule 7.1-C. The outstanding Capital Stock of the Company is duly

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authorized, validly issued, fully paid and nonassessable and the outstanding Securities of the Borrower and its Subsidiaries are duly authorized and validly issued. Attached hereto as part of Schedule 7.1-C is a true, accurate and

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complete copy of the Borrower Partnership Agreement as in effect on the Closing Date and such Partnership Agreement has not been amended, supplemented, replaced, restated or otherwise modified in any respect since the Closing Date.

(ii) Except where failure may not have a Material Adverse Effect, each Subsidiary: (A) is a corporation or partnership, as indicated on Schedule

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7.1-C, duly organized, validly existing and, if applicable, in good standing

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under the laws of the jurisdiction of its organization, (B) is duly qualified to do business and, if applicable, is in good standing under the laws of each jurisdiction in which failure to be so qualified and in good standing would limit its ability to use the courts of such jurisdiction to enforce Contractual Obligations to which it is a party, and (C) has all requisite power and authority to own, operate and encumber its Property and to conduct its business as presently conducted and as proposed to be conducted hereafter.

(4) No Conflict. The execution, delivery and performance of each of

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the Loan Documents to which the Borrower is a party do not and will not (i) conflict with the Organizational Documents of the Borrower or any Subsidiary of the Borrower, (ii) constitute a tortious interference with any Contractual Obligation of any Person or conflict with, result in a breach of or constitute (with or without notice or lapse of time or both) a default under any Requirement of Law or Contractual Obligation of the Borrower, the General Partners, any Limited Partner, any Subsidiary of the Borrower, or any general or limited partner of any Subsidiary of the Borrower, or require termination of any such Contractual Obligation which may subject the Administrative Agent or any of the other Lenders to any liability, (iii) result in or require the creation or imposition of any Lien whatsoever upon any of the Property or

assets of the Borrower, any General Partner, any Limited Partner, any Subsidiary of the Borrower, or any general partner or limited partner of any Subsidiary of the Borrower, or (iv) require any approval of shareholders of the Company or any general partner (or equity holder of any general partner) of any Subsidiary of the Borrower.

(5) Governmental Consents. The execution, delivery and performance of  
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each of the Loan Documents to which the Borrower is a party do not and will not require any registration with, consent or approval of, or notice to, or other action to, with or by any Governmental Authority, except filings, consents or notices which have been made, obtained or given.

(6) Governmental Regulation. Neither the Borrower nor any General  
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Partner is subject to regulation under the Public Utility Holding Company Act of 1935, the Federal Power Act, the Interstate Commerce Act, or the Investment Company Act of 1940, or any other federal or state statute or regulation which limits its ability to incur indebtedness or its ability to consummate the transactions contemplated by this Agreement.

(7) Financial Position. Complete and accurate copies of the following  
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financial statements and materials have been delivered to the Administrative Agent: (i) annual audited financial statements of the Borrower and its Subsidiaries for the fiscal year ended December 31, 1998, and (ii) quarterly financial statements for the Borrower and its Subsidiaries for the fiscal quarter ending September 30, 1999. All financial statements included in such materials were prepared in all material respects in conformity with GAAP, except as otherwise noted therein, and fairly present in all material respects the respective consolidated financial positions, and the consolidated results of operations and cash flows for each of the periods covered thereby of the Borrower and its Subsidiaries as at the respective dates thereof. Neither the Borrower nor any of its Subsidiaries has any Contingent Obligation, contingent liability or liability for any taxes, long-term leases or commitments, not reflected in its audited financial statements delivered to the Administrative Agent on or prior to the Closing Date or otherwise disclosed to the Administrative Agent and the Lenders in writing, which will have or is reasonably likely to have a Material Adverse Effect.

(8) Indebtedness. Schedule 7.1-H sets forth, as of September 30,  
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1999, all Indebtedness for borrowed money of each of the Borrower, the General Partners and their respective Subsidiaries and, except as set forth on Schedule 7.1-H, there are no defaults in the payment of principal or interest on any such  
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Indebtedness and no payments thereunder have been deferred or extended beyond their stated

maturity and there has been no material change in the type or amount of such Indebtedness (except for the repayment of certain Indebtedness) since September 30, 1999.

(9) Litigation; Adverse Effects. Except as set forth in Schedule

7.1I, as of the Closing Date, there is no action, suit, proceeding, Claim,  
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investigation or arbitration before or by any Governmental Authority or private arbitrator pending or, to the knowledge of the Borrower, threatened against the Company, the Borrower, or any of their respective Subsidiaries, or any Property of any of them (i) challenging the validity or the enforceability of any of the Loan Documents, (ii) which will or is reasonably likely to result in any Material Adverse Effect, or (iii) under the Racketeering Influenced and Corrupt Organizations Act or any similar federal or state statute where such Person is a defendant in a criminal indictment that provides for the forfeiture of assets to any Governmental Authority as a potential criminal penalty. There is no material loss contingency within the meaning of GAAP which has not been reflected in the consolidated financial statements of the Company and the Borrower. None of the Company, the Borrower or any Subsidiary of the Borrower is (A) in violation of any applicable Requirements of Law which violation will have or is reasonably likely to have a Material Adverse Effect, or (B) subject to or in default with respect to any final judgment, writ, injunction, restraining order or order of any nature, decree, rule or regulation of any court or Governmental Authority which will have or is reasonably likely to have a Material Adverse Effect.

(10) No Material Adverse Effect. Since September 30, 1999, there has

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occurred no event which has had or is reasonably likely to have a Material Adverse Effect.

(11) Tax Examinations. The IRS has examined (or is foreclosed from

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examining by applicable statutes) the federal income tax returns of any of the Company's, the Borrower's or its Subsidiaries' predecessors in interest with respect to the Projects for all tax periods prior to and including the taxable year ending December 31, 1997 and the appropriate state Governmental Authority in each state in which the Company's, the Borrower's or its Subsidiaries' predecessors in interest with respect to the Projects were required to file state income tax returns has examined (or is foreclosed from examining by applicable statutes) the state income tax returns of any of such Persons with respect to the Projects for all tax periods prior to and including the taxable year ending December 31, 1997. All deficiencies which have been asserted against such Persons as a result of any federal, state, local or foreign tax examination for each taxable year in respect of which an examination has been conducted have been fully paid or finally settled or are being contested in good faith, and

no issue has been raised in any such examination which, by application of similar principles, reasonably can be expected to result in assertion of a material deficiency for any other year not so examined which has not been reserved for in the financial statements of such Persons to the extent, if any, required by GAAP. No such Person has taken any reporting positions for which it does not have a reasonable basis nor anticipates any further material tax liability with respect to the years which have not been closed pursuant to applicable law.

(12) Payment of Taxes. All tax returns, reports and similar

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statements or filings of each of the Persons described in Section 7.1(k), the

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Company, the Borrower and its Subsidiaries required to be filed have been timely filed, and, except for Customary Permitted Liens, all taxes, assessments, fees and other charges of Governmental Authorities thereupon and upon or relating to their respective Properties, assets, receipts, sales, use, payroll, employment, income, licenses and franchises which are shown in such returns or reports to be due and payable have been paid, except to the extent (i) such taxes, assessments, fees and other charges of Governmental Authorities are being contested in good faith by an appropriate proceeding diligently pursued as permitted by the terms of Section 9.4 and (ii) such taxes, assessments, fees and

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other charges of Governmental Authorities pertain to Property of the Borrower or any of its Subsidiaries and the non-payment of the amounts thereof would not, individually or in the aggregate, result in a Material Adverse Effect. All other taxes (including, without limitation, real estate taxes), assessments, fees and other governmental charges upon or relating to the respective Properties of the Borrower and its Subsidiaries which are due and payable have been paid, except for Customary Permitted Liens and except to the extent described in clauses (i) and (ii) hereinabove. The Borrower has no knowledge of any proposed tax assessment against the Borrower, any of its Subsidiaries, or any of the Projects that will have or is reasonably likely to have a Material Adverse Effect.

(13) Performance. Neither the Company, the Borrower nor any of their

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Affiliates has received any notice, citation or allegation, nor has actual knowledge, that (i) it is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any Contractual Obligation applicable to it, (ii) any of its Properties is in violation of any Requirements of Law or (iii) any condition exists which, with the giving of notice or the lapse of time or both, would constitute a default with respect to any such Contractual Obligation, in each case, except where such default or defaults, if any, will not have or is not reasonably likely to have a Material Adverse Effect.



(14) Disclosure. The representations and warranties of the Borrower

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contained in the Loan Documents, and all certificates and other documents delivered to the Administrative Agent pursuant to the terms thereof, do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading. The Borrower has not intentionally withheld any fact from the Administrative Agent or the other Lenders in regard to any matter which will have or is reasonably likely to have a Material Adverse Effect. Notwithstanding the foregoing, the Lenders acknowledge that the Borrower shall not have liability under this clause (o) with respect to its projections of future events.

(15) Requirements of Law. The Borrower and each of its Subsidiaries

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is in compliance with all Requirements of Law applicable to it and its respective businesses and Properties, in each case where the failure to so comply individually or in the aggregate will have or is reasonably likely to have a Material Adverse Effect.

(16) Environmental Matters.

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(i) Except as disclosed on Schedule 7.1P:

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(A) the operations of the Borrower, each of its Subsidiaries, and their respective Properties comply with all applicable Environmental, Health or Safety Requirements of Law ;

(B) the Borrower and each of its Subsidiaries have obtained all material environmental, health and safety Permits necessary for their respective operations, and all such Permits are in good standing and the holder of each such Permit is currently in compliance with all terms and conditions of such Permits;

(C) none of the Borrower or any of its Subsidiaries or any of their respective present or past Property or operations are subject to or are the subject of any investigation, judicial or administrative proceeding, order, judgment, decree, dispute, negotiations, agreement or settlement respecting (I) any Environmental, Health or Safety Requirements of Law, (II) any Remedial Action, (III) any Claims or Liabilities and Costs arising from the Release or threatened Release of a Contaminant into the environment, or (IV) any violation of or liability under any Environmental, Health or Safety Requirement of Law;

(D) none of Borrower or any of its Subsidiaries has filed any notice under any applicable Requirement of Law (I) reporting a Release of a Contaminant; (II) indicating past or present treatment, storage or disposal of a hazardous waste, as that term is defined under 40 C.F.R. Part 261 or any state equivalent; or (III) reporting a violation of any applicable Environmental, Health or Safety Requirement of Law;

(E) none of the Borrower's or any of its Subsidiaries' present or past Property is listed or proposed for listing on the National Priorities List ("NPL") pursuant to CERCLA or on the Comprehensive Environmental Response Compensation Liability Information System List ("CERCLIS") or any similar state list of sites requiring Remedial Action;

(F) neither the Borrower nor any of its Subsidiaries has sent or directly arranged for the transport of any waste to any site listed or proposed for listing on the NPL, CERCLIS or any similar state list;

(G) to the best of Borrower's knowledge, there is not now, and to Borrower's knowledge there has never been on or in any Project (I) any treatment, recycling, storage or disposal of any hazardous waste, as that term is defined under 40 C.F.R. Part 261 or any state equivalent; (II) any landfill, waste pile, or surface impoundment; (III) any underground storage tanks the presence or use of which is or, to Borrower's knowledge, has been in violation of applicable Environmental, Health or Safety Requirements of Law, (IV) any asbestoscontaining material which such Person has any reason to believe could subject such Person or its Property to Liabilities and Costs arising out of or relating to environmental, health or safety matters that would result in a Material Adverse Effect; or (V) any polychlorinated biphenyls (PCB) used in hydraulic oils, electrical transformers or other Equipment which such Person has any reason to believe could subject such Person or its Property to Liabilities and Costs arising out of or relating to environmental, health or safety matters that would result in a Material Adverse Effect;

(H) neither the Borrower nor any of its Subsidiaries has received any notice or Claim to the effect that any of such Persons is or may be liable to any Person as a result of the Release or threatened Release of a Contaminant into the environment;

(I) neither the Borrower nor any of its Subsidiaries has any contingent liability in connection with any Release or threatened Release of any Contaminants into the environment;

(J) no Environmental Lien has attached to any Property of the Borrower or any Subsidiary of the Borrower;

(K) no Property of the Borrower or any Subsidiary of the Borrower is subject to any Environmental Property Transfer Act, or to the extent such acts are applicable to any such Property, the Borrower and/or such Subsidiary whose Property is subject thereto has fully complied with the requirements of such acts; and

(L) neither the Borrower nor any of its Subsidiaries owns or operates, or, to Borrower's knowledge has ever owned or operated, any underground storage tank, the presence or use of which is or has been in violation of applicable Environmental, Health or Safety Requirements of Law, at any Project.

(ii) the Borrower and each of its Subsidiaries are conducting and will continue to conduct their respective businesses and operations and maintain each Project in compliance with Environmental, Health or Safety Requirements of Law and no such Person has been, and no such Person has any reason to believe that it or any Project will be, subject to Liabilities and Costs arising out of or relating to environmental, health or safety matters that would result in a Material Adverse Effect.

(17) ERISA. Neither the Borrower nor any ERISA Affiliate maintains or  
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contributes to any Plan or Multiemployer Plan other than those listed on  
Schedule 7.1-Q hereto. Each such Plan which is intended to be qualified under  
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Section 401(a) of the Internal Revenue Code as currently in effect has been  
determined by the IRS to be so qualified, and each trust related to any such  
Plan has been determined to be exempt from federal income tax under Section  
501(a) of the Internal Revenue Code as currently in effect. Except as disclosed  
in Schedule 7.1-Q, neither the Borrower nor any of its ERISA Affiliates maintains  
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or contributes to any employee welfare benefit plan within the meaning of  
Section 3(1) of ERISA which provides benefits to employees after termination of  
employment other than as required by Section 601 of ERISA. The Borrower and each  
of its ERISA Affiliates is in compliance in all material respects with the  
responsibilities, obligations and duties imposed on it by ERISA, the Internal  
Revenue Code and regulations promulgated thereunder with respect to all Plans.  
No Plan has incurred any accumulated funding deficiency (as defined in Sections  
302(a)(2) of ERISA and 412(a) of the Internal Revenue Code) whether or not  
waived. Neither the Borrower nor any ERISA Affiliate nor any fiduciary of any  
Plan which is not a Multiemployer Plan (i) has

engaged in a nonexempt prohibited transaction described in Sections 406 of ERISA or 4975 of the Internal Revenue Code or (ii) has taken or failed to take any action which would constitute or result in a Termination Event. Neither the Borrower nor any ERISA Affiliate is subject to any liability under Sections 4063, 4064, 4069, 4204 or 4212(c) of ERISA. Neither the Borrower nor any ERISA Affiliate has incurred any liability to the PBGC which remains outstanding other than the payment of premiums, and there are no premium payments which have become due which are unpaid. Schedule B to the most recent annual report filed with the IRS with respect to each Plan and furnished to the Administrative Agent is complete and accurate in all material respects. Since the date of each such Schedule B, there has been no material adverse change in the funding status or financial condition of the Plan relating to such Schedule B. Neither the Borrower nor any ERISA Affiliate has (i) failed to make a required contribution or payment to a Multiemployer Plan or (ii) made a complete or partial withdrawal under Sections 4203 or 4205 of ERISA from a Multiemployer Plan. Neither the Borrower nor any ERISA Affiliate has failed to make a required installment or any other required payment under Section 412 of the Internal Revenue Code on or before the due date for such installment or other payment. Neither the Borrower nor any ERISA Affiliate is required to provide security to a Plan under Section 401(a)(29) of the Internal Revenue Code due to a Plan amendment that results in an increase in current liability for the plan year. Except as disclosed on Schedule 7.1-Q, neither the Borrower nor any of its ERISA Affiliates has, by

reason of the transactions contemplated hereby, any obligation to make any payment to any employee pursuant to any Plan or existing contract or arrangement.

(18) Securities Activities. The Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock.

(19) Solvency. After giving effect to the Loans to be made on the Closing Date or such other date as Loans requested hereunder are made, and the disbursement of the proceeds of such Loans pursuant to the Borrower's instructions, the Borrower is Solvent.

(20) Insurance. Schedule 7.1-T accurately sets forth as of the Closing Date all insurance policies and programs currently in effect with respect to the respective Property and assets and business of the Borrower and its Subsidiaries, specifying for each such policy and program, (i) the amount thereof, (ii) the risks insured against thereby, (iii) the name of the insurer and each insured party thereunder, (iv) the policy or other identification number thereof, and (v) the expiration date thereof. The Borrower has delivered to the Administrative Agent copies of all insurance policies set forth on Schedule 7.1-T. Such insurance policies

and programs are currently in full force and effect, in compliance with the requirements of Section 9.5 hereof and, together with payment by the insured of -----

scheduled deductible payments, are in amounts sufficient to cover the replacement value of the respective Property and assets of the Borrower and/or its Subsidiaries.

(21) REIT Status. The Company qualifies as a REIT under the Internal Revenue Code. -----

(22) Ownership of Projects, Minority Holdings and Property. -----  
Ownership of substantially all wholly-owned Projects, Minority Holdings and other Property of the Consolidated Businesses is held by the Borrower and its Subsidiaries and is not held directly by any General Partner.

(23) Year 2000 Compliance. The Borrower has completed a -----  
comprehensive review and assessment of the Borrower's computer applications and completed inquiry of the Borrower's key suppliers, vendors, and customers with respect to the "year 2000 problem" (that is, the risk that computer applications may not be able to properly perform date sensitive functions after December 31, 1999) and, based on that review and inquiry, the Borrower does not believe that the year 2000 problem will result in a Material Adverse Effect.

ARTICLE VIII  
REPORTING COVENANTS

The Borrower covenants and agrees that so long as any Commitments are outstanding and thereafter until payment in full of all of the Obligations (other than indemnities pursuant to Section 15.3 not yet due), unless the -----

Requisite Lenders shall otherwise give prior written consent thereto:

1.20 Borrower Accounting Practices. The Borrower shall maintain, and -----  
cause each of its Subsidiaries to maintain, a system of accounting established and administered in accordance with sound business practices to permit preparation of consolidated and consolidating financial statements in conformity with GAAP, and each of the financial statements and reports described below shall be prepared from such system and records and in form satisfactory to the Administrative Agent.

1.21 Financial Reports. The Borrower shall deliver or cause to be -----  
delivered to the Administrative Agent and the Lenders:

(1) Quarterly Reports. -----

(i) Borrower Quarterly Financial Reports. As soon as practicable,

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and in any event within fifty (50) days after the end of each fiscal quarter in each Fiscal Year (other than the last fiscal quarter in each Fiscal Year), a consolidated balance sheet of the Borrower and the related consolidated statements of income and cash flow of the Borrower (to be prepared and delivered quarterly in conjunction with the other reports delivered hereunder at the end of each fiscal quarter) for each such fiscal quarter, in each case in form and substance satisfactory to the Administrative Agent and, in comparative form, the corresponding figures for the corresponding periods of the previous Fiscal Year, certified by an Authorized Financial Officer of the Borrower as fairly presenting the consolidated and consolidating financial position of the Borrower as of the dates indicated and the results of their operations and cash flow for the months indicated in accordance with GAAP, subject to normal quarterly adjustments.

(ii) Company Quarterly Financial Reports. As soon as practicable, and

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in any event within fifty (50) days after the end of each fiscal quarter in each Fiscal Year (other than the last fiscal quarter in each Fiscal Year), the Financial Statements of the Company, the Borrower and its Subsidiaries on Form 10-Q as at the end of such period and a report setting forth in comparative form the corresponding figures for the corresponding period of the previous Fiscal Year, certified by an Authorized Financial Officer of the Company as fairly presenting the consolidated and consolidating financial position of the Company, the Borrower and its Subsidiaries as at the date indicated and the results of their operations and cash flow for the period indicated in accordance with GAAP, subject to normal adjustments.

(iii) Quarterly Compliance Certificates. Together with each delivery

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of any quarterly report pursuant to paragraph (a)(i) of this Section 8.2, the

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Borrower shall deliver Officer's Certificates of the Borrower and the Company (the "Quarterly Compliance Certificates"), signed by the Borrower's and the

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Company's respective Authorized Financial Officers representing and certifying (1) that the Authorized Financial Officer signatory thereto has reviewed the terms of the Loan Documents, and has made, or caused to be made under his/her supervision, a review in reasonable detail of the transactions and consolidated and consolidating financial condition of the Company, the Borrower and its Subsidiaries, during the fiscal quarter covered by such reports, that such review has not disclosed the existence during or at the end of such fiscal quarter, and that such officer does not have knowledge of the existence as at the date of such Officer's Certificate, of any condition or event which constitutes an Event of Default or Potential Event of Default or mandatory prepayment event, or, if any such condition or event existed or exists, and specifying the nature and period of

existence thereof and what action the General Partners and/or the Borrower or any of its Subsidiaries has taken, is taking and proposes to take with respect thereto, (2) the calculations (with such specificity as the Administrative Agent may reasonably request) for the period then ended which demonstrate compliance with the covenants and financial ratios set forth in Articles IX and X and, when

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applicable, that no Event of Default described in Section 11.1 exists, (3) a

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schedule of the Borrower's outstanding Indebtedness, including the amount, maturity, interest rate and amortization requirements, as well as such other information regarding such Indebtedness as may be reasonably requested by the Administrative Agent, (4) a schedule of Combined EBITDA, (5) a schedule of Unencumbered Combined EBITDA, (6) calculations, in the form of Exhibit G attached hereto, evidencing compliance with each of the financial covenants set forth in Article X hereof, and (7) a schedule of the estimated taxable income of

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the Borrower for such fiscal quarter.

(iv) Hedging Status Report. The Borrower shall deliver, within fifty

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(50) days after the end of each fiscal quarter of each Fiscal Year, a written report which sets forth the details of the "Interest Rate Hedges" required under Section 9.9.

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(2) Annual Reports.

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(i) Borrower Financial Statements. As soon as practicable, and in any

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event within ninety-five (95) days after the end of each Fiscal Year, (i) the Financial Statements of the Borrower and its Subsidiaries as at the end of such Fiscal Year, (ii) a report with respect thereto of Arthur Andersen & Co. or other independent certified public accountants acceptable to the Administrative Agent, which report shall be unqualified and shall state that such financial statements fairly present the consolidated and consolidating financial position of each of the Borrower and its Subsidiaries as at the dates indicated and the results of their operations and cash flow for the periods indicated in conformity with GAAP applied on a basis consistent with prior years (except for changes with which Arthur Andersen & Co. or any such other independent certified public accountants, if applicable, shall concur and which shall have been disclosed in the notes to the financial statements), and (iii) in the event that the report referred to in clause (ii) above is qualified, a copy of the management letter or any similar report delivered to the General Partners or to any officer or employee thereof by such independent certified public accountants in connection with such financial statements (which letter or report shall be subject to the confidentiality limitations set forth herein). The Administrative Agent and each Lender (through the Administrative Agent) may, with the consent of the Borrower (which consent shall not be unreasonably withheld), communicate directly with such accountants, with any such communication to occur together with a representative of the Borrower, at the

expense of the Administrative Agent (or the Lender requesting such communication), upon reasonable notice and at reasonable times during normal business hours.

(ii) Company Financial Statements. As soon as practicable, and in any

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event within ninety-five (95) days after the end of each Fiscal Year, (i) the Financial Statements of the Company and its Subsidiaries on Form 10-K as at the end of such Fiscal Year and a report setting forth in comparative form the corresponding figures from the consolidated Financial Statements of the Company and its Subsidiaries for the prior Fiscal Year; (ii) a report with respect thereto of Arthur Andersen & Co. or other independent certified public accountants acceptable to the Administrative Agent, which report shall be unqualified and shall state that such financial statements fairly present the consolidated and consolidating financial position of each of the Company and its Subsidiaries as at the dates indicated and the results of their operations and cash flow for the periods indicated in conformity with GAAP applied on a basis consistent with prior years (except for changes with which Arthur Andersen & Co. or any such other independent certified public accountants, if applicable, shall concur and which shall have been disclosed in the notes to the financial statements)(which report shall be subject to the confidentiality limitations set forth herein); and (iii) in the event that the report referred to in clause (ii) above is qualified, a copy of the management letter or any similar report delivered to the Company or to any officer or employee thereof by such independent certified public accountants in connection with such financial statements. The Administrative Agent and each Lender (through the Administrative Agent) may, with the consent of the Company (which consent shall not be unreasonably withheld), communicate directly with such accountants, with any such communication to occur together with a representative of the Company, at the expense of the Administrative Agent (or the Lender requesting such communication), upon reasonable notice and at reasonable times during normal business hours.

(iii) Annual Compliance Certificates. Together with each delivery of

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any annual report pursuant to clauses (i) and (ii) of this Section 8.2(b), the  
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Borrower shall deliver Officer's Certificates of the Borrower and the Company (the "Annual Compliance Certificates" and, collectively with the Quarterly  
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Compliance Certificates, the "Compliance Certificates"), signed by the  
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Borrower's and the Company's respective Authorized Financial Officers, representing and certifying that (1) the officer signatory thereto has reviewed the terms of the Loan Documents, and has made, or caused to be made under his/her supervision, a review in reasonable detail of the transactions and consolidated and consolidating financial condition of the General Partners, the Borrower and its Subsidiaries, during the accounting period covered by such reports, that such review has not disclosed the existence during or at



the end of such accounting period, and that such officer does not have knowledge of the existence as at the date of such Officer's Certificate, of any condition or event which constitutes an Event of Default or Potential Event of Default or mandatory prepayment event, or, if any such condition or event existed or exists, and specifying the nature and period of existence thereof and what action the General Partners and/or the Borrower or any of its Subsidiaries has taken, is taking and proposes to take with respect thereto, (2) the calculations (with such specificity as the Administrative Agent may reasonably request) for the period then ended which demonstrate compliance with the covenants and financial ratios set forth in Articles IX and X and, when applicable, that no

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Event of Default described in Section 11.1 exists, (3) a schedule of the  
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Borrower's outstanding Indebtedness including the amount, maturity, interest rate and amortization requirements, as well as such other information regarding such Indebtedness as may be reasonably requested by the Administrative Agent, (4) a schedule of Combined EBITDA, (5) a schedule of Unencumbered Combined EBITDA, (6) calculations, in the form of Exhibit G attached hereto, evidencing compliance with each of the financial covenants set forth in Article X hereof,

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and (7) a schedule of the estimated taxable income of the Borrower for such fiscal year.

(iv) Tenant Bankruptcy Reports. As soon as practicable, and in any  
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event within ninety-five (95) days after the end of each Fiscal Year, the Borrower shall deliver a written report, in form reasonably satisfactory to the Administrative Agent, of all bankruptcy proceedings filed by or against any tenant of any of the Projects, which tenant occupies 3% or more of the gross leasable area in the Projects in the aggregate. The Borrower shall deliver to the Administrative Agent and the Lenders, immediately upon the Borrower's learning thereof, of any bankruptcy proceedings filed by or against, or the cessation of business or operations of, any tenant of any of the Projects which tenant occupies 3% or more of the gross leasable area in the Projects in the aggregate.

(v) Property Reports. When reasonably requested by the Administrative  
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Agent, a rent roll, tenant sales report and income statement with respect to any Project.

1.22 Events of Default. Promptly upon the Borrower obtaining  
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knowledge (a) of any condition or event which constitutes an Event of Default or Potential Event of Default, or becoming aware that any Lender or the Administrative Agent has given any notice to the Borrower with respect to a claimed Event of Default or Potential Event of Default under this Agreement; (b) that any Person has given any notice to the Borrower or any Subsidiary of the Borrower or taken any other action with respect to a claimed default or event or condition of the type referred to in

Section 11.1(e); or (c) of any condition or event which has or is reasonably

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likely to have a Material Adverse Effect, the Borrower shall deliver to the Administrative Agent and the Lenders an Officer's Certificate specifying (i) the nature and period of existence of any such claimed default, Event of Default, Potential Event of Default, condition or event, (ii) the notice given or action taken by such Person in connection therewith, and (iii) what action the Borrower has taken, is taking and proposes to take with respect thereto. The occurrence of a condition or event described in clause (c) above shall not constitute an Event of Default.

1.23 Lawsuits. (i) Promptly upon the Borrower's obtaining knowledge

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of the institution of, or written threat of, any action, suit, proceeding, governmental investigation or arbitration against or affecting the Borrower or any of its Subsidiaries not previously disclosed pursuant to Section 7.1(i),

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which action, suit, proceeding, governmental investigation or arbitration exposes, or in the case of multiple actions, suits, proceedings, governmental investigations or arbitrations arising out of the same general allegations or circumstances which expose, in the Borrower's reasonable judgment, the Borrower or any of its Subsidiaries to liability in an amount aggregating \$1,000,000 or more and is not covered by Borrower's insurance, the Borrower shall give written notice thereof to the Administrative Agent and the Lenders and provide such other information as may be reasonably available to enable each Lender and the Administrative Agent and its counsel to evaluate such matters; (ii) as soon as practicable and in any event within fifty (50) days after the end of each fiscal quarter of the Borrower, the Borrower shall provide a written quarterly report to the Administrative Agent and the Lenders covering the institution of, or written threat of, any action, suit, proceeding, governmental investigation or arbitration (not previously reported) against or affecting the Borrower or any of its Subsidiaries or any Property of the Borrower or any of its Subsidiaries not previously disclosed by the Borrower to the Administrative Agent and the Lenders, and shall provide such other information at such time as may be reasonably available to enable each Lender and the Administrative Agent and its counsel to evaluate such matters; and (iii) in addition to the requirements set forth in clauses (i) and (ii) of this Section 8.4, the Borrower upon request of

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the Administrative Agent or the Requisite Lenders shall promptly give written notice of the status of any action, suit, proceeding, governmental investigation or arbitration covered by a report delivered pursuant to clause (i) or (ii) above and provide such other information as may be reasonably available to it to enable each Lender and the Administrative Agent and its counsel to evaluate such matters.

1.24 Insurance. As soon as practicable and in any event by January

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1st of each calendar year, the Borrower shall deliver to the Administrative Agent and

the Lenders (i) a report in form and substance reasonably satisfactory to the Administrative Agent and the Lenders outlining all insurance coverage maintained as of the date of such report by the Borrower and its Subsidiaries and the duration of such coverage and (ii) evidence that all premiums with respect to such coverage have been paid when due.

1.25 ERISA Notices. The Borrower shall deliver or cause to be  
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delivered to the Administrative Agent and the Lenders, at the Borrower's expense, the following information and notices as soon as reasonably possible, and in any event:

(a) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate knows or has reason to know that an ERISA Termination Event has occurred, a written statement of the chief financial officer of the Borrower describing such ERISA Termination Event and the action, if any, which the Borrower or any ERISA Affiliate has taken, is taking or proposes to take with respect thereto, and when known, any action taken or threatened by the IRS, DOL or PBGC with respect thereto;

(b) within fifteen (15) Business Days after the Borrower knows or has reason to know that a prohibited transaction (defined in Sections 406 of ERISA and Section 4975 of the Internal Revenue Code) has occurred, a statement of the chief financial officer of the Borrower describing such transaction and the action which the Borrower or any ERISA Affiliate has taken, is taking or proposes to take with respect thereto;

(c) within fifteen (15) Business Days after the filing of the same with the DOL, IRS or PBGC, copies of each annual report (form 5500 series), including Schedule B thereto, filed with respect to each Plan;

(d) within fifteen (15) Business Days after receipt by the Borrower or any ERISA Affiliate of each actuarial report for any Plan or Multiemployer Plan and each annual report for any Multiemployer Plan, copies of each such report;

(e) within fifteen (15) Business Days after the filing of the same with the IRS, a copy of each funding waiver request filed with respect to any Plan and all communications received by the Borrower or any ERISA Affiliate with respect to such request;

(f) within fifteen (15) Business Days after the occurrence of any material increase in the benefits of any existing Plan or Multiemployer Plan or the establishment of any new Plan or the commencement of contributions to any Plan or Multiemployer Plan to which the Borrower or any ERISA Affiliate was not previously contributing, notification of such increase, establishment or commencement;

(g) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate receives notice of the PBGC's intention to terminate a Plan or to have a trustee appointed to administer a Plan, copies of each such notice;

(h) within fifteen (15) Business Days after the Borrower or any of its Subsidiaries receives notice of any unfavorable determination letter from the IRS regarding the qualification of a Plan under Section 401(a) of the Internal Revenue Code, copies of each such letter;

(i) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate receives notice from a Multiemployer Plan regarding the imposition of withdrawal liability, copies of each such notice;

(j) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate fails to make a required installment or any other required payment under Section 412 of the Internal Revenue Code on or before the due date for such installment or payment, a notification of such failure; and

(k) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate knows or has reason to know (i) a Multiemployer Plan has been terminated, (ii) the administrator or plan sponsor of a Multiemployer Plan intends to terminate a Multiemployer Plan, or (iii) the PBGC has instituted or will institute proceedings under Section 4042 of ERISA to terminate a Multiemployer Plan, notification of such termination, intention to terminate, or institution of proceedings.

For purposes of this Section 8.6, the Borrower and any ERISA Affiliate shall be deemed to know all facts known by the "Administrator" of any Plan of which the Borrower or any ERISA Affiliate is the plan sponsor.

1.26 Environmental Notices. The Borrower shall notify the Administrative Agent and the Lenders in writing, promptly upon any representative of the Borrower or other employee of the Borrower responsible for the environmental

matters at any Property of the Borrower learning thereof, of any of the following (together with any material documents and correspondence received or sent in connection therewith):

- (a) notice or claim to the effect that the Borrower or any of its Subsidiaries is or may be liable to any Person as a result of the Release or threatened Release of any Contaminant into the environment, if such liability would result in a Material Adverse Effect;
- (b) notice that the Borrower or any of its Subsidiaries is subject to investigation by any Governmental Authority evaluating whether any Remedial Action is needed to respond to the Release or threatened Release of any Contaminant into the environment;
- (c) notice that any Property of the Borrower or any of its Subsidiaries is subject to an Environmental Lien if the claim to which such Environmental Lien relates would result in a Material Adverse Effect;
- (d) notice of violation by the Borrower or any of its Subsidiaries of any Environmental, Health or Safety Requirement of Law;
- (e) any condition which might reasonably result in a violation by the Borrower or any Subsidiary of the Borrower of any Environmental, Health or Safety Requirement of Law, which violation would result in a Material Adverse Effect;
- (f) commencement or threat of any judicial or administrative proceeding alleging a violation by the Borrower or any of its Subsidiaries of any Environmental, Health or Safety Requirement of Law, which would result in a Material Adverse Effect;
- (g) new or proposed changes to any existing Environmental, Health or Safety Requirement of Law that could result in a Material Adverse Effect;  
or
- (h) any proposed acquisition of stock, assets, real estate, or leasing of Property, or any other action by the Borrower or any of its Subsidiaries that could subject the Borrower or any of its Subsidiaries to environmental, health or safety Liabilities and Costs which could result in a Material Adverse Effect.

1.27 Labor Matters. The Borrower shall notify the Administrative

Agent and the Lenders in writing, promptly upon the Borrower's learning thereof, of any labor dispute to which the Borrower or any of its Subsidiaries may become a party (including, without limitation, any strikes, lockouts or other disputes relating to any Property of such Persons' and other facilities) which could result in a Material Adverse Effect.

1.28 Notices of Asset Sales and/or Acquisitions. The Borrower

shall deliver to the Administrative Agent and the Lenders written notice of each of the following upon the occurrence thereof: (a) a sale, transfer or other disposition of assets, in a single transaction or series of related transactions, for consideration in excess of \$50,000,000, (b) an acquisition of assets, in a single transaction or series of related transactions, for consideration in excess of \$50,000,000, and (c) the grant of a Lien with respect to assets, in a single transaction or series of related transactions, in connection with Indebtedness aggregating an amount in excess of \$50,000,000.

1.29 Tenant Notifications. The Borrower shall promptly notify the

Administrative Agent upon obtaining knowledge of the bankruptcy or cessation of operations of any tenant to which greater than 3% of the Borrower's share of consolidated minimum rent is attributable.

1.30 Other Reports. The Borrower shall deliver or cause to be

delivered to the Administrative Agent and the other Lenders copies of all financial statements, reports, notices and other materials, if any, sent or made available generally by any General Partner and/or the Borrower to its respective Securities holders or filed with the Commission, all press releases made available generally by any General Partner and/or the Borrower or any of its Subsidiaries to the public concerning material developments in the business of any General Partner, the Borrower or any such Subsidiary and all notifications received by the General Partners, the Borrower or its Subsidiaries pursuant to the Securities Exchange Act and the rules promulgated thereunder.

1.31 Other Information. Promptly upon receiving a request therefor

from the Administrative Agent, the Borrower shall prepare and deliver to the Administrative Agent and the other Lenders such other information with respect to any General Partner, the Borrower, or any of its Subsidiaries, as from time to time may be reasonably requested by the Administrative Agent.

#### ARTICLE IX

AFFIRMATIVE COVENANTS

Borrower covenants and agrees that so long as any Commitments are outstanding and thereafter until payment in full of all of the Obligations (other than indemnities pursuant to Section 15.3 not yet due), unless the

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Requisite Lenders shall otherwise give prior written consent:

1.32 Existence, Etc. The Borrower shall, and shall cause each of its

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Subsidiaries to, at all times maintain its corporate existence or existence as a limited partnership or joint venture, as applicable, and preserve and keep, or cause to be preserved and kept, in full force and effect its rights and franchises material to its businesses, except where the loss or termination of such rights and franchises is not likely to have a Material Adverse Effect.

1.33 Powers; Conduct of Business. The Borrower shall remain

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qualified, and shall cause each of its Subsidiaries to qualify and remain qualified, to do business and maintain its good standing in each jurisdiction in which the nature of its business and the ownership of its Property requires it to be so qualified and in good standing.

1.34 Compliance with Laws, Etc. The Borrower shall, and shall cause

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each of its Subsidiaries to, (a) comply with all Requirements of Law and all restrictive covenants affecting such Person or the business, Property, assets or operations of such Person, and (b) obtain and maintain as needed all Permits necessary for its operations (including, without limitation, the operation of the Projects) and maintain such Permits in good standing, except where noncompliance with either clause (a) or (b) above is not reasonably likely to

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have a Material Adverse Effect; provided, however, that the Borrower shall, and

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shall cause each of its Subsidiaries to, comply with all Environmental, Health or Safety Requirements of Law affecting such Person or the business, Property, assets or operations of such Person.

1.35 Payment of Taxes and Claims. (a) The Borrower shall pay, and

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shall cause each of its Subsidiaries to pay, (i) all taxes, assessments and other governmental charges imposed upon it or on any of its Property or assets or in respect of any of its franchises, licenses, receipts, sales, use, payroll, employment, business, income or Property before any penalty or interest accrues thereon, and (ii) all Claims (including, without limitation, claims for labor, services, materials and supplies) for sums which have become due and payable and which by law have or may become a Lien (other than a Lien permitted by Section

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10.3 or a Customary Permitted Lien for

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property taxes and assessments not yet due upon any of the Borrower's or any of the Borrower's Subsidiaries' Property or assets, prior to the time when any penalty or fine shall be incurred with respect thereto; provided, however, that

no such taxes, assessments, fees and governmental charges referred to in clause (i) above or Claims referred to in clause (ii) above need be paid if being contested in good faith by appropriate proceedings diligently instituted and conducted and if such reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made therefor.

1.36 Insurance. The Borrower shall maintain for itself and its

Subsidiaries, or shall cause each of its Subsidiaries to maintain in full force and effect the insurance policies and programs listed on Schedule 7.1-U or

substantially similar policies and programs or other policies and programs as are reasonably acceptable to the Administrative Agent. All such policies and programs shall be maintained with insurers reasonably acceptable to the Administrative Agent.

1.37 Inspection of Property; Books and Records; Discussions. The

Borrower shall permit, and cause each of its Subsidiaries to permit, any authorized representative(s) designated by either the Administrative Agent or other Lender to visit and inspect any of the Projects or inspect the MIS of the Borrower or any of its Subsidiaries which relates to the Projects, to examine, audit, check and make copies of their respective financial and accounting records, books, journals, orders, receipts and any correspondence and other data relating to their respective businesses or the transactions contemplated hereby (including, without limitation, in connection with environmental compliance, hazard or liability), and to discuss their affairs, finances and accounts with their officers and independent certified public accountants, all with a representative of the Borrower present, upon reasonable notice and at such reasonable times during normal business hours, as often as may be reasonably requested. Each such visitation and inspection shall be at such visitor's expense. The Borrower shall keep and maintain, and cause its Subsidiaries to keep and maintain, in all material respects on its MIS and otherwise proper books of record and account in which entries in conformity with GAAP shall be made of all dealings and transactions in relation to their respective businesses and activities.

1.38 ERISA Compliance. The Borrower shall, and shall cause each of

its Subsidiaries and ERISA Affiliates to, establish, maintain and operate all Plans to comply in all material respects with the provisions of ERISA, the Internal Revenue Code, all other applicable laws, and the regulations and interpretations thereunder and the respective requirements of the governing documents for such Plans.



1.39 Maintenance of Property. The Borrower shall, and shall cause

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each of its Subsidiaries to, maintain in all material respects all of their respective owned and leased Property in good, safe and insurable condition and repair and in a businesslike manner, and not permit, commit or suffer any waste or abandonment of any such Property and from time to time shall make or cause to be made all material repairs, renewal and replacements thereof, including, without limitation, any capital improvements which may be required to maintain the same in a businesslike manner; provided, however, that such Property may be

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altered or renovated in the ordinary course of business of the Borrower or such applicable Subsidiary. Without any limitation on the foregoing, the Borrower shall maintain the Projects in a manner such that each Project can be used in the manner and substantially for the purposes such Project is used on the Closing Date, including, without limitation, maintaining all utilities, access rights, zoning and necessary Permits for such Project.

1.40 Hedging Requirements. The Borrower shall maintain "Interest

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Rate Hedges" (as defined below) on a notional amount of Indebtedness of the Borrower and its Subsidiaries which, when added to the aggregate principal amount of Indebtedness of the Borrower and its Subsidiaries which bears interest at a fixed rate, equals or exceeds 75% of the aggregate principal amount of all Indebtedness of the Borrower and its Subsidiaries. "Interest Rate Hedges" shall

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mean interest rate exchange, collar, cap, swap, adjustable strike cap, adjustable strike corridor or similar agreements having terms, conditions and tenors reasonably acceptable to the Administrative Agent entered into by the Borrower and/or its Subsidiaries in order to provide protection to, or minimize the impact upon, the Borrower and/or such Subsidiaries of increasing floating rates of interest applicable to Indebtedness.

1.41 Company Status. The Company shall at all times (1) remain a

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publicly traded company listed on the New York Stock Exchange or other national stock exchange; (2) maintain its status as a REIT under the Internal Revenue Code, (3) retain direct or indirect management and control of the Borrower, and (4) own, directly or indirectly, no less than ninety-nine percent (99%) of the equity Securities of the Company (or any other General Partner of the Borrower).

1.42 Ownership of Projects, Minority Holdings and Property. The

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ownership of substantially all wholly-owned Projects, Minority Holdings and other Property of the Consolidated Businesses shall be held by the Borrower and its Subsidiaries and shall not be held directly by any General Partner.

ARTICLE X

NEGATIVE COVENANTS

Borrower covenants and agrees that it shall comply with the following covenants so long as any Commitments are outstanding and thereafter until payment in full of all of the Obligations (other than indemnities pursuant to Section 15.3 not yet due), unless the Requisite Lenders shall otherwise give

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prior written consent:

1.43 Indebtedness. Neither the Borrower nor any of its Subsidiaries

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shall directly or indirectly create, incur, assume or otherwise become or remain directly or indirectly liable with respect to any Indebtedness, except Indebtedness which, when aggregated with Indebtedness of the General Partners, the Borrower or any of their respective Subsidiaries and Minority Holdings Indebtedness allocable in accordance with GAAP to the Borrower or any Subsidiary of the Borrower as of the time of determination, would not exceed (i) sixty percent (60%) of Capitalization Value as of the date of incurrence, or (ii) in the case of Secured Indebtedness of the Consolidated Businesses and the Borrower's proportionate share of Secured Indebtedness of its Minority Holdings, fiftyfive percent (55%) of the Capitalization Value. In addition, neither the Borrower nor any of its Subsidiaries shall incur, directly or indirectly, Indebtedness for borrowed money from any of the General Partners, unless such Indebtedness is unsecured and expressly subordinated to the payment of the Obligations.

1.44 Sales of Assets. Neither the Borrower nor any of its

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Subsidiaries shall sell, assign, transfer, lease, convey or otherwise dispose of any Property, whether now owned or hereafter acquired, or any income or profits therefrom, or enter into any agreement to do so which would result in a Material Adverse Effect.

1.45 Liens. Neither the Borrower nor any of its Subsidiaries shall

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directly or indirectly create, incur, assume or permit to exist any Lien on or with respect to any Property, except:

(a) Liens with respect to Capital Leases of Equipment entered into in the ordinary course of business of the Borrower pursuant to which the aggregate Indebtedness under such Capital Leases does not exceed \$100,000 for any Project;

(b) Liens securing permitted Secured Indebtedness; and

(c) Customary Permitted Liens.

1.46 Investments. Neither the Borrower nor any of its Subsidiaries  
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shall directly or indirectly make or own any Investment except:

(a) Investments in Cash Equivalents;

(b) Subject to the limitations of clause (e) below, Investments in the Borrower's Subsidiaries, the Borrower's Affiliates and the Management Company;

(c) Investments in the form of advances to employees in the ordinary course of business; provided that the aggregate principal amount  
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of all such advances at any time outstanding shall not exceed \$1,000,000;

(d) Investments received in connection with the bankruptcy or reorganization of suppliers and lessees and in settlement of delinquent obligations of, and other disputes with, lessees and suppliers arising in the ordinary course of business;

(e) Investments (i) in any individual Project (other than Mall of America), which when combined with like Investments of the General Partners in such Project, do not exceed ten percent (10%) of the Capitalization Value after giving effect to such Investments of the Borrower or (ii) in a single Person owning a Project or Property, or a portfolio of Projects or Properties, which when combined with like Investments of the General Partners in such Person, do not exceed thirty-three percent (33%) of the Capitalization Value after giving effect to such Investments of the Borrower, it being understood that no Investment in any individual Person will be permitted if the Borrower's allocable share of the Investment of such Person in any individual Project would exceed the limitation described in clause (i) hereinabove.

1.47 Conduct of Business. Neither the Borrower nor any of its  
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Subsidiaries shall engage in any business, enterprise or activity other than (a) the businesses of acquiring, developing, re-developing and managing predominantly retail and mixed use Projects and portfolios of like Projects and (b) any business or activities which are substantially similar, related or incidental thereto.

1.48 Transactions with Partners and Affiliates. Neither the  
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Borrower nor any of its Subsidiaries shall directly or indirectly enter into or permit to exist any transaction (including, without limitation, the purchase, sale, lease or

exchange of any property or the rendering of any service) with any holder or holders of more than five percent (5%) of any class of equity Securities of the Borrower, or with any Affiliate of the Borrower which is not its Subsidiary, on terms that are determined by the respective Boards of Directors of the General Partners to be less favorable to the Borrower or any of its Subsidiaries, as applicable, than those that might be obtained in an arm's length transaction at the time from Persons who are not such a holder or Affiliate. Nothing contained in this Section 10.6 shall prohibit (a) increases in compensation and benefits

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for officers and employees of the Borrower or any of its Subsidiaries which are customary in the industry or consistent with the past business practice of the Borrower or such Subsidiary, provided that no Event of Default or Potential

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Event of Default has occurred and is continuing; (b) payment of customary partners' indemnities; or (c) performance of any obligations arising under the Loan Documents.

1.49 Restriction on Fundamental Changes. Neither the Borrower nor

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any of its Subsidiaries shall enter into any merger or consolidation, or liquidate, wind-up or dissolve (or suffer any liquidation or dissolution), or convey, lease, sell, transfer or otherwise dispose of, in one transaction or series of transactions, all or substantially all of the Borrower's or any such Subsidiary's business or Property, whether now or hereafter acquired, except in connection with issuance, transfer, conversion or repurchase of limited partnership interests in Borrower. Notwithstanding the foregoing, the Borrower shall be permitted to merge with another Person so long as either (x) the Borrower is the surviving Person following such merger, or (y) the majority of the board of directors (or equivalent) of the surviving Person, as well as the majority of senior management of the surviving Person shall be the same as the board of directors (or equivalent) and senior management of the Borrower immediately prior to such merger.

1.50 Margin Regulations; Securities Laws. Neither the Borrower nor

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any of its Subsidiaries shall use all or any portion of the proceeds of any credit extended under this Agreement to purchase or carry Margin Stock.

1.51 ERISA. The Borrower shall not and shall not permit any of its

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Subsidiaries or ERISA Affiliates to:

- (a) engage in any prohibited transaction described in Sections 406 of ERISA or 4975 of the Internal Revenue Code for which a statutory or class exemption is not available or a private exemption has not been previously obtained from the DOL;

(b) permit to exist any accumulated funding deficiency (as defined in Sections 302 of ERISA and 412 of the Internal Revenue Code), with respect to any Plan, whether or not waived;

(c) fail to pay timely required contributions or annual installments due with respect to any waived funding deficiency to any Plan;

(d) terminate any Plan which would result in any liability of Borrower or any ERISA Affiliate under Title IV of ERISA;

(e) fail to make any contribution or payment to any Multiemployer Plan which Borrower or any ERISA Affiliate may be required to make under any agreement relating to such Multiemployer Plan, or any law pertaining thereto;

(f) fail to pay any required installment or any other payment required under Section 412 of the Internal Revenue Code on or before the due date for such installment or other payment; or

(g) amend a Plan resulting in an increase in current liability for the plan year such that the Borrower or any ERISA Affiliate is required to provide security to such Plan under Section 401(a)(29) of the Internal Revenue Code.

1.52 Organizational Documents. Neither the General Partners, the  
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Borrower nor any of its Subsidiaries shall amend, modify or otherwise change any of the terms or provisions in any of their respective Organizational Documents as in effect on the Closing Date, except amendments to effect (a) a change of name of the Borrower or any such Subsidiary, provided that the Borrower shall  
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provided the Administrative Agent with sixty (60) days prior written notice of any such name change, or (b) changes that would not affect such Organizational Documents in any material manner not otherwise permitted under this Agreement.

1.53 Fiscal Year. Neither the Company, the Borrower nor any of its  
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Consolidated Businesses shall change its Fiscal Year for accounting or tax purposes from a period consisting of the 12-month period ending on December 31 of each calendar year.

1.54 Other Financial Covenants.  
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(1) Minimum Combined Equity Value. The Combined Equity Value shall at no time be less than \$4,500,000,000.

(2) Consolidated Interest Coverage Ratio. As of the first day of each fiscal quarter for the immediately preceding consecutive four fiscal the ratio of (i) Combined EBITDA to (ii) Combined Interest Expense shall not be less than 1.8 to 1.0.

(3) Minimum Debt Service Coverage Ratio. As of the first day of each fiscal quarter for the immediately preceding consecutive four fiscal quarters, the ratio of Combined EBITDA to Combined Debt Service shall not be less than 1.60 to 1.00.

(4) Minimum Debt Yield. As of the first day of each fiscal quarter for the immediately preceding consecutive four fiscal quarters, the ratio (expressed as a percentage) (the "Debt Yield") of (1) Combined EBITDA to (2) Total Adjusted Outstanding Indebtedness (less unrestricted Cash and Cash Equivalents of the Borrower) shall not be less than 13.5%.

(5) Unencumbered Combined EBITDA to Total Unsecured Outstanding Indebtedness. As of the first day of each fiscal quarter for the immediately preceding consecutive four fiscal quarters, the ratio (expressed as a percentage) (the "Unsecured Debt Yield") of (i) the Unencumbered Combined EBITDA to (ii) Total Unsecured Outstanding Indebtedness (less unrestricted Cash and Cash Equivalents of the Borrower) shall not be less than 11%.

(6) Unencumbered Combined EBITDA to Unsecured Interest Expense. As of the first day of each fiscal quarter for the immediately preceding consecutive four fiscal quarters, the ratio of (i) the Unencumbered Combined EBITDA to (ii) Unsecured Interest Expense shall not be less than 1.5 to 1.0.

1.55 Pro Forma Adjustments. In connection with an acquisition of a Project, a Property, or a portfolio of Projects or Properties, by any of the Consolidated Businesses or any Minority Holding (whether such acquisition is direct or through the acquisition of a Person which owns such Property), the financial covenants contained in this Agreement shall be calculated as follows on a pro forma basis (with respect to the pro rata share of the Borrower in the case of an acquisition by a Minority Holding), which pro forma calculation shall be effective until the last day of the fourth fiscal quarter following such acquisition (or such earlier test period, as applicable), at which time actual performance shall be utilized for such calculations.

(1) Annual EBITDA. Annual EBITDA for the acquired Property shall be  
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deemed to be an amount equal to (i) the net purchase price of the acquired  
Property (or the Borrower's pro rata share of such net purchase price in the  
event of an acquisition by a Minority Holding) for the first fiscal quarter  
following such acquisition, multiplied by 8.25% and (ii) for the succeeding  
three fiscal quarters, Annual EBITDA shall be deemed the greater of (A) the net  
purchase price multiplied by 8.25%, or (B) the actual EBITDA from such acquired  
Property during the period following Borrower's (direct or indirect)  
acquisition, computed on an annualized basis, provided that such annualized  
EBITDA shall in no event exceed the final product obtained after multiplying (1)  
the net purchase price by (2) 1.1, and then by (3) 8.25%.

(2) Combined EBITDA. The pro forma calculation of Annual EBITDA for  
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the acquired Property shall be added to the calculation of Combined EBITDA.

(3) Unencumbered Combined EBITDA. If, after giving effect to the  
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acquisition, the acquired Property will not be encumbered by Secured  
Indebtedness, then the pro forma Annual EBITDA for the acquired Property shall  
be added to the calculation of Unencumbered Combined EBITDA.

(4) Secured Indebtedness. Any Indebtedness secured by a Lien incurred  
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and/or assumed in connection with such acquisition of a Property shall be added  
to the calculation of Secured Indebtedness.

(5) Total Adjusted Outstanding Indebtedness. Any Indebtedness  
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incurred and/or assumed in connection with such acquisition shall be added to  
the calculation of Total Adjusted Outstanding Indebtedness.

(6) Combined Interest Expense. If any Indebtedness is incurred or  
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assumed in connection with such acquisition, then the amount of interest expense  
to be incurred on such Indebtedness during the period following such  
acquisition, computed on an annualized basis during the applicable period, shall  
be added to the calculation of Combined Interest Expense.

(7) Total Unsecured Outstanding Indebtedness. Any Indebtedness which  
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is not secured by a Lien and which is incurred and/or assumed in connection with  
such acquisition shall be added to the calculation of Total Unsecured  
Outstanding Indebtedness.

(8) Unsecured Interest Expense. If any unsecured Indebtedness is incurred or assumed in connection with such acquisition, then the amount of interest expense to be incurred on such Indebtedness during the period following such acquisition, computed on an annualized basis during the applicable period, shall be added to the calculation of Unsecured Interest Expense.

(9) Debt Yield and Unencumbered Debt Yield. For purposes of calculating Debt Yield and Unencumbered Debt Yield only, non-recourse Indebtedness and completion guarantees incurred for the construction of new Projects shall, until such time as the interest expense associated with such financing need no longer be capitalized in accordance with GAAP, be excluded from the calculation of Total Adjusted Outstanding Indebtedness (provided that recourse Indebtedness and repayment guarantees shall be included in such calculation).

ARTICLE XI  
EVENTS OF DEFAULT; RIGHTS AND REMEDIES

1.56 Events of Default. Each of the following occurrences shall constitute an Event of Default under this Agreement:

(1) Failure to Make Payments When Due. The Borrower shall fail to pay (i) when due any principal payment on the Obligations which is due on the Termination Date or pursuant to the terms of Section 2.1(a), Section 2.4, or Section 4.1(d) or (ii) within five Business Days after the date on which due, any interest payment on the Obligations or any principal payment pursuant to the terms of Section 4.1(a) or (iii) when due, any principal payment on the Obligations not referenced in clauses (i) or (ii) hereinabove.

(2) Breach of Certain Covenants. The Borrower shall fail duly and punctually to perform or observe any agreement, covenant or obligation binding on such Sections 8.3, 9.1, 9.2, 9.3, 9.4, 9.5, 9.6, or Article X.

(3) Breach of Representation or Warranty. Any representation or warranty made by the Borrower to the Administrative Agent or any other Lender herein or by the Borrower or any of its Subsidiaries in any of the other Loan Documents or in any statement or certificate at any time given by any such Person pursuant to any of the Loan Documents shall be false or misleading in any material respect on the date as of which made.



(4) Other Defaults. Except as set forth in the next sentence,  
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the Borrower shall default in the performance of or compliance with any term contained in this Agreement (other than as identified in paragraphs (a), (b) or (c) of this Section 11.1), or any default or event of default shall occur under

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any of the other Loan Documents, and such default or event of default shall continue for twenty (20) days after receipt of written notice from the Administrative Agent thereof. With respect to any failure in the performance of or compliance with the terms of Section 9.9, such failure or noncompliance shall not constitute an Event of Default so long as the Borrower cures such failure or noncompliance within one hundred eighty (180) days after the receipt of written notice from the Administrative Agent thereof.

(5) Acceleration of Other Indebtedness. Any breach, default or  
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event of default shall occur, or any other condition shall exist under any instrument, agreement or indenture pertaining to any recourse Indebtedness (other than the Obligations) of the Borrower or its Subsidiaries aggregating \$30,000,000 or more, and the effect thereof is to cause an acceleration, mandatory redemption or other required repurchase of such Indebtedness, or permit the holder(s) of such Indebtedness to accelerate the maturity of any such Indebtedness or require a redemption or other repurchase of such Indebtedness; or any such Indebtedness shall be otherwise declared to be due and payable (by acceleration or otherwise) or required to be prepaid, redeemed or otherwise repurchased by the Borrower or any of its Subsidiaries (other than by a regularly scheduled required prepayment) prior to the stated maturity thereof.

(6) Involuntary Bankruptcy; Appointment of Receiver, Etc.  
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(i) An involuntary case shall be commenced against any General Partner, the Borrower, or any of its Subsidiaries to which \$150,000,000 or more of the Combined Equity Value is attributable, and the petition shall not be dismissed, stayed, bonded or discharged within sixty (60) days after commencement of the case; or a court having jurisdiction in the premises shall enter a decree or order for relief in respect of any General Partner, the Borrower or any of its Subsidiaries in an involuntary case, under any applicable bankruptcy, insolvency or other similar law now or hereinafter in effect; or any other similar relief shall be granted under any applicable federal, state, local or foreign law; or the respective board of directors of any General Partner or Limited Partners of the Borrower or the board of directors or partners of any of the Borrower's Subsidiaries (or any committee thereof) adopts any resolution or otherwise authorizes any action to approve any of the foregoing.

(ii) A decree or order of a court having jurisdiction in the premises for the appointment of a receiver, liquidator, sequestrator, trustee, custodian or other officer having similar powers over any of the General Partners, the Borrower, or any of its Subsidiaries to which \$150,000,000 or more of the Combined Equity Value is attributable, or over all or a substantial part of the Property of any of the General Partners, the Borrower or any of such Subsidiaries shall be entered; or an interim receiver, trustee or other custodian of any of the General Partners, the Borrower or any of such Subsidiaries or of all or a substantial part of the Property of any of the General Partners, the Borrower or any of such Subsidiaries shall be appointed or a warrant of attachment, execution or similar process against any substantial part of the Property of any of the General Partners, the Borrower or any of such Subsidiaries shall be issued and any such event shall not be stayed, dismissed, bonded or discharged within sixty (60) days after entry, appointment or issuance; or the respective board of directors of any of the General Partners or Limited Partners of the Borrower or the board of directors or partners of any of Borrower's Subsidiaries (or any committee thereof) adopts any resolution or otherwise authorizes any action to approve any of the foregoing.

(7) Voluntary Bankruptcy; Appointment of Receiver, Etc. Any of the

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General Partners, the Borrower, or any of its Subsidiaries to which \$150,000,000 or more of the Combined Equity Value is attributable, shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case, or to the conversion of an involuntary case to a voluntary case, under any such law, or shall consent to the appointment of or taking possession by a receiver, trustee or other custodian for all or a substantial part of its Property; or any of the General Partners, the Borrower or any of such Subsidiaries shall make any assignment for the benefit of creditors or shall be unable or fail, or admit in writing its inability, to pay its debts as such debts become due.

(8) Judgments and Unpermitted Liens.

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(i) Any money judgment (other than a money judgment covered by insurance as to which the insurance company has acknowledged coverage), writ or warrant of attachment, or similar process against the Borrower or any of its Subsidiaries or any of their respective assets involving in any case an amount in excess of \$15,000,000 (other than with respect to Claims arising out of non-recourse Indebtedness) is entered and shall remain undischarged, unvacated, unbonded or unstayed for a period of sixty (60) days or in any event later than five (5) days prior to the date of any proposed sale thereunder; provided,

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however, if any such

judgment, writ or warrant of attachment or similar process is in excess of \$30,000,000 (other than with respect to Claims arising out of non-recourse Indebtedness), the entry thereof shall immediately constitute an Event of Default hereunder.

(ii) A federal, state, local or foreign tax Lien is filed against the Borrower which is not discharged of record, bonded over or otherwise secured to the satisfaction of the Administrative Agent within fifty (50) days after the filing thereof or the date upon which the Administrative Agent receives actual knowledge of the filing thereof for an amount which, either separately or when aggregated with the amount of any judgments described in clause (i) above and/or the amount of the Environmental Lien Claims described in clause (iii) below, equals or exceeds \$15,000,000.

(iii) An Environmental Lien is filed against any Project with respect to Claims in an amount which, either separately or when aggregated with the amount of any judgments described in clause (i) above and/or the amount of the tax Liens described in clause (ii) above, equals or exceeds \$15,000,000.

(9) Dissolution. Any order, judgment or decree shall be entered  
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against the Borrower decreeing its involuntary dissolution or split up; or the Borrower shall otherwise dissolve or cease to exist except as specifically permitted by this Agreement.

(10) Loan Documents. At any time, for any reason, any Loan Document  
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ceases to be in full force and effect or the Borrower seeks to repudiate its obligations thereunder.

(11) ERISA Termination Event. Any ERISA Termination Event occurs  
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which the Administrative Agent believes could subject either the Borrower or any ERISA Affiliate to liability in excess of \$500,000.

(12) Waiver Application. The plan administrator of any Plan applies  
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under Section 412(d) of the Code for a waiver of the minimum funding standards of Section 412(a) of the Internal Revenue Code and the Administrative Agent believes that the substantial business hardship upon which the application for the waiver is based could subject either the Borrower or any ERISA Affiliate to liability in excess of \$500,000.

(13) Intentionally Omitted.  
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(14) Certain Defaults Pertaining to the General Partners. The Company

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shall fail to (i) maintain its status as a REIT for federal income tax purposes, (ii) continue as a general partner of the Borrower, (iii) maintain ownership of no less than 99% of the equity Securities of any other General Partner of the Borrower, (iv) comply with all Requirements of Law applicable to it and its businesses and Properties, in each case where the failure to so comply individually or in the aggregate will have or is reasonably likely to have a Material Adverse Effect, (v) remain listed on the New York Stock Exchange or other national stock exchange, or (vi) file all tax returns and reports required to be filed by it with any Governmental Authority as and when required to be filed or to pay any taxes, assessments, fees or other governmental charges upon it or its Property, assets, receipts, sales, use, payroll, employment, licenses, income, or franchises which are shown in such returns, reports or similar statements to be due and payable as and when due and payable, except for taxes, assessments, fees and other governmental charges (A) that are being contested by the Company in good faith by an appropriate proceeding diligently pursued, (B) for which adequate reserves have been made on its books and records, and (C) the amounts the non-payment of which would not, individually or in the aggregate, result in a Material Adverse Effect.

(15) Merger or Liquidation of the General Partners or the Borrower.

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Any General Partner shall merge or liquidate with or into any other Person, other than another General Partner, and, as a result thereof and after giving effect thereto, (i) such General Partner is not the surviving Person, or (ii) the majority of the board of directors (or equivalent) of the surviving Person, as well as the majority of senior management of the surviving Person shall be the same as the board of directors (or equivalent) and senior management of such General Partner immediately prior to such merger, or (iii) such merger or liquidation would effect an acquisition of or Investment in any Person not otherwise permitted under the terms of this Agreement. The Borrower shall merge or liquidate with or into any other Person and, as a result thereof and after giving effect thereto, (i) the Borrower is not the surviving Person or (ii) such merger or liquidation would effect an acquisition of or Investment in any Person not otherwise permitted under the terms of this Agreement.

An Event of Default shall be deemed "continuing" until cured or waived in writing in accordance with Section 15.7.

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1.57 Rights and Remedies.

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(1) Acceleration and Termination. Upon the occurrence of any Event of Default described in Sections 11.1(f) or 11.1(g), the Commitments shall

automatically and immediately terminate and the unpaid principal amount of, and any and all accrued interest on, the Obligations and all accrued fees shall automatically become immediately due and payable, without presentment, demand, or protest or other requirements of any kind (including, without limitation, valuation and appraisal, diligence, presentment, notice of intent to demand or accelerate and of acceleration), all of which are hereby expressly waived by the Borrower; and upon the occurrence and during the continuance of any other Event of Default, the Administrative Agent shall at the request, or may with the consent, of the Requisite Lenders, by written notice to the Borrower, (i) declare that the Commitments are terminated, and/or (ii) declare the unpaid principal amount of and any and all accrued and unpaid interest on the Obligations to be, and the same shall thereupon be, immediately due and payable, without presentment, demand, or protest or other requirements of any kind (including, without limitation, valuation and appraisal, diligence, presentment, notice of intent to demand or accelerate and of acceleration), all of which are hereby expressly waived by the Borrower.

(2) Rescission. If at any time after termination of the Commitments

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and/or acceleration of the maturity of the Loans, the Borrower shall pay all arrears of interest and all payments on account of principal of the Loans which shall have become due otherwise than by acceleration (with interest on principal and, to the extent permitted by law, on overdue interest, at the rates specified in this Agreement) and all Events of Default and Potential Events of Default (other than nonpayment of principal of and accrued interest on the Loans due and payable solely by virtue of acceleration) shall be remedied or waived pursuant to Section 15.7, then upon the written consent of the Requisite Lenders and

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written notice to the Borrower, the termination of the Commitments and/or the acceleration and their consequences may be rescinded and annulled; but such action shall not affect any subsequent Event of Default or Potential Event of Default or impair any right or remedy consequent thereon. The provisions of the preceding sentence are intended merely to bind the Lenders to a decision which may be made at the election of the Requisite Lenders; they are not intended to benefit the Borrower and do not give the Borrower the right to require the Lenders to rescind or annul any acceleration hereunder, even if the conditions set forth herein are met.

(3) Enforcement. The Borrower acknowledges that in the event the

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Borrower or any of its Subsidiaries fails to perform, observe or discharge any of their respective obligations or liabilities under this Agreement or any other Loan Document, any remedy of law may prove to be inadequate relief to the Administrative Agent and the other Lenders; therefore, the Borrower agrees that the Administrative

Agent and the other Lenders shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages.

ARTICLE XII  
THE AGENTS

1.58 Appointment. (a) Each Lender hereby designates and appoints  
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Chase as the Administrative Agent of such Lender under this Agreement, and each Lender hereby irrevocably authorizes the Administrative Agent and all other Agents to take such actions on its behalf under the provisions of this Agreement and the Loan Documents and to exercise such powers as are set forth herein or therein together with such other powers as are reasonably incidental thereto. The Agents each agrees to act as such on the express conditions contained in this Article XII. The Administrative Agent shall administer this Agreement and  
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service the Loans with the same degree of care as the Administrative Agent would use in servicing a loan of similar size and type for its own account.

(1) The provisions of this Article XII are solely for the benefit of  
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the Agents, and neither the Borrower, the General Partners nor any Subsidiary of the Borrower shall have any rights to rely on or enforce any of the provisions hereof (other than as expressly set forth in Section 12.7). In performing their  
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respective functions and duties under this Agreement, the Agents shall act solely as agent of the Lenders and do not assume and shall not be deemed to have assumed any obligation or relationship of agency, trustee or fiduciary with or for any General Partner, the Borrower or any Subsidiary of the Borrower. The Agents may perform any of their respective duties hereunder, or under the Loan Documents, by or through their respective agents or employees.

1.59 Nature of Duties. The Agents shall not have any duties or  
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responsibilities except those expressly set forth in this Agreement or in the Loan Documents. The duties of the Administrative Agent shall be mechanical and administrative in nature. None of the Agents shall have by reason of this Agreement a fiduciary relationship in respect of any Holder. Nothing in this Agreement or any of the Loan Documents, expressed or implied, is intended to or shall be construed to impose upon the Agents any obligations in respect of this Agreement or any of the Loan Documents except as expressly set forth herein or therein. The Administrative Agent hereby agrees that its duties shall include providing copies of documents received by such Agent from the Borrower which are reasonably requested by any Lender and promptly notifying each Lender upon its obtaining actual knowledge of

the occurrence of any Event of Default hereunder. In addition, the Administrative Agent shall promptly deliver to each of the Lenders copies of all notices of default and other formal notices (including, without limitation, requests for waivers or modifications) sent or received.

1.60 Right to Request Instructions. The Agents may at any time

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request instructions from the Lenders with respect to any actions or approvals which by the terms of any of the Loan Documents such Agent is permitted or required to take or to grant, and such Agent shall be absolutely entitled to refrain from taking any action or to withhold any approval and shall not be under any liability whatsoever to any Person for refraining from any action or withholding any approval under any of the Loan Documents until it shall have received such instructions from those Lenders from whom such Agent is required to obtain such instructions for the pertinent matter in accordance with the Loan Documents. Without limiting the generality of the foregoing, such Agent shall take any action, or refrain from taking any action, which is permitted by the terms of the Loan Documents upon receipt of instructions from those Lenders from whom such Agent is required to obtain such instructions for the pertinent matter in accordance with the Loan Documents, provided, that no Holder shall have any

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right of action whatsoever against the Agents as a result of such Agent acting or refraining from acting under the Loan Documents in accordance with the instructions of the Requisite Lenders or, where required by the express terms of this Agreement, a greater proportion of the Lenders.

1.61 Reliance. The Agents shall each be entitled to rely upon any

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written notices, statements, certificates, orders or other documents or any telephone message believed by it in good faith to be genuine and correct and to have been signed, sent or made by the proper Person, and with respect to all matters pertaining to this Agreement or any of the Loan Documents and its duties hereunder or thereunder, upon advice of legal counsel (including counsel for the Borrower), independent public accountants and other experts selected by it.

1.62 Indemnification. To the extent that any Agent is not reimbursed

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and indemnified by the Borrower, the Lenders will reimburse and indemnify such Agent solely in its capacity as such Agent and not as a Lender for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, and reasonable costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against it in any way relating to or arising out of the Loan Documents or any action taken or omitted by such Agent under the Loan Documents, in proportion to each Lender's Pro Rata Share, unless and to the extent that any such liabilities, obligations, losses, damages,

penalties, actions, judgments, suits, and reasonable costs, expenses or disbursements shall arise as a result of such Agent's gross negligence or willful misconduct. Such Agent agrees to refund to the Lenders any of the foregoing amounts paid to it by the Lenders which amounts are subsequently recovered by such Agent from the Borrower or any other Person on behalf of the Borrower. The obligations of the Lenders under this Section 12.5 shall survive

the payment in full of the Loans and all other Obligations and the termination of this Agreement.

1.63 Agents Individually. With respect to their respective Pro Rata

Share of the Commitments hereunder, if any, and the Loans made by it, if any, the Agents shall have and may exercise the same rights and powers hereunder and is subject to the same obligations and liabilities as and to the extent set forth herein for any other Lender. The terms "Lenders" or "Requisite Lenders" or any similar terms shall, unless the context clearly otherwise indicates, include each of the Agents in its respective individual capacity as a Lender or as one of the Requisite Lenders. The Administrative Agent may accept deposits from, lend money to, and generally engage in any kind of banking, trust or other business with the Borrower or any of its Subsidiaries as if they were not acting as the applicable Agent pursuant hereto.

1.64 Successor Agents.

(1) Resignation and Removal. Any Agent may resign from the

performance of all its functions and duties hereunder at any time by giving at least thirty (30) Business Days' prior written notice to the Borrower and the other Lenders, unless applicable law requires a shorter notice period or that there be no notice period, in which instance such applicable law shall control. Any Agent may be removed (i) at the direction of Lenders whose Pro Rata Shares, in the aggregate, are greater than fifty percent (50%), in the event the Agent is not also a Lender having a Commitment of at least \$20,000,000 or twenty percent (20%) of the Commitments at such time or (ii) at the direction of the Requisite Lenders, in the event such Agent shall commit gross negligence or willful misconduct in the performance of its duties hereunder. Such resignation or removal shall take effect upon the acceptance by a successor Agent of appointment pursuant to this Section 12.7.

(2) Intentionally Omitted.

(3) Appointment by Retiring Agent. If a successor Administrative

Agent shall not have been appointed within the thirty (30) Business Days or shorter period provided in paragraph (a) of this Section 12.7, the retiring

Agent shall then



appoint a successor Agent who shall serve as Administrative Agent until such time, if any, as the Lenders appoint a successor Agent as provided above.

(4) Rights of the Successor and Retiring Agents. Upon the acceptance

of any appointment as Administrative Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Agent's resignation hereunder as Agent, the provisions of this Article XII shall inure to its benefit as to any actions taken or omitted

to be taken by it while it was the Agent under this Agreement.

1.65 Relations Among the Lenders. Each Lender agrees that it will

not take any legal action, nor institute any actions or proceedings, against the Borrower hereunder with respect to any of the Obligations, without the prior written consent of the Lenders. Without limiting the generality of the foregoing, no Lender may accelerate or otherwise enforce its portion of the Obligations, or unilaterally terminate its Commitment except in accordance with Section 11.2(a).

ARTICLE XIII  
YIELD PROTECTION

1.66 Taxes.

(1) Payment of Taxes. Any and all payments by the Borrower hereunder

or under any Note or other document evidencing any Obligations shall be made, in accordance with Section 4.2, free and clear of and without reduction for any and

all present or future taxes, levies, imposts, deductions, charges, withholdings, and all stamp or documentary taxes, excise taxes, ad valorem taxes and other taxes imposed on the value of the Property, charges or levies which arise from the execution, delivery or registration, or from payment or performance under, or otherwise with respect to, any of the Loan Documents or the Commitments and all other liabilities with respect thereto excluding, in the case of each Lender, taxes imposed on or measured by net income or overall gross receipts and capital and franchise taxes imposed on it by (i) the United States, (ii) the Governmental Authority of the jurisdiction in which such Lender's Applicable Lending Office is located or any political subdivision thereof or (iii) the Governmental Authority in which such Person is organized, managed and controlled or any political subdivision thereof (all such non-excluded taxes, levies, imposts, deductions, charges and withholdings being

hereinafter referred to as "Taxes"). If the Borrower shall be required by law to  
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withhold or deduct any Taxes from or in respect of any sum payable hereunder or  
under any such Note or document to any Lender, (x) the sum payable to such  
Lender shall be increased as may be necessary so that after making all required  
withholding or deductions (including withholding or deductions applicable to  
additional sums payable under this Section 13.1) such Lender receives an amount  
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equal to the sum it would have received had no such withholding or deductions  
been made, (y) the Borrower shall make such withholding or deductions, and (z)  
the Borrower shall pay the full amount withheld or deducted to the relevant  
taxation authority or other authority in accordance with applicable law.

(2) Indemnification. The Borrower will indemnify each Lender  
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against, and reimburse each Lender on demand for, the full amount of all Taxes  
(including, without limitation, any Taxes imposed by any Governmental Authority  
on amounts payable under this Section 13.1 and any additional income or  
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franchise taxes resulting therefrom) incurred or paid by such Lender or any of  
its Affiliates and any liability (including penalties, interest, and out-of-  
pocket expenses paid to third parties) arising therefrom or with respect  
thereto, whether or not such Taxes were lawfully payable. A certificate as to  
any additional amount payable to any Person under this Section 13.1 submitted by  
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it to the Borrower shall, absent manifest error, be final, conclusive and  
binding upon all parties hereto. Each Lender agrees, within a reasonable time  
after receiving a written request from the Borrower, to provide the Borrower and  
the Administrative Agent with such certificates as are reasonably required, and  
take such other actions as are reasonably necessary to claim such exemptions as  
such Lender may be entitled to claim in respect of all or a portion of any Taxes  
which are otherwise required to be paid or deducted or withheld pursuant to this  
Section 13.1 in respect of any payments under this Agreement or under the Notes.  
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(3) Receipts. Within thirty (30) days after the date of any payment  
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of Taxes by the Borrower, the Borrower will furnish to the Administrative Agent,  
at its address referred to in Section 15.8, the original or a certified copy of  
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a receipt evidencing payment thereof.

(4) Foreign Bank Certifications. (i) Each Lender that is not created  
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or organized under the laws of the United States or a political subdivision  
thereof shall deliver to the Borrower and the Administrative Agent on the  
Closing Date or the date on which such Lender becomes a Lender pursuant to  
Section 15.1 hereof a true and accurate certificate executed in duplicate by a  
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duly authorized officer of such Lender to the effect that such Lender is  
eligible to receive payments hereunder and under the Notes without deduction or  
withholding of United States federal income

tax (I) under the provisions of an applicable tax treaty concluded by the United States (in which case the certificate shall be accompanied by two duly completed copies of Form W-8BEN (or any successor or substitute form or forms)) or (II) under Sections 1442(c)(1) and 1442(a) of the Internal Revenue Code (in which case the certificate shall be accompanied by two duly completed copies of Form W-8ECI (or any successor or substitute form or forms)).

(ii) Each Lender further agrees to deliver to the Borrower and the Administrative Agent from time to time a true and accurate certificate executed in duplicate by a duly authorized officer of such Lender before or promptly upon the occurrence of any event requiring a change in the most recent certificate previously delivered by it to the Borrower and the Administrative Agent pursuant to this Section 13.1(d). Each certificate required to be delivered pursuant to

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this Section 13.1(d)(ii) shall certify as to one of the following:  
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(1) that such Lender can continue to receive payments hereunder and under the Notes without deduction or withholding of United States federal income tax;

(2) that such Lender cannot continue to receive payments hereunder and under the Notes without deduction or withholding of United States federal income tax as specified therein but does not require additional payments pursuant to Section 13.1(a) because it is entitled to recover the

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full amount of any such deduction or withholding from a source other than the Borrower; or

(3) that such Lender is no longer capable of receiving payments hereunder and under the Notes without deduction or withholding of United States federal income tax as specified therein and that it is not capable of recovering the full amount of the same from a source other than the Borrower. Each Lender agrees to deliver to the Borrower and the Administrative Agent further duly completed copies of the abovementioned IRS forms on or before the earlier of (x) the date that any such form expires or becomes obsolete or otherwise is required to be resubmitted as a condition to obtaining an exemption from withholding from United States federal income tax and (y) fifteen (15) days after the occurrence of any event requiring a change in the most recent form previously delivered by such Lender to the Borrower and Administrative Agent, unless any change in treaty, law, regulation, or official interpretation thereof which would render such form inapplicable or which would prevent the Lender from duly completing and

delivering such form has occurred prior to the date on which any such delivery would otherwise be required and the Lender promptly advises the Borrower that it is not capable of receiving payments hereunder and under the Notes without any deduction or withholding of United States federal income tax.

1.67 Increased Capital. If after the date hereof any Lender

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determines that (i) the adoption or implementation of or any change in or in the interpretation or administration of any law or regulation or any guideline or request from any central bank or other Governmental Authority or quasi-governmental authority exercising jurisdiction, power or control over any Lender or banks or financial institutions generally (whether or not having the force of law), compliance with which affects or would affect the amount of capital required or expected to be maintained by such Lender or any corporation controlling such Lender and (ii) the amount of such capital is increased by or based upon the making or maintenance by any Lender of its Loans, any Lender's participation in or obligation to participate in the Loans or other advances made hereunder or the existence of any Lender's obligation to make Loans, then, in any such case, upon written demand by such Lender (with a copy of such demand to the Administrative Agent), the Borrower shall immediately pay to the Administrative Agent for the account of such Lender, from time to time as specified by such Lender, additional amounts sufficient to compensate such Lender or such corporation therefor. Such demand shall be accompanied by a statement as to the amount of such compensation and include a brief summary of the basis for such demand. Such statement shall be conclusive and binding for all purposes, absent manifest error.

1.68 Changes; Legal Restrictions. If after the date hereof any Lender

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determines that the adoption or implementation of or any change in or in the interpretation or administration of any law or regulation or any guideline or request from any central bank or other Governmental Authority or quasi-governmental authority exercising jurisdiction, power or control over any Lender, or over banks or financial institutions generally (whether or not having the force of law), compliance with which:

(a) does or will subject a Lender (or its Applicable Lending Office or Eurodollar Affiliate) to charges (other than taxes) of any kind which such Lender reasonably determines to be applicable to the Commitments of the Lenders to make Eurodollar Rate Loans or change the basis of taxation of payments to that Lender of principal, fees, interest, or any other amount payable hereunder with respect to Eurodollar Rate Loans; or

(b) does or will impose, modify, or hold applicable, in the determination of a Lender, any reserve (other than reserves taken into account in calculating the Eurodollar Rate), special deposit, compulsory loan, FDIC insurance or similar requirement against assets held by, or deposits or other liabilities in or for the account of, advances or loans by, commitments made, or other credit extended by, or any other acquisition of funds by, a Lender or any Applicable Lending Office or Eurodollar Affiliate of that Lender;

and the result of any of the foregoing is to increase the cost to that Lender of making, renewing or maintaining the Loans or its Commitment or to reduce any amount receivable thereunder; then, in any such case, upon written demand by such Lender (with a copy of such demand to the Administrative Agent), the Borrower shall immediately pay to the Administrative Agent for the account of such Lender, from time to time as specified by such Lender, such amount or amounts as may be necessary to compensate such Lender or its Eurodollar Affiliate for any such additional cost incurred or reduced amount received. Such demand shall be accompanied by a statement as to the amount of such compensation and include a brief summary of the basis for such demand. Such statement shall be conclusive and binding for all purposes, absent manifest error.

1.69 Replacement of Certain Lenders. In the event a Lender (a

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"Designee Lender") shall have requested additional compensation from the

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Borrower under Section 13.2 or under Section 13.3, the Borrower may, at its sole

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election, (a) make written demand on such Designee Lender (with a copy to the Administrative Agent) for the Designee Lender to assign, and such Designee Lender shall assign pursuant to one or more duly executed Assignment and Acceptances to one or more Eligible Assignees which the Borrower or the Administrative Agent shall have identified for such purpose, all of such Designee Lender's right and obligations under this Agreement and the Notes (including, without limitation, its Commitment, and all Loans owing to it) in accordance with Section 15.1 or (b) repay all Loans owing to the Designee Lender

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together with interest accrued with respect thereto to the date of such repayment and all fees and other charges accrued or payable under the terms of this Agreement for the benefit of the Designee Lender to the date of such repayment. Any such repayment and remittance shall be for the sole credit of the Designee Lender and not for any other Lender. Upon delivery of such repayment and remittance in immediately available funds as aforesaid, the Designee Lender shall cease to be a Lender under this Agreement. All expenses incurred by the Administrative Agent in connection with the foregoing shall be for the sole account of the Borrower and shall constitute Obligations hereunder. In no event shall Borrower's election under the

provisions of this Section 13.4 affect its obligation to pay the additional  
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compensation required under either Section 13.2 or Section 13.3.  
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ARTICLE XIV  
INTENTIONALLY OMITTED

ARTICLE XV  
MISCELLANEOUS

1.70 Assignments and Participations.  
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(1) Assignments. No assignments or participations of any Lender's  
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rights or obligations under this Agreement shall be made except in accordance  
with this Section 15.1. Each Lender may assign to one or more Eligible Assignees  
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all or a portion of its rights and obligations under this Agreement (including  
all of its rights and obligations with respect to the Loans) in accordance with  
the provisions of this Section 15.1(a).  
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(2) Limitations on Assignments. For so long as no Event of Default  
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has occurred and is continuing, each assignment shall be subject to the  
following conditions: (i) each assignment shall be of a constant, and not a  
varying, ratable percentage of all of the assigning Lender's rights and  
obligations under this Agreement and, in the case of a partial assignment, shall  
be in a minimum principal amount of \$5,000,000, (ii) each such assignment shall  
be to an Eligible Assignee, and (iii) the parties to each such assignment shall  
execute and deliver to the Administrative Agent, for its acceptance and  
recording in the Register, an Assignment and Acceptance. Upon the occurrence and  
continuance of an Event of Default, none of the foregoing restrictions on  
assignments shall apply. Upon such execution, delivery, acceptance and recording  
in the Register, from and after the effective date specified in each Assignment  
and Acceptance and agreed to by the Administrative Agent, (A) the assignee  
thereunder shall, in addition to any rights and obligations hereunder held by it  
immediately prior to such effective date, if any, have the rights and  
obligations hereunder that have been assigned to it pursuant to such Assignment  
and Acceptance and shall, to the fullest extent permitted by law, have the same  
rights and benefits hereunder as if it were an original Lender hereunder, (B)  
the assigning Lender shall, to the extent that rights and obligations hereunder  
have been assigned by it pursuant to such Assignment and Acceptance, relinquish  
its rights and be released from its obligations under this Agreement (and, in  
the case of an Assignment and Acceptance covering all or the remaining portion  
of such assigning Lender's rights

and obligations under this Agreement, the assigning Lender shall cease to be a party hereto) and (C) the Borrower shall execute and deliver to the assignee thereunder a Note evidencing its obligations to such assignee with respect to the Loans.

(3) The Register. The Administrative Agent shall maintain at its address referred to in Section 15.8 a copy of each Assignment and Acceptance delivered to and accepted by it and a register (the "Register") for the recordation of the names and addresses of the Lenders, the Commitment of, and the principal amount of the Loans under the Commitments owing to, each Lender from time to time and whether such Lender is an original Lender or the assignee of another Lender pursuant to an Assignment and Acceptance. The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower and each of its Subsidiaries, the Administrative Agent and the other Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(4) Fee. Upon its receipt of an Assignment and Acceptance executed by the assigning Lender and an Eligible Assignee and a processing and recordation fee of \$3,500 (payable by the assignee to the Administrative Agent), the Administrative Agent shall, if such Assignment and Acceptance has been completed and is in compliance with this Agreement and in substantially the form of Exhibit A hereto, (i) accept such Assignment and Acceptance, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower and the other Lenders.

(5) Participations. Each Lender may sell participations to one or more other financial institutions in or to all or a portion of its rights and obligations under and in respect of any and all facilities under this Agreement (including, without limitation, all or a portion of any or all of its Commitment hereunder and the Loans owing to it); provided, however, that (i) such Lender's obligations under this Agreement (including, without limitation, its Commitment hereunder) shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, (iv) each participation shall be in a minimum amount of \$5,000,000, and (v) such participant's rights to agree or to restrict such Lender's ability to agree to the modification, waiver or release of any of the terms of the Loan Documents, to consent to any action or failure to act by any party to any of the Loan Documents or any of their respective

Affiliates, or to exercise or refrain from exercising any powers or rights which any Lender may have under or in respect of the Loan Documents, shall be limited to the right to consent to (A) increase in the Commitment of the Lender from whom such participant purchased a participation, (B) reduction of the principal of, or rate or amount of interest on the Loans subject to such participation (other than by the payment or prepayment thereof), (C) postponement of any date fixed for any payment of principal of, or interest on, the Loan(s) subject to such participation and (D) release of any guarantor of the Obligations.

(6) Intentionally Omitted.  
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(7) Information Regarding the Borrower. Any Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 15.1, disclose to the assignee or participant or proposed assignee or participant, any information relating to the Borrower or its Subsidiaries furnished to such Lender by the Administrative Agent or by or on behalf of the Borrower; provided that, prior to any such disclosure, such assignee or participant, or proposed assignee or participant, shall agree, in writing, to preserve in accordance with Section 15.20 the confidentiality of any confidential information described therein.

(8) SPC Assignment. Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Lender") may grant to a special purpose funding vehicle (a "SPC"), identified in writing from time to time by the Granting Lender to the Administrative Agent, the option to purchase from the Granting Lender all or any part of any Loan that such Granting Lender would otherwise be obligated to make as provided herein, provided that (i) nothing herein shall constitute a commitment to purchase any Loan by any SPC, and (ii) if a SPC elects not to exercise such option or otherwise fails to fund all or any part of such Loan, the Granting Lender shall be obligated to fund such Loan pursuant to the terms hereof. The funding of a Loan by a SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were funded by such Granting Lender. Each party hereby agrees that no SPC shall be liable for any indemnity or payment under this Agreement for which a Lender would otherwise be liable, for so long as, and to the extent, the Granting Lender provides such indemnity or makes such payment. In furtherance of the foregoing, each party hereto hereby agrees that, prior to the date that is one year and one day after the payment in full of all outstanding Loans of any SPC, it will not institute against, or join any other person in instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or similar proceedings under the laws of the United States. Notwithstanding anything to



the contrary contained in this Agreement, the Granting Lender may disclose to a SPC and any SPC may disclose to any Rating Agency or provider of any surety or guarantee to such SPC any information relating to the SPC's funding of Loans, all on a confidential basis. This clause (h) may not be amended without the prior written consent of each Granting Lender, all or any part of whose Loans are being funded by a SPC at the time of such amendment.

(9) Payment to Participants. Anything in this Agreement to the

contrary notwithstanding, in the case of any participation, all amounts payable by the Borrower under the Loan Documents shall be calculated and made in the manner and to the parties required hereby as if no such participation had been sold.

(10) Lenders' Creation of Security Interests. Notwithstanding any

other provision set forth in this Agreement, any Lender may at any time create a security interest in all or any portion of its rights under this Agreement (including, without limitation, Obligations owing to it and any Note held by it) in favor of any Federal Reserve bank in accordance with Regulation A of the Federal Reserve Board.

1.71 Expenses.

(1) Generally. The Borrower agrees upon demand to pay or

reimburse the Administrative Agent for all of its reasonable external audit and investigation expenses, and for the fees, expenses and disbursements of Skadden, Arps, Slate, Meagher & Flom LLP (but not of other legal counsel) and for all other out-of-pocket costs and expenses of every type and nature incurred by the Administrative Agent in connection with (i) the audit and investigation of the Consolidated Businesses, the Projects and other Properties of the Consolidated Businesses in connection with the preparation, negotiation, and execution of the Loan Documents; (ii) the preparation, negotiation, execution and interpretation of this Agreement (including, without limitation, the satisfaction or attempted satisfaction of any of the conditions set forth in Article VI), the Loan Documents, and the making of the Loans hereunder; (iii)

the syndication of the Loans, (iv) the ongoing administration of this Agreement and the Loans, including consultation with attorneys in connection therewith and with respect to the Administrative Agent's rights and responsibilities under this Agreement and the other Loan Documents; (v) the protection, collection or enforcement of any of the Obligations or the enforcement of any of the Loan Documents; (vi) the commencement, defense or intervention in any court proceeding relating in any way to the Obligations, any Project, the Borrower, any of its Subsidiaries, this Agreement or any of the other Loan Documents; (vii) the response to, and preparation for, any subpoena or request for document production

with which the Administrative Agent or any other Agents or any other Lender is served or deposition or other proceeding in which any Lender is called to testify, in each case, relating in any way to the Obligations, a Project, the Borrower, any of the Consolidated Businesses, this Agreement or any of the other Loan Documents; and (viii) any amendments, consents, waivers, assignments, restatements, or supplements to any of the Loan Documents and the preparation, negotiation, and execution of the same.

(2) After Default. The Borrower further agrees to pay or reimburse

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the Administrative Agent and each of the Lenders upon demand for all out-of-pocket costs and expenses, including, without limitation, reasonable attorneys' fees (including allocated costs of internal counsel and costs of settlement) incurred by such entity after the occurrence of an Event of Default (i) in enforcing any Loan Document or Obligation or any security therefor or exercising or enforcing any other right or remedy available by reason of such Event of Default; (ii) in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a "work-out" or in any insolvency or bankruptcy proceeding; (iii) in commencing, defending or intervening in any litigation or in filing a petition, complaint, answer, motion or other pleadings in any legal proceeding relating to the Obligations, a Project, any of the Consolidated Businesses and related to or arising out of the transactions contemplated hereby or by any of the other Loan Documents; and (iv) in taking any other action in or with respect to any suit or proceeding (bankruptcy or otherwise) described in clauses (i) through (iii) above.

1.72 Indemnity. The Borrower further agrees (a) to defend, protect,

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indemnify, and hold harmless the Administrative Agent and each and all of the other Lenders and each of their respective officers, directors, employees, attorneys and agents (including, without limitation, those retained in connection with the satisfaction or attempted satisfaction of any of the conditions set forth in Article VI) (collectively, the "Indemnitees") from and

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against any and all liabilities, obligations, losses (other than loss of profits), damages, penalties, actions, judgments, suits, claims, costs, reasonable expenses and disbursements of any kind or nature whatsoever (excluding any taxes and including, without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding, whether or not such Indemnitees shall be designated a party thereto), imposed on, incurred by, or asserted against such Indemnitees in any manner relating to or arising out of (i) this Agreement or the other Loan Documents, or any act, event or transaction related or attendant thereto, the making of the Loans hereunder, the management of such Loans, the use or intended use of the proceeds of the Loans hereunder, or any of the other transactions

contemplated by the Loan Documents, or (ii) any Liabilities and Costs relating to violation of any Environmental, Health or Safety Requirements of Law, the past, present or future operations of the Borrower, any of its Subsidiaries or any of their respective predecessors in interest, or, the past, present or future environmental, health or safety condition of any respective Property of the Borrower or any of its Subsidiaries, the presence of asbestoscontaining materials at any respective Property of the Borrower or any of its Subsidiaries, or the Release or threatened Release of any Contaminant into the environment (collectively, the "Indemnified Matters"); provided, however, the Borrower shall

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have no obligation to an Indemnitee hereunder with respect to Indemnified Matters caused by or resulting from the willful misconduct or gross negligence of such Indemnitee, as determined by a court of competent jurisdiction in a non-appealable final judgment; and (b) not to assert any claim against any of the Indemnitees, on any theory of liability, for consequential or punitive damages arising out of, or in any way in connection with, the Commitments, the Obligations, or the other matters governed by this Agreement and the other Loan Documents. To the extent that the undertaking to indemnify, pay and hold harmless set forth in the preceding sentence may be unenforceable because it is violative of any law or public policy, the Borrower shall contribute the maximum portion which it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all Indemnified Matters incurred by the Indemnitees.

1.73 Change in Accounting Principles. If any change in the accounting principles used in the preparation of the most recent financial statements referred to in Sections 8.1 or 8.2 are hereafter required or permitted by the

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rules, regulations, pronouncements and opinions of the Financial Accounting Standards Board or the American Institute of Certified Public Accountants (or successors thereto or agencies with similar functions) and are adopted by any General Partner or the Borrower, as applicable, with the agreement of its independent certified public accountants and such changes result in a change in the method of calculation of any of the covenants, standards or terms found in Article X, the parties hereto agree to enter into negotiations in order to amend

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such provisions so as to equitably reflect such changes with the desired result that the criteria for evaluating compliance with such covenants, standards and terms by the Borrower shall be the same after such changes as if such changes had not been made; provided, however, no change in GAAP that would affect the

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method of calculation of any of the covenants, standards or terms shall be given effect in such calculations until such provisions are amended, in a manner satisfactory to the Administrative Agent and the Borrower, to so reflect such change in accounting principles.

1.74 Setoff. In addition to any Liens granted under the Loan

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Documents and any rights now or hereafter granted under applicable law, upon the occurrence and during the continuance of any Event of Default, each Lender and any Affiliate of any Lender is hereby authorized by the Borrower at any time or from time to time, without notice to any Person (any such notice being hereby expressly waived) to set off and to appropriate and to apply any and all deposits (general or special, including, but not limited to, indebtedness evidenced by certificates of deposit, whether matured or unmatured (but not including trust accounts)) and any other Indebtedness at any time held or owing by such Lender or any of its Affiliates to or for the credit or the account of the Borrower against and on account of the Obligations of the Borrower to such Lender or any of its Affiliates, including, but not limited to, all Loans and all claims of any nature or description arising out of or in connection with this Agreement, irrespective of whether or not (i) such Lender shall have made any demand hereunder or (ii) the Administrative Agent, at the request or with the consent of the Requisite Lenders, shall have declared the principal of and interest on the Loans and other amounts due hereunder to be due and payable as permitted by Article XI and even though such Obligations may be contingent or

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unmatured. Each Lender agrees that it shall not, without the express consent of the Requisite Lenders, and that it shall, to the extent it is lawfully entitled to do so, upon the request of the Requisite Lenders, exercise its setoff rights hereunder against any accounts of the Borrower now or hereafter maintained with such Lender or any Affiliate.

1.75 Ratable Sharing. The Lenders agree among themselves that (i)

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with respect to all amounts received by them which are applicable to the payment of the Obligations (excluding the fees described in Sections 5.2(f), and 5.3 and

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Article XIII) equitable adjustment will be made so that, in effect, all such

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amounts will be shared among them ratably in accordance with their Pro Rata Shares, whether received by voluntary payment, by the exercise of the right of setoff or banker's lien, by counterclaim or cross-action or by the enforcement of any or all of the Obligations (excluding the fees described in Sections

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5.2(f), and 5.3 and Article XIII), (ii) if any of them shall by voluntary

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payment or by the exercise of any right of counterclaim, setoff, banker's lien or otherwise, receive payment of a proportion of the aggregate amount of the Obligations held by it, which is greater than the amount which such Lender is entitled to receive hereunder, the Lender receiving such excess payment shall purchase, without recourse or warranty, an undivided interest and participation (which it shall be deemed to have done simultaneously upon the receipt of such payment) in such Obligations owed to the others so that all such recoveries with respect to such Obligations shall be applied ratably in accordance with their Pro Rata Shares; provided, however, that if all or part of such excess payment

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received by the purchasing party is thereafter recovered from it, those purchases shall be rescinded

and the purchase prices paid for such participations shall be returned to such party to the extent necessary to adjust for such recovery, but without interest except to the extent the purchasing party is required to pay interest in connection with such recovery. The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 15.6 may, to the

fullest extent permitted by law, exercise all its rights of payment (including, subject to Section 15.5, the right of setoff) with respect to such participation

as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

1.76 Amendments and Waivers.

(1) General Provisions. Unless otherwise provided for or required in

this Agreement, no amendment or modification of any provision of this Agreement or any of the other Loan Documents shall be effective without the written agreement of the Requisite Lenders (which the Requisite Lenders shall have the right to grant or withhold in their sole discretion) and the Borrower; provided,

however, that the Borrower's agreement shall not be required for any amendment

or modification of Sections 12.1 through 12.8. No termination or waiver of any

provision of this Agreement or any of the other Loan Documents, or consent to any departure by the Borrower therefrom, shall be effective without the written concurrence of the Requisite Lenders, which the Requisite Lenders shall have the right to grant or withhold in their sole discretion. All amendments, waivers and consents not specifically reserved to the Administrative Agent or the other Lenders in Section 15.7(b), 15.7(c), and in other provisions of this Agreement

shall require only the approval of the Requisite Lenders. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No notice to or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in similar or other circumstances.

(2) Amendments, Consents and Waivers by Affected Lenders. Any

amendment, modification, termination, waiver or consent with respect to any of the following provisions of this Agreement shall be effective only by a written agreement, signed by each Lender affected thereby as described below:

(1) waiver of any of the conditions specified in Section 6.1 (except

with respect to a condition based upon another provision of this Agreement, the waiver of which requires only the concurrence of the Requisite Lenders),

(2) increase in the amount of such Lender's Commitment,

(iii) reduction of the principal of, rate or amount of interest on the Loans, or any fees or other amounts payable to such Lender (other than by the payment or prepayment thereof), and

(3) postponement or extension of any date (other than the Termination Date) postponement or extension of which is governed by Section 15.7(c)(i) fixed for any payment of principal of, or interest on, the Loans or any fees or other amounts payable to such Lender (except with respect to any modifications of the application provisions relating to prepayments of Loans and other Obligations which are governed by Section 4.2(b)).

(3) Amendments, Consents and Waivers by All Lenders. Any amendment, modification, termination, waiver or consent with respect to any of the following provisions of this Agreement shall be effective only by a written agreement, signed by each Lender:

(1) postponement of the Termination Date, or increase in the aggregate Commitments to any amount in excess of \$450,000,000,

(2) change in the definition of Requisite Lenders or in the aggregate Pro Rata Share of the Lenders which shall be required for the Lenders or any of them to take action hereunder or under the other Loan Documents,

(iv) amendment of Section 15.6 or this Section 15.7,

(3) assignment of any right or interest in or under this Agreement or any of the other Loan Documents by the Borrower, and

(4) waiver of any Event of Default described in Sections 11.1(a), (f), (g), (i), (n), and (o).

(4) Administrative Agent Authority. The Administrative Agent may, but shall have no obligation to, with the written concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of that Lender. Notwithstanding anything to the contrary contained in this Section 15.7, no amendment, modification, waiver or consent shall affect the rights or duties of the Administrative Agent under this Agreement and the other Loan Documents, unless made in writing and signed by the Administrative Agent in addition to the Lenders required above to take such action. Notwithstanding anything herein to the contrary,

in the event that the Borrower shall have requested, in writing, that any Lender agree to an amendment, modification, waiver or consent with respect to any particular provision or provisions of this Agreement or the other Loan Documents, and such Lender shall have failed to state, in writing, that it either agrees or disagrees (in full or in part) with all such requests (in the case of its statement of agreement, subject to satisfactory documentation and such other conditions it may specify) within thirty (30) days after such Lender receives such request, then such Lender hereby irrevocably authorizes the Administrative Agent to agree or disagree, in full or in part, and in the Administrative Agent's sole discretion, to such requests on behalf of such Lender as such Lenders' attorney-in-fact and to execute and deliver any writing approved by the Administrative Agent which evidences such agreement as such Lender's duly authorized agent for such purposes.

1.77 Notices. Unless otherwise specifically provided herein, any

notice or other communication herein required or permitted to be given shall be in writing and may be personally served, sent by facsimile transmission or by courier service and shall be deemed to have been given when delivered in person or by courier service, or upon receipt of a facsimile transmission. Notices to the Administrative Agent pursuant to Articles II, IV or XII shall not be

effective until received by the Administrative Agent. For the purposes hereof, the addresses of the parties hereto (until notice of a change thereof is delivered as provided in this Section 15.8) shall be as set forth below each

party's name on the signature pages hereof or the signature page of any applicable Assignment and Acceptance, or, as to each party, at such other address as may be designated by such party in a written notice to all of the other parties to this Agreement.

1.78 Survival of Warranties and Agreements. All representations and

warranties made herein and all obligations of the Borrower in respect of taxes, indemnification and expense reimbursement shall survive the execution and delivery of this Agreement and the other Loan Documents, the making and repayment of the Loans and the termination of this Agreement and shall not be limited in any way by the passage of time or occurrence of any event and shall expressly cover time periods when the Administrative Agent, any of the other Agents or any of the other Lenders may have come into possession or control of any Property of the Borrower or any of its Subsidiaries.

1.79 Failure or Indulgence Not Waiver; Remedies Cumulative. No

failure or delay on the part of the Administrative Agent, any other Lender or any other Agent in the exercise of any power, right or privilege under any of the Loan Documents shall impair such power, right or privilege or be construed to be a waiver

of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege. All rights and remedies existing under the Loan Documents are cumulative to and not exclusive of any rights or remedies otherwise available.

1.80 Marshalling; Payments Set Aside. None of the Administrative  
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Agent or any other Lender shall be under any obligation to marshal any assets in favor of the Borrower or any other party or against or in payment of any or all of the Obligations. To the extent that the Borrower makes a payment or payments to the Administrative Agent or any other Lender or any such Person exercises its rights of setoff, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, right and remedies therefor, shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

1.81 Severability. In case any provision in or obligation under this  
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Agreement or the other Loan Documents shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

1.82 Headings. Section headings in this Agreement are included herein  
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for convenience of reference only and shall not constitute a part of this Agreement or be given any substantive effect.

1.83 Governing Law. THIS AGREEMENT SHALL BE INTERPRETED, AND THE  
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RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED, IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO ITS CONFLICT OF LAWS PRINCIPLES.

1.84 Limitation of Liability. No claim may be made by any Lender, the  
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Administrative Agent, or any other Person against any Lender (acting in any capacity hereunder) or the Affiliates, directors, officers, employees, attorneys or agents of any of them for any consequential or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the transactions contemplated by this Agreement, or any act, omission or event



occurring in connection therewith; and each Lender and the Administrative Agent hereby waives, releases and agrees not to sue upon any such claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

1.85 Successors and Assigns. This Agreement and the other Loan  
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Documents shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and the successors and permitted assigns of the Lenders. The rights hereunder of the Borrower, or any interest therein, may not be assigned without the prior written consent of all Lenders, except in accordance with the provisions of Article XIV hereof.

1.86 Certain Consents and Waivers of the Borrower.  
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(1) Personal Jurisdiction. (i) EACH OF THE LENDERS AND THE BORROWER  
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IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF ANY NEW YORK STATE COURT OR FEDERAL COURT SITTING IN NEW YORK, NEW YORK, AND ANY COURT HAVING JURISDICTION OVER APPEALS OF MATTERS HEARD IN SUCH COURTS, IN ANY ACTION OR PROCEEDING ARISING OUT OF, CONNECTED WITH, RELATED TO OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH THIS AGREEMENT, WHETHER ARISING IN CONTRACT, TORT, EQUITY OR OTHERWISE, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE COURT OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. THE BORROWER IRREVOCABLY DESIGNATES AND APPOINTS CT CORPORATION SYSTEM, 1633 BROADWAY, NEW YORK, NEW YORK 10019, AS ITS AGENT (THE "PROCESS AGENT") FOR SERVICE OF ALL

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PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT, SUCH SERVICE BEING HEREBY ACKNOWLEDGED TO BE EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT. EACH OF THE LENDERS AND THE BORROWER AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. THE BORROWER WAIVES IN ALL DISPUTES ANY OBJECTION THAT

IT MAY HAVE TO THE LOCATION OF THE COURT CONSIDERING THE DISPUTE.

(ii) THE BORROWER AGREES THAT THE ADMINISTRATIVE AGENT SHALL HAVE THE RIGHT TO PROCEED AGAINST THE BORROWER OR ITS PROPERTY IN A COURT IN ANY LOCATION NECESSARY OR APPROPRIATE TO ENABLE THE ADMINISTRATIVE AGENT AND THE OTHER LENDERS TO ENFORCE A JUDGMENT OR OTHER COURT ORDER ENTERED IN FAVOR OF THE ADMINISTRATIVE AGENT OR ANY OTHER LENDER. THE BORROWER AGREES THAT IT WILL NOT ASSERT ANY PERMISSIVE COUNTERCLAIMS IN ANY PROCEEDING BROUGHT BY THE ADMINISTRATIVE AGENT OR ANY LENDER TO ENFORCE A JUDGMENT OR OTHER COURT ORDER IN FAVOR OF THE ADMINISTRATIVE AGENT OR ANY LENDER. THE BORROWER WAIVES ANY OBJECTION THAT IT MAY HAVE TO THE LOCATION OF THE COURT IN WHICH THE ADMINISTRATIVE AGENT OR ANY LENDER MAY COMMENCE A PROCEEDING DESCRIBED IN THIS SECTION.

(2) Service of Process. THE BORROWER IRREVOCABLY CONSENTS TO THE

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SERVICE OF PROCESS OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO THE PROCESS AGENT OR THE BORROWER'S NOTICE ADDRESS SPECIFIED BELOW, SUCH SERVICE TO BECOME EFFECTIVE UPON RECEIPT. THE BORROWER IRREVOCABLY WAIVES ANY OBJECTION (INCLUDING, WITHOUT LIMITATION, ANY OBJECTION OF THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS) WHICH IT MAY NOW OR

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HEREAFTER HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY JURISDICTION SET FORTH ABOVE. NOTHING HEREIN SHALL AFFECT THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR SHALL LIMIT THE RIGHT OF THE ADMINISTRATIVE AGENT OR THE OTHER LENDERS TO BRING PROCEEDINGS AGAINST THE BORROWER IN THE COURTS OF ANY OTHER JURISDICTION.

(3) WAIVER OF JURY TRIAL. EACH OF THE ADMINISTRATIVE AGENT AND THE

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OTHER LENDERS AND THE BORROWER IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION OR PRO-

CEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT.

1.87 Counterparts; Effectiveness; Inconsistencies. This Agreement and

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any amendments, waivers, consents, or supplements hereto may be executed in counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. This Agreement shall become effective against the Borrower and each Lender on the Closing Date. This Agreement and each of the other Loan Documents shall be construed to the extent reasonable to be consistent one with the other, but to the extent that the terms and conditions of this Agreement are actually inconsistent with the terms and conditions of any other Loan Document, this Agreement shall govern.

1.88 Limitation on Agreements. All agreements between the Borrower,

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the Administrative Agent and each Lender in the Loan Documents are hereby expressly limited so that in no event shall any of the Loans or other amounts payable by the Borrower under any of the Loan Documents be directly or indirectly secured (within the meaning of Regulation U) by Margin Stock.

1.89 Confidentiality. Subject to Section 15.1(g), the Lenders shall

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hold all nonpublic information obtained pursuant to the requirements of this Agreement, and identified as such by the Borrower, in accordance with such Lender's customary procedures for handling confidential information of this nature and in accordance with safe and sound banking practices (provided that such Lender may share such information with its Affiliates in accordance with such Lender's customary procedures for handling confidential information of this nature and provided further that such Affiliate shall hold such information confidential) and in any event the Lenders may make disclosure reasonably required by a bona fide offeree, transferee or participant in connection with the contemplated transfer or participation or as required or requested by any Governmental Authority or representative thereof or pursuant to legal process and shall require any such offeree, transferee or participant to agree (and require any of its offerees, transferees or participants to agree) to comply with this Section 15.20. In no event shall any Lender be obligated or required

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to return any materials furnished by the Borrower; provided, however, each

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offeree shall be required to agree that if it does not become a transferee or participant it shall return all materials furnished to it by the Borrower in connection with this Agreement. Any and all confidentiality agreements entered into between any Lender and the Borrower shall survive the execution of this Agreement.

1.90 Disclaimers. The Administrative Agent and the other Lenders

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shall not be liable to any contractor, subcontractor, supplier, laborer, architect, engineer, tenant or other party for services performed or materials supplied in connection with any work performed on the Projects, including any TI Work. The Administrative Agent and the other Lenders shall not be liable for any debts or claims accruing in favor of any such parties against the Borrower or others or against any of the Projects. The Borrower is not and shall not be an agent of any of the Administrative Agent or the other Lenders for any purposes and none of the Lenders or the Administrative Agent shall be deemed partners or joint venturers with Borrower or any of its Affiliates. None of the Administrative Agent or the other Lenders shall be deemed to be in privity of contract with any contractor or provider of services to any Project, nor shall any payment of funds directly to a contractor or subcontractor or provider of services be deemed to create any third party beneficiary status or recognition of same by any of the Administrative Agent or the other Lenders and the Borrower agrees to hold the Administrative Agent and the other Lenders harmless from any of the damages and expenses resulting from such a construction of the relationship of the parties or any assertion thereof.

1.91 Intentionally Omitted.

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1.92 Retained Properties. Notwithstanding anything contained in this Agreement to the contrary, the Company or any Subsidiary thereof will retain direct or indirect ownership of the Retained Properties, or, if the Company shall elect to sell or otherwise transfer any of the Retained Properties, it shall retain any and all proceeds received in connection therewith, and will not contribute any portion thereof to the Borrower or any other entity or distribute any portion thereof to any of its shareholders.

1.93 Entire Agreement. This Agreement, taken together with all

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of the other Loan Documents, embodies the entire agreement and understanding among the parties hereto and supersedes all prior agreements and understandings, written and oral, relating to the subject matter hereof.

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CREDIT AGREEMENT

Dated as of September 22, 2000

among

SIMON PROPERTY GROUP, L.P.,

SIMON PROPERTY GROUP, INC.

THE INSTITUTIONS FROM TIME TO TIME  
PARTY HERETO AS LENDERS

and

THE CHASE MANHATTAN BANK, AS ADMINISTRATIVE AGENT,

and

BANK OF AMERICA, N.A., AS DOCUMENTATION AGENT,

and

J.P. MORGAN SECURITIES INC., AS SYNDICATION AGENT

and

CHASE SECURITIES INC.,  
AS JOINT LEAD ARRANGER AND JOINT BOOK MANAGER

and

BANK OF AMERICA SECURITIES INC.,  
AS JOINT LEAD ARRANGER AND JOINT BOOK MANAGER

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CREDIT AGREEMENT

This Credit Agreement, dated as of September 22, 2000 (as amended, supplemented or modified from time to time, the "Agreement") is entered into

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among SIMON PROPERTY GROUP, L.P., SIMON PROPERTY GROUP, INC., the institutions from time to time a party hereto as Lenders, whether by execution of this Agreement or an Assignment and Acceptance, THE CHASE MANHATTAN BANK, as Administrative Agent, and BANK OF AMERICA, N.A., as Documentation Agent.

R E C I T A L S

WHEREAS, the parties hereto agree as follows:

ARTICLE I  
DEFINITIONS

1.1 Certain Defined Terms. The following terms used in this Agreement  
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shall have the following meanings, applicable both to the singular and the plural forms of the terms defined:

"Administrative Agent" is Chase, and each successor Administrative  
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Agent appointed pursuant to the terms of Article XII of this Agreement.

"Affiliate", as applied to any Person, means any other Person that  
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directly or indirectly controls, is controlled by, or is under common control with, that Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to vote fifteen percent (15.0%) or more of the equity Securities having voting power for the election of directors of such Person or otherwise to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting equity Securities or by contract or otherwise.

"Agent" means Chase in its capacity as Administrative Agent, each Documentation Agent, Syndication Agent, and each successor agent appointed pursuant to the terms of Article XII of this Agreement.

"Agreement" is defined in the preamble hereto.

"Annual EBITDA" means, with respect to any Project or Minority Holding, as of the first day of each fiscal quarter for the immediately preceding consecutive four fiscal quarters, an amount equal to (i) total revenues relating to such Project or Minority Holding for such period, less (ii) total operating expenses relating to such Project or Minority Holding for such period (it being understood that the foregoing calculation shall exclude non-cash charges as determined in accordance with GAAP). Each of the foregoing amounts shall be determined by reference to the Borrower's Statement of Operations for the applicable periods. An example of the foregoing calculation is set forth on Exhibit G hereto.

"Applicable Lending Office" means, with respect to a particular Lender, (i) its Eurodollar Lending Office in respect of provisions relating to Eurodollar Rate Loans, and (ii) its Domestic Lending Office in respect of provisions relating to Base Rate Loans.

"Applicable Margin" means, with respect to each Loan, the respective percentages per annum determined, at any time, based on the range into which Borrower's Credit Rating then falls, in accordance with the following tables. Any change in the Applicable Margin shall be effective immediately as of the date on which any of the rating agencies announces a change in the Borrower's Credit Rating or the date on which the Borrower has no Credit Rating, whichever is applicable.

The Applicable Margin, from time to time, depending on Borrower's Credit Rating shall be as follows:

Range of Borrower's Credit Rating (S&P/Moody's Ratings)	Applicable Margin for Eurodollar Rate Loans (% per annum)	Applicable Margin for Base Rate Loans (% per annum)
below BBB-/Baa3	1.350%	0.00%
BBB-/Baa3	0.900%	0.00%
BBB/Baa2	0.750%	0.00%
BBB+/Baa1	0.650%	0.00%
A-/A3	0.500%	0.00%

If at any time the Borrower has a Credit Rating by both Moody's and S&P which Credit Ratings are split, then: (A) if the difference between such Credit Ratings is one ratings category (e.g. Baa2 by Moody's and BBB- by S&P), the Applicable Margin shall be the rate per annum that would be applicable if the higher of the Credit Ratings were used; and (B) if the difference between such Credit Ratings is two ratings category (e.g. Baa1 by Moody's and BBB- by S&P), the Applicable Margin shall be the rate per annum that would be applicable if the median of the applicable Credit Ratings is used.

"Assignment and Acceptance" means an Assignment and Acceptance in substantially the form of Exhibit A attached hereto and made a part hereof (with blanks appropriately completed) delivered to the Administrative Agent in connection with an assignment of a Lender's interest under this Agreement in accordance with the provisions of Section 15.1.

"Authorized Financial Officer" means a chief executive officer, chief financial officer, treasurer or other qualified senior officer acceptable to the Administrative Agent.

"Base Rate" means, for any period, a fluctuating interest rate per annum as shall be in effect from time to time, which rate per annum shall at all times be equal to the higher of:

(i) the rate of interest announced publicly by Chase in New York, New York from time to time, as Chase's prime rate; and

(ii) the sum of (A) one-half of one percent (0.50%) per annum plus (B) the Federal Funds Rate in effect from time to time during such period.

"Base Rate Loan" means (i) a Loan which bears interest at a rate determined by reference to the Base Rate and the Applicable Margin as provided in Section 5.1(a) or (ii) an overdue amount which was a Base Rate Loan immediately before it became due.

"Borrower" means SIMON PROPERTY GROUP, L.P., a Delaware limited partnership.

"Borrower Partnership Agreement" means the Seventh Amended and Restated Limited Partnership Agreement of the Borrower, dated as of August 27, 1999, as such agreement may be amended, restated, modified or supplemented from time to time with the consent of the Administrative Agent or as permitted under Section 10.10.

"Borrowing" means a borrowing consisting of Loans of the same type made, continued or converted on the same day.

"Business Activity Report" means (i) an Indiana Business Activity Report from the Indiana Department of Revenue, Compliance Division, or (ii) a Notice of Business Activities Report from the State of New Jersey Division of Taxation, (iii) a Minnesota Business Activity Report from the Minnesota Department of Revenue, or (iv) a similar report to those referred to in clauses (i) through (iii) hereof with respect to any jurisdiction where the failure to file such report would have a Material Adverse Effect.

"Business Day" means a day, in the applicable local time, which is not a Saturday or Sunday or a legal holiday and on which banks are not required or permitted by law or other governmental action to close (i) in New York, New York and (ii) in the case of Eurodollar Rate Loans, in London, England and/or New York, New York.

"Capital Expenditures" means, for any period, the aggregate of all expenditures (whether payable in cash or other Property or accrued as a liability (but without duplication)) during such period that, in conformity with GAAP, are required to be included in or reflected by the Company's, the Borrower's or any of their Subsidiaries' fixed asset accounts as reflected in any of their respective balance sheets; provided, however, (i) Capital Expenditures shall include, whether or not such a designation would be in conformity with GAAP, (a) that portion of Capital Leases which is capitalized on the consolidated balance sheet of the Company, the

Borrower and their Subsidiaries and (b) expenditures for Equipment which is purchased simultaneously with the trade-in of existing Equipment owned by either General Partner, the Borrower or any of their Subsidiaries, to the extent the gross purchase price of the purchased Equipment exceeds the book value of the Equipment being traded in at such time; and (ii) Capital Expenditures shall exclude, whether or not such a designation would be in conformity with GAAP, expenditures made in connection with the restoration of Property, to the extent reimbursed or financed from insurance or condemnation proceeds.

"Capitalization Value" means the sum of (i) Combined EBITDA

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capitalized at an annual interest rate equal to 8.25%, and (ii) Cash and Cash Equivalents, and (iii) Construction Asset Cost.

"Capital Lease" means any lease of any property (whether real,

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personal or mixed) by a Person as lessee which, in conformity with GAAP, is accounted for as a capital lease on the balance sheet of that Person.

"Capital Stock" means, with respect to any Person, any capital stock

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of such Person, regardless of class or designation, and all warrants, options, purchase rights, conversion or exchange rights, voting rights, calls or claims of any character with respect thereto.

"Cash and Cash Equivalents" means (i) cash, (ii) marketable direct

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obligations issued or unconditionally guaranteed by the United States government and backed by the full faith and credit of the United States government; and (iii) domestic and Eurodollar certificates of deposit and time deposits, bankers' acceptances and floating rate certificates of deposit issued by any commercial bank organized under the laws of the United States, any state thereof, the District of Columbia, any foreign bank, or its branches or agencies (fully protected against currency fluctuations), which, at the time of acquisition, are rated A-1 (or better) by S&P or P-1 (or better) by Moody's; provided that the maturities of such Cash and Cash Equivalents shall not exceed  
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one year.

"Cash Interest Expense" means, for any period, total interest expense,  
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whether paid or accrued, but without duplication, (including the interest  
component of Capital Leases) of the Borrower, which is payable in cash, all as  
determined in conformity with GAAP.

"CERCLA" means the Comprehensive Environmental Response, Compensation  
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and Liability Act of 1980, 42 U.S.C. (S)(S) 9601 et seq., any amendments  
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thereto, any successor statutes, and any regulations or guidance promulgated  
thereunder.

"Chase" means The Chase Manhattan Bank.  
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"Claim" means any claim or demand, by any Person, of whatsoever kind  
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or nature for any alleged Liabilities and Costs, whether based in contract,  
tort, implied or express warranty, strict liability, criminal or civil statute,  
Permit, ordinance or regulation, common law or otherwise.

"Closing Date" means September 22, 2000.  
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"Combined Debt Service" means, for any period, the sum of (i)  
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regularly scheduled payments of principal and interest of the Consolidated  
Businesses paid during such period and (ii) the portion of the regularly  
scheduled payments of principal and interest of Minority Holdings allocable to  
the Borrower in accordance with GAAP, paid during such period, in each case  
including participating interest expense and excluding balloon payments of  
principal and extraordinary interest payments and net of amortization of  
deferred costs associated with new financings or refinancings of existing  
Indebtedness.

"Combined EBITDA" means the sum of (i) 100% of the Annual EBITDA from  
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the Consolidated Businesses; and (ii) the portion of the Annual EBITDA of the  
Minority Holdings allocable to the Borrower in accordance with GAAP; and (iii)  
for so long as the Borrower owns a majority economic interest in the Management  
Company, 100% of the Borrower's share of the actual Annual EBITDA of the  
Management Company; provided, however that the Borrower's share of the Annual  
EBITDA of the Management Company



shall in no event constitute in excess of five percent (5%) of Combined EBITDA. For purposes of newly opened Projects which are no longer capitalized, the Annual EBITDA shall be based upon twelve-month projections of contractual rental revenues multiplied by the EBITDA profit margin of the Borrower property type (i.e. regional mall or community center) as such profit margin is reported in

the most recently published annual report or 10-K for the Company, until such time as actual performance data for a twelve-month period is available.

"Combined Equity Value" means Capitalization Value minus Total

Adjusted Outstanding Indebtedness.

"Combined Interest Expense" means, for any period, the sum of (i)

interest expense of the Consolidated Businesses paid during such period and (ii) interest expense of the Consolidated Businesses accrued for such period and (iii) the portion of the interest expense of Minority Holdings allocable to the Borrower in accordance with GAAP and paid during such period and (iv) the portion of the interest expense of Minority Holdings allocable to the Borrower in accordance with GAAP and accrued for such period, in each case including participating interest expense but excluding extraordinary interest expense, and net of amortization of deferred costs associated with new financings or refinancings of existing Indebtedness.

"Commission" means the Securities and Exchange Commission and any

Person succeeding to the functions thereof.

"Commitment" means, with respect to any Lender, the obligation of such

Lender to make Loans pursuant to the terms and conditions of this Agreement, and which shall not exceed the principal amount set forth opposite such Lender's name under the heading "Commitment" on the signature pages hereof or the signature page of the Assignment and Acceptance by which it became a Lender, as modified from time to time pursuant to the terms of this Agreement or to give effect to any applicable Assignment and Acceptance, and "Commitments" means the aggregate principal amount of the Commitments of all the Lenders,

the maximum amount of which shall be \$475,000,000, as reduced from time to time pursuant to Section 4.1.

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"Company" means Simon Property Group, Inc., a Delaware corporation.  
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"Compliance Certificate" is defined in Section 8.2(b).  
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"Consolidated" means consolidated, in accordance with GAAP.  
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"Consolidated Businesses" means the General Partners, the Borrower and their wholly-owned Subsidiaries (for purposes hereof, "wholly-owned" shall be deemed to include those Subsidiaries which are REITs and which are at least 99% owned).  
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"Construction Asset Cost" means, with respect to Property on which construction of Improvements has commenced (such commencement evidenced by foundation excavation) but has not yet been completed (as such completion shall be evidenced by such Property being opened for business to the general public), the aggregate sums expended on the construction of such Improvements (including land acquisition costs).  
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"Contaminant" means any waste, pollutant, hazardous substance, toxic substance, hazardous waste, special waste, petroleum or petroleum-derived substance or waste, radioactive materials, asbestos (in any form or condition), polychlorinated biphenyls (PCBs), or any constituent of any such substance or waste, and includes, but is not limited to, these terms as defined in federal, state or local laws or regulations.  
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"Contingent Obligation" as to any Person means, without duplication, (i) any contingent obligation of such Person required to be shown on such Person's balance sheet in accordance with GAAP, and (ii) any obligation required to be disclosed in the footnotes to such Person's financial statements in accordance with GAAP, guaranteeing partially or in whole any non-recourse Indebtedness, lease, dividend or other obligation, exclu-

sive of contractual indemnities (including, without limitation, any indemnity or price-adjustment provision relating to the purchase or sale of securities or other assets) and guarantees of non-monetary obligations (other than guarantees of completion) which have not yet been called on or quantified, of such Person or of any other Person. The amount of any Contingent Obligation described in clause (ii) shall be deemed to be (a) with respect to a guaranty of interest or interest and principal, or operating income guaranty, the sum of all payments required to be made thereunder (which in the case of an operating income guaranty shall be deemed to be equal to the debt service for the note secured thereby), calculated at the interest rate applicable to such Indebtedness, through (i) in the case of an interest or interest and principal guaranty, the stated date of maturity of the obligation (and commencing on the date interest could first be payable thereunder), or (ii) in the case of an operating income guaranty, the date through which such guaranty will remain in effect, and (b) with respect to all guarantees not covered by the preceding clause (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such guaranty is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as recorded on the balance sheet and on the footnotes to the most recent financial statements of the applicable Borrower required to be delivered pursuant hereto. Notwithstanding anything contained herein to the contrary, guarantees of completion shall not be deemed to be Contingent Obligations unless and until a claim for payment has been made thereunder, at which time any such guaranty of completion shall be deemed to be a Contingent Obligation in an amount equal to any such claim. Subject to the preceding sentence, (i) in the case of a joint and several guaranty given by such Person and another Person (but only to the extent such guaranty is recourse, directly or indirectly to the applicable Borrower), the amount of such guaranty shall be deemed to be 100% thereof unless and only to the extent that (X) such other Person has delivered Cash or Cash Equivalents to secure all or any part of such Person's guaranteed obligations (in which case, the amount

of the guaranty shall be deemed to be reduced by the amount of such Cash and Cash Equivalents) or (Y) such other Person holds an Investment Grade Credit Rating from either Moody's or S&P (in which case, the amount of such guaranty shall be deemed reduced by its pro rata share of the amount guaranteed by such other person), and (ii) in the case of a guaranty, (whether or not joint and several) of an obligation otherwise constituting Debt of such Person, the amount of such guaranty shall be deemed to be only that amount in excess of the amount of the obligation constituting Indebtedness of such Person. Notwithstanding anything contained herein to the contrary, "Contingent Obligations" shall not be deemed to include guarantees of loan commitments or of construction loans to the extent the same have not been drawn.

"Contractual Obligation", as applied to any Person, means any -----  
provision of any Securities issued by that Person or any indenture, mortgage, deed of trust, security agreement, pledge agreement, guaranty, contract, undertaking, agreement or instrument to which that Person is a party or by which it or any of its properties is bound, or to which it or any of its properties is subject.

"Credit Rating" means the publicly announced rating of a Person given -----  
by Moody's or S&P.

"Cure Loans" is defined in Section 4.2(b)(v)(C).  
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"Customary Permitted Liens" means  
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(1) Liens (other than Environmental Liens and Liens in favor of the PBGC) with respect to the payment of taxes, assessments or governmental charges in all cases which are not yet due or which are being contested in good faith by appropriate proceedings in accordance with Section 9.4 and -----  
with respect to which adequate reserves or other appropriate provisions are being maintained in accordance with GAAP;

(2) statutory Liens of landlords against any Property of the Borrower or any of its Subsidiaries and Liens against any Property of the Borrower or any of its Subsidiaries in favor of suppliers, mechanics, carriers,

materialmen, warehousemen or workmen and other Liens against any Property of the Borrower or any of its Subsidiaries imposed by law created in the ordinary course of business for amounts which, if not resolved in favor of the Borrower or such Subsidiary, could not result in a Material Adverse Effect;

(3) Liens (other than any Lien in favor of the PBGC) incurred or deposits made in the ordinary course of business in connection with worker's compensation, unemployment insurance or other types of social security benefits or to secure the performance of bids, tenders, sales, contracts (other than for the repayment of borrowed money), surety, appeal and performance bonds; provided that (A) all such Liens do not in the  
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aggregate materially detract from the value of the Borrower's or such Subsidiary's assets or Property or materially impair the use thereof in the operation of their respective businesses, and (B) all Liens of attachment or judgment and Liens securing bonds to stay judgments or in connection with appeals do not secure at any time an aggregate amount of recourse Indebtedness exceeding \$10,000,000; and

(4) Liens against any Property of the Borrower or any Subsidiary of the Borrower arising with respect to zoning restrictions, easements, licenses, reservations, covenants, rights-of-way, utility easements, building restrictions and other similar charges or encumbrances on the use of Real Property which do not interfere with the ordinary conduct of the business of the Borrower or any of its Subsidiaries to the extent it could not result in a Material Adverse Effect.

"Debt Yield" is defined in Section 10.12(d).  
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"Designee Lender" shall have the meaning set forth in Section 13.4  
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hereof.

"Documentation Agent" means Bank of America, N.A. or any other Lender  
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who shall be appointed as Documentation Agent, and each successor Documentation Agent appointed pursuant to the terms of Article XII of this Agreement.  
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"DOL" means the United States Department of Labor and any Person  
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succeeding to the functions thereof.

"Dollars" and "\$" mean the lawful money of the United States.

"Domestic Lending Office" means, with respect to any Lender, such

Lender's office, located in the United States, specified as the "Domestic Lending Office" under its name on the signature pages hereof or on the Assignment and Acceptance by which it became a Lender or such other United States office of such Lender as it may from time to time specify by written notice to the Borrower and the Administrative Agent.

"Eligible Assignee" means (i) a Lender or any Affiliate thereof; (ii)

a commercial bank having total assets in excess of \$2,500,000,000; (iii) the central bank of any country which is a member of the Organization for Economic Cooperation and Development; or (iv) a finance company or other financial institution reasonably acceptable to the Administrative Agent, which is regularly engaged in making, purchasing or investing in loans and having total assets in excess of \$300,000,000 or is otherwise reasonably acceptable to the Administrative Agent.

"Environmental, Health or Safety Requirements of Law" means all

Requirements of Law derived from or relating to any federal, state or local law, ordinance, rule, regulation, Permit, license or other binding determination of any Governmental Authority relating to, imposing liability or standards concerning, or otherwise addressing the environment, health and/or safety, including, but not limited to the Clean Air Act, the Clean Water Act, CERCLA, RCRA, any so-called "Superfund" or "Superlien" law, the Toxic Substances Control Act and OSHA, and public health codes, each as from time to time in effect.

"Environmental Lien" means a Lien in favor of any Governmental

Authority for any (i) liabilities under any Environmental, Health or Safety Requirement of Law, or (ii) damages arising from, or costs incurred by such Governmental Authority in response to, a Release or threatened Release of a Contaminant into the environment.

"Environmental Property Transfer Act" means any applicable

Requirement of Law that conditions, restricts, prohibits or requires any notification or disclosure triggered by the transfer, sale, lease or closure of any Property or deed or title for any Property for environmental reasons, including, but not limited to, any so-called "Environmental Cleanup Responsibility Act" or "Responsible Property Transfer Act".

"Equipment" means equipment used in connection with the maintenance of  
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Projects and Properties.

"ERISA" means the Employee Retirement Income Security Act of 1974, 29  
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U.S.C. (S)(S) 1000 et seq., any amendments thereto, any successor statutes, and  
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any regulations or guidance promulgated thereunder.

"ERISA Affiliate" means (i) any corporation which is a member of the  
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same controlled group of corporations (within the meaning of Section 414(b) of  
the Internal Revenue Code) as the Borrower; (ii) a partnership or other trade or  
business (whether or not incorporated) which is under common control (within the  
meaning of Section 414(c) of the Internal Revenue Code) with the Borrower; and  
(iii) a member of the same affiliated service group (within the meaning of  
Section 414(m) of the Internal Revenue Code) as the Borrower, any corporation  
described in clause (i) above or any partnership or trade or business described  
in clause (ii) above.

"ERISA Termination Event" means (i) a Reportable Event with respect to  
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any Plan; (ii) the withdrawal of the Borrower or any ERISA Affiliate from a Plan  
during a plan year in which the Borrower or such ERISA Affiliate was a  
"substantial employer" as defined in Section 4001(a)(2) of ERISA or the  
cessation of operations which results in the termination of employment of 20% of  
Plan participants who are employees of the Borrower or any ERISA Affiliate;  
(iii) the imposition of an obligation on the Borrower or any ERISA Affiliate  
under Section 4041 of ERISA to provide affected parties written notice of intent  
to terminate a Plan in a distress termination described in Section 4041(c) of  
ERISA; (iv) the institution by the PBGC of proceedings to terminate a Plan; (v)  
any event or condition which might constitute grounds under Section 4042 of  
ERISA for the termination of, or the appointment of a trustee to administer, any  
Plan; or (vi) the partial or complete withdrawal of the Borrower or any ERISA  
Affiliate from a Multiemployer Plan.

"Eurodollar Affiliate" means, with respect to each Lender, the  
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Affiliate of such Lender (if any) set forth below such Lender's name under the  
heading "Eurodollar Affiliate" on the signature pages hereof or on the  
Assignment and Acceptance by which it became a Lender or such Affiliate of a  
Lender as it may from time to time specify by written notice to the Borrower and  
the Administrative Agent.

"Eurodollar Interest Period" is defined in Section 5.2(b)(i).  
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"Eurodollar Interest Rate Determination Date" is defined in Section

5.2(c)(i).

"Eurodollar Lending Office" means, with respect to any Lender, such

Lender's office (if any) specified as the "Eurodollar Lending Office" under its name on the signature pages hereof or on the Assignment and Acceptance by which it became a Lender or such other office or offices of such Lender as it may from time to time specify by written notice to the Borrower and the Administrative Agent.

"Eurodollar Rate" means, for any Eurodollar Interest Period, an

interest rate per annum equal to the rate per annum obtained by multiplying (a) a rate per annum equal to the rate for U.S. dollar deposits with maturities comparable to such Eurodollar Interest Period which appears on Telerate Page 3750 as of 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Eurodollar Interest Period, provided, however, that if such rate does not appear on Telerate Page 3750, the "Eurodollar Rate" applicable to a particular Eurodollar Interest Period shall mean a rate per annum equal to the rate at which U.S. dollar deposits in an amount approximately equal to the principal balance (or the portion thereof which will bear interest at a rate determined by reference to the Eurodollar Rate during the Eurodollar Interest Period to which such Eurodollar Rate is applicable in accordance with the provisions hereof), and with maturities comparable to the last day of the Eurodollar Interest Period with respect to which such Eurodollar Rate is applicable, are offered in immediately available funds in the London Interbank Market to the London office of Chase by leading banks in the Eurodollar market at 11:00 a.m., London time, two (2) Business Days prior to the commencement of the Eurodollar Interest Period to which such Eurodollar Rate is applicable, by (b) a fraction (expressed as a decimal) the numerator of which shall be the number one and the denominator of which shall be the number one minus the

Eurodollar Reserve Percentage for such Eurodollar Interest Period.

"Eurodollar Rate Loan" means (i) a Loan which bears interest at a rate

determined by reference to the Eurodollar Rate and the Applicable Margin for Eurodollar Rate Loans, as provided in Section 5.1(a) or (ii) an overdue amount

which was a Eurodollar Rate Loan immediately before it became due.

"Eurodollar Reserve Percentage" means, for any day, that percentage

which is in effect on such day, as prescribed by the Federal Reserve Board for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for a member bank of the Federal Reserve System in New York, New York with deposits exceeding five billion Dollars in respect of "Eurocurrency Liabilities" (or in respect of any other



category of liabilities which includes deposits by reference to which the interest rate on Eurodollar Rate Loans is determined or any category of extensions of credit or other assets which includes loans by a non-United States office of any bank to United States residents).

"Event of Default" means any of the occurrences set forth in Section 11.1 after the expiration of any applicable grace period and the giving of any applicable notice, in each case as expressly provided in Section 11.1.

"Facility Fee" is defined in Section 5.3(a).

"Facility Fee Percentage" means the applicable percentage per annum determined, at any time, based on the range into which Borrower's Credit Rating (if any) then falls, in accordance with the following tables. Any change in the Facility Fee Percentage shall be effective immediately as of the date on which any of the rating agencies announces a change in the Borrower's Credit Rating or the date on which the Borrower has no Credit Rating, whichever is applicable.

The Facility Fee Percentage during the time, from time to time, that the Borrower maintains an Investment Grade Credit Rating by either Moody's or S&P shall be as follows:

Range of Borrower's Credit Rating S&P/Moody's Ratings	Percentage of Maximum Credit Amount
below BBB-/Baa3	0.00%
BBB-/Baa3	0.20%
BBB/Baa2	0.20%
BBB+/Baa1	0.15%
A-/A3	0.15%

If at any time the Borrower has a Credit Rating by both Moody's and S&P which Credit Ratings are split, then: (A) if the difference between such Credit Ratings is one ratings category (e.g. Baa2 by Moody's and BBB- by S&P), the Facility Fee Percentage shall be the rate per annum that would be applicable if the highest of the Credit Ratings were used; and (B) if the difference between such Credit Ratings is two ratings category (e.g. Baa1 by Moody's and BBB- by S&P), the Facility Fee Percentage shall be the rate per annum that would be applicable.

cable if the median of the applicable Credit Ratings is used.

"Federal Funds Rate" means, for any period, a fluctuating interest

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rate per annum equal for each day during such period 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 in New York, New York, for the next preceding Business Day) in New York, New York by the Federal Reserve Bank of New York, or if such rate is not so published for any day which is a Business Day in New York, New York, the average of the quotations for such day on transactions by the Reference Bank, as determined by the Administrative Agent.

"Federal Reserve Board" means the Board of Governors of the Federal

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Reserve System or any Governmental Authority succeeding to its functions.

"Financial Statements" means (i) quarterly and annual consolidated

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statements of income and retained earnings, statements of cash flow, and balance sheets, (ii) such other financial statements as any General Partner shall routinely and regularly prepare on a quarterly or annual basis, and (iii) such other financial statements of the Consolidated Businesses or Minority Holdings as the Requisite Lenders may from time to time reasonably specify; provided,

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however, that the Financial Statements referenced in clauses (i) and (ii) above  
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shall be prepared in form satisfactory to the Administrative Agent.

"Fiscal Year" means the fiscal year of the Company and the Borrower

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for accounting and tax purposes, which shall be the 12-month period ending on December 31 of each calendar year.

"GAAP" means generally accepted accounting principles set forth in the

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opinions and pronouncements of the American Institute of Certified Public Accountants' Accounting Principles Board and Financial Accounting Standards Board or in such other statements by such

other entity as may be in general use by significant segments of the accounting profession as in effect on the Closing Date (unless otherwise specified herein as in effect on another date or dates).

"General Partner" or "General Partners" means SPG, the Company and any  
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successor general partner(s) of the Borrower.

"Governmental Approval" means all right, title and interest in any  
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existing or future certificates, licenses, permits, variances, authorizations and approvals issued by any Governmental Authority having jurisdiction with respect to any Project.

"Governmental Authority" means any nation or government, any federal,  
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state, local or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Holder" means any Person entitled to enforce any of the Obligations,  
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whether or not such Person holds any evidence of Indebtedness, including, without limitation, the Administrative Agent, and each other Lender.

"Improvements" means all buildings, fixtures, structures, parking  
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areas, landscaping and all other improvements whether existing now or hereafter constructed, together with all machinery and mechanical, electrical, HVAC and plumbing systems presently located thereon and used in the operation thereof, excluding (a) any such items owned by utility service providers, (b) any such items owned by tenants or other third-parties unaffiliated with the Borrower and (c) any items of personal property.

"Indebtedness", as applied to any Person, means, at any time, without  
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duplication, (a) all indebtedness, obligations or other liabilities of such Person (whether consolidated or representing the proportionate interest in any other Person) (i) for borrowed money (including construction loans) or evidenced by debt securities, debentures, acceptances, notes or other similar instruments, and any accrued interest, fees and

charges relating thereto, (ii) under profit payment agreements or in respect of obligations to redeem, repurchase or exchange any Securities of such Person or to pay dividends in respect of any stock, (iii) with respect to letters of credit issued for such Person's account, (iv) to pay the deferred purchase price of property or services, except accounts payable and accrued expenses arising in the ordinary course of business, (v) in respect of Capital Leases, (vi) which are Contingent Obligations or (vii) under warranties and indemnities; (b) all indebtedness, obligations or other liabilities of such Person or others secured by a Lien on any property of such Person, whether or not such indebtedness, obligations or liabilities are assumed by such Person, all as of such time; (c) all indebtedness, obligations or other liabilities of such Person in respect of interest rate contracts and foreign exchange contracts, net of liabilities owed to such Person by the counterparties thereon; (d) all preferred stock subject (upon the occurrence of any contingency or otherwise) to mandatory redemption; and (e) all contingent Contractual Obligations with respect to any of the foregoing.

"Indemnified Matters" is defined in Section 15.3.  
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"Indemnitees" is defined in Section 15.3.  
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"Interest Period" is defined in Section 5.2(b).  
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"Interest Rate Hedges" is defined in Section 9.9.  
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"Internal Revenue Code" means the Internal Revenue Code of 1986, as  
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amended to the date hereof and from time to time hereafter, any successor statute and any regulations or guidance promulgated thereunder.

"Investment" means, with respect to any Person, (i) any purchase or  
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other acquisition by that Person of Securities, or of a beneficial interest in Securities, issued by any other Person, (ii) any purchase by that Person of all or substantially all of the assets of a business conducted by another Person, and (iii) any loan,

advance (other than deposits with financial institutions available for withdrawal on demand, prepaid expenses, accounts receivable, advances to employees and similar items made or incurred in the ordinary course of business) or capital contribution by that Person to any other Person, including, without limitation, all Indebtedness to such Person arising from a sale of property by such Person other than in the ordinary course of its business. The amount of any Investment shall be the original cost of such Investment, plus the cost of all additions thereto less the amount of any return of capital or principal to the extent such return is in cash with respect to such Investment without any adjustments for increases or decreases in value or write-ups, write-downs or write-offs with respect to such Investment.

"Investment Grade" means (i) with respect to Moody's a Credit Rating ----- of Baa3 or higher and (ii) with respect to S&P, a Credit Rating of BBB- or higher.

"Investment Grade Credit Rating" means (i) a Credit Rating of Baa3 or ----- higher given by Moody's or (ii) a Credit Rating of BBB- or higher given by S&P.

"IRS" means the Internal Revenue Service and any Person succeeding to --- the functions thereof.

"knowledge" with reference to any General Partner, the Borrower or any ----- Subsidiary of the Borrower, means the actual knowledge of such Person after reasonable inquiry (which reasonable inquiry shall include, without limitation, interviewing and questioning such other Persons as such General Partner, the Borrower or such Subsidiary of the Borrower, as applicable, deems reasonably necessary).

"Lease" means a lease, license, concession agreement or other ----- agreement providing for the use or occupancy of any portion of any Project, including all amendments, supplements, modifications and assignments thereof and all side letters or side agreements relating thereto.

"Lender" means each financial institution a signatory hereto as a

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Lender as of the Closing Date and, at any other given time, each financial institution which is a party hereto as a Lender, whether as a signatory hereto or pursuant to an Assignment and Acceptance, and regardless of the capacity in which such entity is acting (i.e. whether as Administrative Agent, Syndication Agent, Documentation Agent or Lender).

"Liabilities and Costs" means all liabilities, obligations,

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responsibilities, losses, damages, personal injury, death, punitive damages, economic damages, consequential damages, treble damages, intentional, willful or wanton injury, damage or threat to the environment, natural resources or public health or welfare, costs and expenses (including, without limitation, attorney, expert and consulting fees and costs of investigation, feasibility or Remedial Action Studies), fines, penalties and monetary sanctions, interest, direct or indirect, known or unknown, absolute or contingent, past, present or future.

"Lien" means any mortgage, deed of trust, pledge, hypothecation,

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assignment, conditional sale agreement, deposit arrangement, security interest, encumbrance, lien (statutory or other and including, without limitation, any Environmental Lien), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever in respect of any property of a Person, whether granted voluntarily or imposed by law, and includes the interest of a lessor under a Capital Lease or under any financing lease having substantially the same economic effect as any of the foregoing and the filing of any financing statement or similar notice (other than a financing statement filed by a "true" lessor pursuant to (S) 9-408 of the Uniform Commercial Code), naming the owner of such property as debtor, under the Uniform Commercial Code or other comparable law of any jurisdiction.

"Limited Minority Holdings" means Minority Holdings in which (i)

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Borrower has a less than fifty percent (50%) ownership interest and (ii) neither the Borrower nor the Company directly or indirectly controls

the management of such Minority Holdings, whether as the general partner or managing member of such Minority Holding, or otherwise. As used in this definition only, the term "control" shall mean the authority to make major management decisions or the management of day-to-day operations of such entity and shall include instances in which the Management Company manages the day-to-day leasing, management, control or development of the Properties of such Minority Interest pursuant to the terms of a management agreement.

"Limited Partners" means those Persons who from time to time are  
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limited partners of the Borrower; and "Limited Partner" means each of the  
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Limited Partners, individually.

"Loan" means the Loan made by a Lender pursuant to Section 2.1;  
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provided that, if any such Loan or Loans (or portions thereof) are combined or subdivided pursuant to a Notice of Conversion/Continuation, the term "Loan" shall refer to the combined principal amount resulting from such combination or to each of the separate principal amounts resulting from such subdivision, as the case may be.

"Loan Account" is defined in Section 4.3(b).  
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"Loan Documents" means this Agreement, the Notes and all other  
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instruments, agreements, and written Contractual Obligations between the Borrower and any of the Lenders pursuant to or in connection with the transactions contemplated hereby.

"Management Company" means, collectively, (i) M.S. Management  
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Associates, Inc., a Delaware corporation and its wholly-owned or controlled Subsidiaries and (ii) such other property management companies controlled (directly or indirectly) by the Company for which the Borrower has previously provided the Administrative Agent with: (1) notice of such property management company, and (2) evidence reasonably satisfactory to the Administrative Agent that such property management company is controlled (directly or indirectly) by the Company.

"Margin Stock" means "margin stock" as such term is defined in  
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Regulation U.

"Material Adverse Effect" means a material adverse effect upon (i) the  
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financial condition or assets of the Borrower and its Subsidiaries taken as a  
whole, (ii) the ability of the Borrower to perform its obligations under the  
Loan Documents, or (iii) the ability of the Lenders or the Administrative Agent  
to enforce any of the Loan Documents.

"MIS" means a computerized management information system for recording  
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and maintenance of information regarding purchases, sales, aging,  
categorization, and locations of Properties, creation and aging of receivables,  
and accounts payable (including agings thereof).

"Minority Holdings" means partnerships, joint ventures and  
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corporations held or owned by the Borrower or a General Partner which are not  
wholly-owned by the Borrower or a General Partner.

"Moody's" means Moody's Investor Services, Inc.  
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"Multiemployer Plan" means a "multiemployer plan" as defined in  
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Section 4001(a)(3) of ERISA which is, or within the immediately preceding six  
(6) years was, contributed to by either the Borrower or any ERISA Affiliate or  
in respect of which the Borrower or any ERISA Affiliate has assumed any  
liability.

"Non Pro Rata Loan" is defined in Section 4.2 (b)(v).  
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"Note" means a promissory note in the form attached hereto as Exhibit  
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B payable to a Lender, evidencing certain of the Obligations of the Borrower to  
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such Lender and executed by the Borrower as required by Section 4.3(a), as the  
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same may be amended, supplemented, modified or restated from time to time;  
"Notes" means, collectively, all of such Notes outstanding at any given time.  
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"Notice of Borrowing" means a notice substantially in the form of  
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Exhibit C attached hereto and made a part hereof.  
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"Notice of Conversion/Continuation" means a notice substantially in  
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the form of Exhibit D attached hereto and made a part hereof with respect to a  
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proposed conversion or continuation of a Loan pursuant to Section 5.1(c).  
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"Obligations" means all Loans, advances, debts, liabilities,  
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obligations, covenants and duties owing by the Borrower to the Administrative  
Agent, any other Lender, any Affiliate of the Administrative Agent, any other  
Lender, or any Person entitled to indemnification pursuant to Section 15.3 of  
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this Agreement, of any kind or nature, arising under this Agreement, the Notes  
or any other Loan Document. The term includes, without limitation, all  
interest, charges, expenses, fees, reasonable attorneys' fees and disbursements  
and any other sum chargeable to the Borrower under this Agreement or any other  
Loan Document.

"Officer's Certificate" means, as to a corporation, a certificate  
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executed on behalf of such corporation by the chairman of its board of directors  
(if an officer of such corporation) or its chief executive officer, president,  
any of its vice-presidents, its chief financial officer, or its treasurer and,  
as to a partnership, a certificate executed on behalf of such partnership by the  
chairman of the board of directors (if an officer of such corporation) or chief  
executive officer, president, any vice-president, or treasurer of the general  
partner of such partnership.

"Operating Lease" means, as applied to any Person, any lease of any  
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property (whether real, personal or mixed) by that Person as lessee which is not  
a Capital Lease.

"Organizational Documents" means, with respect to any corporation,  
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limited liability company, or partnership (i) the articles/certificate of  
incorporation (or the equivalent organizational documents) of such corpora-

tion or limited liability company, (ii) the partnership agreement executed by the partners in the partnership, (iii) the bylaws (or the equivalent governing documents) of the corporation, limited liability company or partnership, and (iv) any document setting forth the designation, amount and/or relative rights, limitations and preferences of any class or series of such corporation's Capital Stock or such limited liability company's or partnership's equity or ownership interests.

"OSHA" means the Occupational Safety and Health Act of 1970, 29 U.S.C.

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(S)(S) 651 et seq., any amendments thereto, any successor statutes and any  
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regulations or guidance promulgated thereunder.

"PBGC" means the Pension Benefit Guaranty Corporation and any Person

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succeeding to the functions thereof.

"Permits" means any permit, consent, approval, authorization, license,

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variance, or permission required from any Person, including any Governmental  
Approvals.

"Permitted Securities Options" means the subscriptions, options,

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warrants, rights, convertible Securities and other agreements or commitments  
relating to the issuance of the Borrower's Securities or the Company's Capital  
Stock identified as such on Schedule 1.1.4.  
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"Person" means any natural person, corporation, limited liability

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company, limited partnership, general partnership, joint stock company, joint  
venture, association, company, trust, bank, trust company, land trust, business  
trust or other organization, whether or not a legal entity, and any Governmental  
Authority.

"Plan" means an employee benefit plan defined in Section 3(3) of ERISA

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in respect of which the Borrower or any ERISA Affiliate is, or within the  
immediately preceding six (6) years was, an "employer" as defined in Section  
3(5) of ERISA or the Borrower or any ERISA Affiliate has assumed any liability.

"Potential Event of Default" means an event that has occurred with  
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respect to the Borrower which, with the giving of notice or the lapse of time,  
or both, would constitute an Event of Default.

"Prepayment Date" is defined in Section 4.1(d).  
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"Process Agent" is defined in Section 15.17(a).  
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"Project" means any shopping center, retail property and mixed-use  
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property owned, directly or indirectly, by any of the Consolidated Businesses or  
Minority Holdings.

"Property" means any Real Property or personal property, plant,  
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building, facility, structure, underground storage tank or unit, equipment,  
general intangible, receivable, or other asset owned, leased or operated by any  
Consolidated Business or any Minority Holding (including any surface water  
thereon or adjacent thereto, and soil and groundwater thereunder).

"Pro Rata Share" means, with respect to any Lender, the percentage  
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obtained by dividing (i) the sum of such Lender's Commitment (in each case, as  
adjusted from time to time in accordance with the provisions of this Agreement  
or any Assignment and Acceptance to which such Lender is a party) by (ii) the  
aggregate amount of all of the Commitments.

"RCRA" means the Resource Conservation and Recovery Act of 1976, 42  
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U.S.C. (S)(S) 6901 et seq., any amendments thereto, any successor statutes, and  
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any regulations or guidance promulgated thereunder.

"Real Property" means all of the Borrower's present and future right,  
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title and interest (including, without limitation, any leasehold estate) in (i)  
any plots, pieces or parcels of land, (ii) any Improvements of every nature  
whatsoever (the rights and interests described in clauses (i) and (ii) above  
being the "Premises"), (iii) all easements, rights of way, gores of land or any  
lands occupied by streets, ways, alleys, passages, sewer rights, water courses,  
water rights and

powers, and public places adjoining such land, and any other interests in property constituting appurtenances to the Premises, or which hereafter shall in any way belong, relate or be appurtenant thereto, (iv) all hereditaments, gas, oil, minerals (with the right to extract, sever and remove such gas, oil and minerals), and easements, of every nature whatsoever, located in, on or benefitting the Premises and (v) all other rights and privileges thereunto belonging or appertaining and all extensions, additions, improvements, betterments, renewals, substitutions and replacements to or of any of the rights and interests described in clauses (iii) and (iv) above.  
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"Reference Bank" means Chase.  
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"Register" is defined in Section 15.1(c).  
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"Regulation A" means Regulation A of the Federal Reserve Board as in effect from time to time.  
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"Regulation T" means Regulation T of the Federal Reserve Board as in effect from time to time.  
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"Regulation U" means Regulation U of the Federal Reserve Board as in effect from time to time.  
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"Regulation X" means Regulation X of the Federal Reserve Board as in effect from time to time.  
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"REIT" means a domestic trust, corporation or association that qualifies as a real estate investment trust under the provisions of Sections 856, et seq. of the Internal Revenue Code.  
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"Release" means any release, spill, emission, leaking, pumping, pouring, dumping, injection, deposit, disposal, abandonment, or discarding of barrels, containers or other receptacles, discharge, emptying, escape, dispersal, leaching or migration into the indoor or outdoor environment or into or out of any Property, including the movement of Contaminants through or in the air, soil, surface water, groundwater or Property.  
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"Remedial Action" means actions required to (i) clean up, remove,  
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treat or in any other way address Contaminants in the indoor or outdoor  
environment; (ii) prevent the Release or threat of Release or minimize the  
further Release of Contaminants; or (iii) investigate and determine if a  
remedial response is needed and to design such a response and post-remedial  
investigation, monitoring, operation and maintenance and care.

"Reportable Event" means any of the events described in Section  
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4043(b) of ERISA and the regulations promulgated thereunder as in effect from  
time to time but not including any such event as to which the thirty (30) day  
notice requirement has been waived by applicable PBGC regulations.

"Requirements of Law" means, as to any Person, the charter and by-laws  
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or other organizational or governing documents of such Person, and any law, rule  
or regulation, or determination of an arbitrator or a court or other  
Governmental Authority, 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  
including, without limitation, the Securities Act, the Securities Exchange Act,  
Regulations T, U and X, ERISA, the Fair Labor Standards Act, the Worker  
Adjustment and Retraining Notification Act, Americans with Disabilities Act of  
1990, and any certificate of occupancy, zoning ordinance, building,  
environmental or land use requirement or Permit and Environmental, Health or  
Safety Requirement of Law.

"Requisite Lenders" means Lenders (without regard to such Lenders'  
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performance of their respective obligations hereunder) whose aggregate ratable  
shares (stated as a percentage) of the aggregate outstanding principal balance  
of all Loans are greater than sixty-six and two-thirds percent (66.67%).

"Retained Properties" shall mean those real properties more  
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particularly described on Schedule 15.23 hereto.

"S&P" means Standard & Poor's Ratings Service.  
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"Secured Indebtedness" means any Indebtedness secured by a Lien.  
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"Securities" means any stock, shares, voting trust certificates,  
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partnership interests, bonds, debentures, notes or other evidences of  
indebtedness, secured or unsecured, convertible, subordinated or otherwise, or  
in general any instruments commonly known as "securities", including, without  
limitation, any "security" as such term is defined in Section 8-102 of the  
Uniform Commercial Code, or any certificates of interest, shares, or  
participations in temporary or interim certificates for the purchase or  
acquisition of, or any right to subscribe to, purchase or acquire any of the  
foregoing, but shall not include the Notes or any other evidence of the  
Obligations.

"Securities Act" means the Securities Act of 1933, as amended from  
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time to time, and any successor statute.

"Securities Exchange Act" means the Securities Exchange Act of 1934,  
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as amended from time to time, and any successor statute.

"Solvent", when used with respect to any Person, means that at the  
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time of determination:

(5) the fair saleable value of its assets is in excess of the total  
amount of its liabilities (including, without limitation, contingent  
liabilities); and

(6) the present fair saleable value of its assets is greater than its  
probable liability on its existing debts as such debts become absolute and  
matured; and

(7) it is then able and expects to be able to pay its debts  
(including, without limitation, contingent debts and other commitments) as  
they mature; and

(8) it has capital sufficient to carry on its business as conducted  
and as proposed to be conducted.

"SPG" means SPG Properties, Inc., a Maryland corporation.

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"Subsidiary" of a Person means any corporation, limited liability

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company, business trust, general or limited partnership, or other entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned or controlled by such Person, one or more of the other subsidiaries of such Person or any combination thereof.

"Syndication Agent" means J.P. Morgan Securities Inc. or any other

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Lender who shall be appointed as Syndication Agent, and each successor Syndication Agent appointed pursuant to the terms of Article XII of this Agreement.

"Taxes" is defined in Section 13.1(a).

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"Telerate Page 3750" means the display designated as "Page 3750" on

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the Associated Press-Dow Jones Telerate Service (or such other page as may replace Page 3750 on the Associated Press-Dow Jones Telerate Service or such other service as may be nominated by the British Bankers' Association as the information vendor for the purpose of displaying British Bankers' Association interest settlement rates for U.S. Dollar deposits). Any Eurodollar Rate determined on the basis of the rate displayed on Telerate Page 3750 in accordance with the provisions hereof shall be displayed by the Associated Press-Dow Jones Telerate Service within one hour of the time when such rate is first displayed by such service.

"Tenant Allowance" means a cash allowance paid to a tenant by the

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landlord pursuant to a Lease or "free rent" granted to a tenant in lieu of a cash payment.

"Termination Date" means the earlier to occur of (i) September 24,

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2001 (or, if not a Business Day, the next preceding Business Day); and (ii) the date of termination of the Commitments pursuant to the terms of this Agreement.

"TI Work" means any construction or other "build-out" of tenant

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leasehold improvements to the space demised to such tenant under Leases (excluding such tenant's furniture, fixtures and equipment) performed pursuant to the terms of such Leases, whether or not such tenant improvement work is performed by or on behalf of the landlord or as part of a Tenant Allowance.

"Total Adjusted Outstanding Indebtedness" means, for any period, the  
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sum of (i) the amount of Indebtedness of the Consolidated Businesses set forth  
on the then most recent quarterly financial statements of the Borrower and (ii)  
the outstanding amount of Minority Holding Indebtedness allocable in accordance  
with GAAP to any of the Consolidated Businesses as of the time of determination  
and (iii) the Contingent Obligations of the Consolidated Businesses and, to the  
extent allocable to the Consolidated Businesses in accordance with GAAP, of the  
Minority Holdings.

"Total Unsecured Outstanding Indebtedness" means that portion of Total  
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Adjusted Outstanding Indebtedness that is not secured by a Lien.

"Unencumbered Combined EBITDA" means that portion of Combined EBITDA  
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which represents revenues earned from the Management Company (up to 5% of  
Combined EBITDA) or from Real Property that is not subject to or encumbered by  
Secured Indebtedness and is not subject to any agreements (other than those  
agreements more particularly described on Schedule 1.1.5), the effect of which  
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would be to restrict, directly or indirectly, the ability of the owner of such  
Property from granting Liens thereon, calculated on the first day of each fiscal  
quarter for the four immediately preceding consecutive fiscal quarters.

"Uniform Commercial Code" means the Uniform Commercial Code as enacted  
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in the State of New York, as it may be amended from time to time.

"Unsecured Debt Yield" is defined in Section 10.12(e).  
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"Unsecured Interest Expense" means the interest expense incurred on  
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the Total Unsecured Outstanding Indebtedness.

1.2 Computation of Time Periods. In this Agreement, in the  
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computation of periods of time from a specified date to a later specified date,  
the word "from" means "from and including" and the words "to" and "until" each  
mean "to but excluding". Periods of days referred to in this Agreement shall be  
counted in calendar days unless Business Days are expressly prescribed. Any  
period determined hereunder by reference to a month or months or year or years  
shall end on the day in the relevant calendar month in the relevant year, if  
applicable, immediately preceding the date numerically corresponding to the  
first day of such period, provided that if such period commences on the last day  
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of a calendar month (or on a day for which there is no numerically corresponding  
day in the calendar month during which such period is to end), such period  
shall, unless otherwise expressly required by the other provisions of this  
Agreement, end on the last day of the calendar month.



1.3 Accounting Terms. Subject to Section 15.4, for purposes of this

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Agreement, all accounting terms not otherwise defined herein shall have the  
meanings assigned to them in conformity with GAAP.

1.4 Other Terms. All other terms contained in this Agreement shall,

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unless the context indicates otherwise, have the meanings assigned to such terms  
by the Uniform Commercial Code to the extent the same are defined therein.

ARTICLE II  
AMOUNTS AND TERMS OF LOANS

1.5 Loans.

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(1) Availability. Subject to the terms and conditions set forth in  
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this Agreement, each Lender hereby severally and not jointly agrees to make  
loans, in Dollars (each individually, a "Loan" and, collectively, the "Loans")  
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to the Borrower as of the Closing Date, in an amount equal to such Lender's Pro  
Rata Share of the Commitments. All Loans comprising the same Borrowing under  
this Agreement shall be made by the Lenders simultaneously and proportionately  
to their then respective Pro Rata Shares, it being understood that no Lender  
shall be responsible for any failure by any other Lender to perform its  
obligation to make a Loan hereunder nor shall the Commitment of any Lender be  
increased or decreased as a result of any such failure. Subject to the  
provisions of this Agreement, the Borrower may repay any outstanding Loan on any  
day which is a Business Day and any amounts so repaid may not be reborrowed.

(2) Notice of Borrowing. The Borrower shall deliver to the

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Administrative Agent a Notice of Borrowing, signed by it no later than 12:00  
noon (New York time) at least three (3) Business Days in advance of the Closing  
Date, in the case of a Borrowing of Eurodollar Rate Loans, or one (1) Business  
Day in advance of the Closing Date, in the case of a Borrowing of Base Rate  
Loans. Such Notice of Borrowing shall specify (i) whether the proposed Borrowing  
will be of Base Rate Loans or Eurodollar Rate Loans, (ii) in the case of  
Eurodollar Rate Loans, the requested Eurodollar Interest Period, and (iii)  
instructions for the disbursement of the proceeds of the proposed Borrowing. The  
Notice of Borrowing given pursuant to this Section 2.1(b) shall be irrevocable.  
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(3) Making of Loans. (i) Promptly after receipt of the Notice of

Borrowing under Section 2.1(b) (or telephonic notice in lieu thereof), the

Administrative Agent shall notify each Lender by facsimile transmission, or other similar form of transmission, of the proposed Borrowing (which notice to the Lenders, in the case of a Borrowing of Eurodollar Rate Loans, shall be at least three (3) Business Days in advance of the Closing Date). Each Lender shall deposit an amount equal to its Pro Rata Share of the Borrowing requested by the Borrower with the Administrative Agent at its office in New York, New York, in immediately available funds, not later than 12:00 noon (New York time) on the Closing Date. Subject to the fulfillment of the conditions precedent set forth in Section 6.1 or Section 6.2, as applicable, the Administrative Agent shall

make the proceeds of such amounts received by it available to the Borrower at the Administrative Agent's office in New York, New York on the Closing Date and shall disburse such proceeds in accordance with the Borrower's disbursement instructions set forth in the Notice of Borrowing. The failure of any Lender to deposit the amount described above with the Administrative Agent on the Closing Date shall not relieve any other Lender of its obligations hereunder to make its Loan on the Closing Date. In the event the conditions precedent set forth in Section 6.1 or 6.2 are not fulfilled as of the Closing Date for the Borrowing,

the Administrative Agent shall promptly return, by wire transfer of immediately available funds, the amount deposited by each Lender to such Lender.

(ii) Unless the Administrative Agent shall have been notified by any Lender on the Business Day immediately preceding the Closing Date that such Lender does not intend to fund its Loan requested to be made on the Closing Date, the Administrative Agent may assume that such Lender has funded its Loan and is depositing the proceeds thereof with the Administrative Agent on the Closing Date, and the Administrative Agent in its sole discretion may, but shall not be obligated to, disburse a corresponding amount to the Borrower on the Closing Date. If the Loan proceeds corresponding to that amount are advanced to the Borrower by the Administrative Agent but are not in fact deposited with the Administrative Agent by such Lender on or prior to the Closing Date, such Lender agrees to pay, and in addition the Borrower agrees to repay, to the Administrative Agent forthwith on demand such corresponding amount, together with interest thereon, for each day from the date such amount is disbursed to or for the benefit of the Borrower until the date such amount is paid or repaid to the Administrative Agent, at the interest rate applicable to such Borrowing. If such Lender shall pay to the Administrative Agent the corresponding amount, the amount so paid shall constitute such Lender's Loan, and if both such Lender and the Borrower shall pay and repay such corresponding amount, the Administrative Agent shall promptly pay to the Borrower such

corresponding amount. This Section 2.1(c)(ii) does not relieve any Lender of its obligation to make its Loan on the Closing Date.

1.6 Intentionally Omitted.

1.7 Use of Proceeds of Loans. The proceeds of the Loans issued for the account of the Borrower hereunder may be used for the purpose of refinancing of existing Indebtedness; which purpose shall be a lawful general corporate, partnership and working capital purpose of the Borrower.

1.8 Termination Date. The Commitments shall terminate on the Closing Date, and all outstanding Obligations shall be paid in full, on the Termination Date.

1.9 Intentionally Omitted.

1.10 Maximum Credit Facility. Notwithstanding anything in this Agreement to the contrary, in no event shall the aggregate principal Obligations exceed the aggregate Commitments.

1.11 Authorized Agents. On the Closing Date and from time to time thereafter, the Borrower shall deliver to the Administrative Agent an Officer's Certificate setting forth the names of the employees and agents authorized to request a conversion/continuation of any Loan and containing a specimen signature of each such employee or agent. The employees and agents so authorized shall also be authorized to act for the Borrower in respect of all other matters relating to the Loan Documents. The Administrative Agent and the Lenders shall be entitled to rely conclusively on such employee's or agent's authority to request such Loan or such conversion/continuation until the Administrative Agent receive written notice to the contrary. The Administrative Agent shall not have any duty to verify the authenticity of the signature appearing on any written Notice of Borrowing or Notice of Conversion/Continuation or any other document, and, with respect to an oral request for such conversion/continuation, the Administrative Agent shall have no duty to verify the identity of any person representing himself or herself as one of the employees or agents authorized to make such request or otherwise to act on behalf of the Borrower. None of the Administrative Agent or the Lenders shall incur any liability to the Borrower or any other Person in acting upon any telephonic or facsimile notice referred to above which the Administrative Agent believes to have been given by a person duly authorized to act on behalf of the Borrower and the Borrower hereby indemnifies and holds harmless the Administrative Agent and each

other Lender from any loss or expense the Administrative Agent or the Lenders might incur in acting in good faith as provided in this Section 2.7.

ARTICLE III  
INTENTIONALLY OMITTED

ARTICLE IV  
PAYMENTS AND PREPAYMENTS

1.12 Prepayments.

(1) Voluntary Prepayments. The Borrower may, at any time and from

time to time, prepay the Loans in part or in their entirety, subject to the following limitations. The Borrower shall give at least five (5) Business Days' prior written notice to the Administrative Agent (which the Administrative Agent shall promptly transmit to each Lender) of any prepayment in the entirety to be made prior to the occurrence of an Event of Default, which notice of prepayment shall specify the date (which shall be a Business Day) of prepayment. When notice of prepayment is delivered as provided herein, the outstanding principal amount of the Loans on the prepayment date specified in the notice shall become due and payable on such prepayment date. Each voluntary partial prepayment of the Loans shall be in a minimum amount of \$1,000,000 and in integral multiples of \$1,000,000 in excess of that amount. Eurodollar Rate Loans may be prepaid in part or in their entirety only upon payment of the amounts described in Section

5.2(f). Each such prepayment shall be applied to prepay ratably the Loans of the Lenders. Any amount so prepaid pursuant to this Section 4.1(a) may not be reborrowed.

(2) Intentionally Omitted.

(3) No Penalty. The prepayments and payments in respect of reductions described in clause (a) of this Section 4.1 may be made without premium or penalty (except as provided in Section 5.2(f)).

(4) Mandatory Prepayment. If at any time from and after the Closing

Date: (i) the Borrower merges or consolidates with another Person in violation of Section 10.7 hereof, or (ii) the Borrower or any Consolidated Business sells, transfers, assigns or conveys assets, the book value of which (computed in accordance with GAAP but without deduction for depreciation), in the aggregate of

all such sales, transfers, assignments, foreclosures, or conveyances exceeds 30% of the Capitalization Value, or (iii) the portion of Capitalization Value attributable to the aggregate Limited Minority Holdings (but excluding the Borrower's interest in Pentagon Fashion Center) of the Borrower and its Consolidated Businesses exceed 20% of Capitalization Value, or (iv) the Borrower or the Management Company ceases to provide directly or through their Affiliates property management and leasing services to at least 33% of the total number of shopping centers in which the Borrower has an ownership interest (the date any such event shall occur being the "Prepayment Date"), the Borrower shall be

required to prepay the Loans in their entirety as if the Prepayment Date were the Termination Date. The Borrower shall immediately make such prepayment together with interest accrued to the date of the prepayment on the principal amount prepaid. In connection with the prepayment of any Loan prior to the maturity thereof, the Borrower shall also pay any applicable expenses pursuant to Section 5.2(f). Each such prepayment shall be applied to prepay ratably the

Loans of the Lenders. Amounts prepaid pursuant to this Section 4.1(d) may not be

reborrowed. As used in this Section 4.1(d) only, the phrase "sells, transfers,

assigns or conveys" shall not include (i) sales or conveyances among Borrower and any Consolidated Businesses, or (ii) mortgages secured by Real Property.

#### 1.13 Payments.

##### (1) Manner and Time of Payment. All payments of principal of and

interest on the Loans and other Obligations (including, without limitation, fees and expenses) which are payable to the Administrative Agent or any other Lender shall be made without condition or reservation of right, in immediately available funds, delivered to the Administrative Agent not later than 12:00 noon (New York time) on the date and at the place due, to such account of the Administrative Agent as it may designate, for the account of the Administrative Agent or such other Lender, as the case may be; and funds received by the Administrative Agent, not later than 12:00 noon (New York time) on any given Business Day shall be credited against payment to be made that day and funds received by the Administrative Agent after that time shall be deemed to have been paid on the next succeeding Business Day. Payments actually received by the Administrative Agent for the account of the Lenders, or any of them, shall be paid to them by the Administrative Agent promptly after receipt thereof, in immediately available funds.

##### (2) Apportionment of Payments. (i) Subject to the provisions of

Section 4.2(b)(iv), all payments of principal and interest in respect of

outstanding Loans, all payments of fees and all other payments in respect of any other Obligations, shall be allocated among such of the Lenders as are entitled thereto, in proportion to

their respective Pro Rata Shares or otherwise as provided herein. Subject to the provisions of Section 4.2(b)(ii), all such payments and any other amounts

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received by the Administrative Agent from or for the benefit of the Borrower shall be applied in the following order:

(1) to pay principal of and interest on any portion of the Loans which the Administrative Agent may have advanced on behalf of any Lender other than itself for which the Administrative Agent has not then been reimbursed by such Lender or the Borrower,

(2) to pay all other Obligations then due and payable and

(3) as the Borrower so designates.

Unless otherwise designated by the Borrower, all principal payments in respect of Loans shall be applied first, to repay outstanding Base Rate Loans, and then

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to repay outstanding Eurodollar Rate Loans, with those Eurodollar Rate Loans which have earlier expiring Interest Periods being repaid prior to those which have later expiring Interest Periods.

(ii) After the occurrence of an Event of Default and while the same is continuing, the Administrative Agent shall apply all payments in respect of any Obligations in the following order:

(4) first, to pay principal of and interest on any portion of the Loans which the Administrative Agent may have advanced on behalf of any Lender other than itself for which the Administrative Agent has not then been reimbursed by such Lender or the Borrower;

(5) second, to pay Obligations in respect of any fees, expense reimbursements or indemnities then due to the Administrative Agent, in its capacity as Administrative Agent and not as Lender;

(6) third, to pay Obligations in respect of any fees, expense reimbursements or indemnities then due to the Lenders;

(7) fourth, to pay interest due in respect of Loans;

(8) fifth, to the ratable payment or prepayment of principal outstanding on Loans; and

(9) sixth, to the ratable payment of all other Obligations.

The order of priority set forth in this Section 4.2(b)(ii) and the related

provisions of this Agreement are set forth solely to determine the rights and priorities of the Administrative Agent, the other Lenders and other Holders as among themselves. The order of priority set forth in clauses (C) through (F) of this Section 4.2(b)(ii) may at any time and from time to time be changed by the

Requisite Lenders without necessity of notice to or consent of or approval by the Borrower, any Holder which is not a Lender, or any other Person. The order of priority set forth in clauses (A) and (B) of this Section 4.2(b)(ii) may be changed only with the prior written consent of the Administrative Agent.

(iii) Subject to Section 4.2(b)(iv), the Administrative Agent shall

promptly distribute to each other Lender at its primary address set forth on the appropriate signature page hereof or the signature page to the Assignment and Acceptance by which it became a Lender, or at such other address as a Lender or other Holder may request in writing, such funds as such Person may be entitled to receive, subject to the provisions of Article XII; provided that the

Administrative Agent shall under no circumstances be bound to inquire into or determine the validity, scope or priority of any interest or entitlement of any Holder and may suspend all payments or seek appropriate relief (including, without limitation, instructions from the Requisite Lenders or an action in the nature of interpleader) in the event of any doubt or dispute as to any apportionment or distribution contemplated hereby.

(iv) In the event that any Lender fails to fund its Pro Rata Share of any Loan requested by the Borrower which such Lender is obligated to fund under the terms of this Agreement (the funded portion of such Loan being hereinafter referred to as a "Non Pro Rata Loan"), until the earlier of such

Lender's cure of such failure and the termination of the Commitments, the proceeds of all amounts thereafter repaid to the Administrative Agent by the Borrower and otherwise required to be applied to such Lender's share of all other Obligations pursuant to the terms of this Agreement shall be advanced to the Borrower by the Administrative Agent on behalf of such Lender to cure, in full or in part, such failure by such Lender, but shall nevertheless be deemed to have been paid to such Lender in satisfaction of such other Obligations. Notwithstanding anything in this Agreement to the contrary:

(10) the foregoing provisions of this Section 4.2(b)(iv) shall apply

only with respect to the proceeds of payments of Obligations and shall not affect the conversion or continuation of Loans pursuant to Section 5.1(c);

(11) a Lender shall be deemed to have cured its failure to fund its Pro Rata Share of any Loan at such time as an amount equal to such Lender's original Pro Rata Share of the requested principal portion of such Loan is fully funded to the Borrower, whether made by such Lender itself or by operation of the terms of this Section 4.2(b)(iv), and whether or not the

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Non Pro Rata Loan with respect thereto has been repaid, converted or continued;

(12) amounts advanced to the Borrower to cure, in full or in part, any such Lender's failure to fund its Pro Rata Share of any Loan ("Cure Loans") shall bear interest at the Base Rate in effect from time to time, ----- and for all other purposes of this Agreement shall be treated as if they were Base Rate Loans; and

(13) regardless of whether or not an Event of Default has occurred or is continuing, and notwithstanding the instructions of the Borrower as to its desired application, all repayments of principal which, in accordance with the other terms of this Section 4.2, would be applied to the

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outstanding Base Rate Loans shall be applied first, ratably to all Base Rate Loans constituting Non Pro Rata Loans, ----- second, ratably to Base Rate

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Loans other than those constituting Non Pro Rata Loans or Cure Loans and, third, ratably to Base Rate Loans constituting Cure Loans.  
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(3) Payments on Non-Business Days. Whenever any payment to be made by the Borrower hereunder or under the Notes is stated to be due on a day which is not a Business Day, the payment shall instead be due on the next succeeding Business Day (or, as set forth in Section 5.2(b)(iii), the next preceding Business Day).

1.14 Promise to Repay; Evidence of Indebtedness.  
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(1) Promise to Repay. The Borrower and the Company, jointly and severally, each hereby agrees to pay when due the principal amount of each Loan which is made to it, and further agrees to pay all unpaid interest accrued thereon, in accordance with the terms of this Agreement and the Notes. The Borrower shall execute and deliver to each Lender on the Closing Date, a promissory note, in form and substance acceptable to the Administrative Agent and such Lender, evidencing the Loans and thereafter shall execute and deliver such other promissory notes as are necessary to evidence the Loans owing to the Lenders after giving effect to any assignment thereof pursuant to Section 15.1, ----- all in form and substance acceptable to the Administrative Agent and the parties to such assignment (all such promissory



notes and all amendments thereto, replacements thereof and substitutions therefor being collectively referred to as the "Notes"; and "Note" means any one of the Notes).

(2) Loan Account. Each Lender shall maintain in accordance with its usual practice an account or accounts (a "Loan Account") evidencing the indebtedness of the Borrower to such Lender resulting from each Loan owing to such Lender from time to time, including the amount of principal and interest payable and paid to such Lender from time to time hereunder and under the Notes. Notwithstanding the foregoing, the failure by any Lender to maintain a Loan Account shall in no way affect the Borrower's obligations hereunder, including, without limitation, the obligation to repay the Obligations.

(3) Control Account. The Register maintained by the Administrative Agent pursuant to Section 15.1(c) shall include a control account, and a subsidiary account for each Lender, in which accounts (taken together) shall be recorded (i) the date and amount of each Borrowing made hereunder, the type of Loan comprising such Borrowing and any Eurodollar Interest Period applicable thereto, (ii) the effective date and amount of each Assignment and Acceptance delivered to and accepted by it and the parties thereto, (iii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder or under the Notes and (iv) the amount of any sum received by the Administrative Agent from the Borrower hereunder and each Lender's share thereof.

(4) Entries Binding. The entries made in the Register and each Loan Account shall be conclusive and binding for all purposes, absent manifest error.

(5) No Recourse to Limited Partners or Certain General Partners. Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed that nothing herein or in the Notes shall be construed as creating any liability on any Limited Partner, any General Partner other than the Company, or any partner, officer, shareholder or director of any Limited Partner or any General Partner, to pay any of the Obligations other than liability arising from or in connection with (i) fraud or (ii) the misappropriation or misapplication of proceeds of the Loans; but nothing contained in this Section 4.3(e) shall be construed to prevent the exercise of any remedy allowed to the Administrative Agent or the Lenders by law or by the terms of this Agreement or the other Loan Documents which does not relate to or result in such an obligation by any Limited Partner or any General Partner other than the Company (or any partner, officer, shareholder or director of any Limited Partner or any General Partner) to pay money.

ARTICLE V  
INTEREST AND FEES

1.15 Interest on the Loans and other Obligations.  
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(1) Rate of Interest. All Loans and the outstanding principal balance  
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of all other Obligations shall bear interest on the unpaid principal amount  
thereof from the date such Loans are made and such other Obligations are due and  
payable until paid in full, except as otherwise provided in Section 5.1(d), as  
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follows:

(1) If a Base Rate Loan or such other Obligation, at a rate per annum  
equal to the sum of (A) the Base Rate, as in effect from time to time as  
interest accrues, plus (B) the then Applicable Margin for Base Rate Loans;  
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and

(2) If a Eurodollar Rate Loan, at a rate per annum equal to the sum  
of (A) the Eurodollar Rate determined for the applicable Eurodollar  
Interest Period, plus (B) the then Applicable Margin for Eurodollar Rate  
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Loans.

The applicable basis for determining the rate of interest on the Loans shall be  
selected by the Borrower at the time the Notice of Borrowing or a Notice of  
Conversion/Continuation is delivered by the Borrower to the Administrative  
Agent; provided, however, the Borrower may not select the Eurodollar Rate as the  
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applicable basis for determining the rate of interest on such a Loan if at the  
time of such selection an Event of Default or a Potential Event of Default would  
occur or has occurred and is continuing and further provided that, from and  
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after the occurrence of an Event of Default or a Potential Event of Default,  
each Eurodollar Rate Loan then outstanding may, at the Administrative Agent's  
option, convert to a Base Rate Loan. If on any day any Loan is outstanding with  
respect to which notice has not been timely delivered to the Administrative  
Agent in accordance with the terms of this Agreement specifying the basis for  
determining the rate of interest on that day, then for that day interest on that  
Loan shall be determined by reference to the Base Rate.

(2) Interest Payments. (i) Interest accrued on each Loan shall be  
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calculated on the last day of each calendar month and shall be payable in  
arrears (A) on the first day of each calendar month, commencing on the first  
such day following the making of such Loan, and (B) if not theretofore paid in  
full, at maturity (whether by acceleration or otherwise) of such Loan.

(ii) Interest accrued on the principal balance of all other  
Obligations shall be calculated on the last day of each calendar month and shall  
be

payable in arrears (A) on the first day of each calendar month, commencing on the first such day following the incurrence of such Obligation, (B) upon repayment thereof in full or in part, and (C) if not theretofore paid in full, at the time such other Obligation becomes due and payable (whether by acceleration or otherwise).

(3) Conversion or Continuation. (i) The Borrower shall have the

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option (A) to convert at any time all or any part of outstanding Base Rate Loans to Eurodollar Rate Loans; (B) to convert all or any part of outstanding Eurodollar Rate Loans having Eurodollar Interest Periods which expire on the same date to Base Rate Loans on such expiration date; (C) to continue all or any part of outstanding Eurodollar Rate Loans having Eurodollar Interest Periods which expire on the same date as Eurodollar Rate Loans, and the succeeding Eurodollar Interest Period of such continued Loans shall commence on such expiration date; provided, however, no such outstanding Loan may be continued

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as, or be converted into, a Eurodollar Rate Loan (i) if the continuation of, or the conversion into, would violate any of the provisions of Section 5.2 or (ii)

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if an Event of Default or a Potential Event of Default would occur or has occurred and is continuing. Any conversion into or continuation of Eurodollar Rate Loans under this Section 5.1(c) shall be in a minimum amount of \$1,000,000

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and in integral multiples of \$100,000 in excess of that amount, except in the case of a conversion into or a continuation of an entire Borrowing of Non Pro Rata Loans.

(ii) To convert or continue a Loan under Section 5.1(c)(i), the

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Borrower shall deliver a Notice of Conversion/Continuation to the Administrative Agent no later than 11:00 a.m. (New York time) at least three (3) Business Days in advance of the proposed conversion/continuation date. A Notice of Conversion/Continuation shall specify (A) the proposed conversion/continuation date (which shall be a Business Day), (B) the principal amount of the Loan to be converted/continued, (C) whether such Loan shall be converted and/or continued, and (D) in the case of a conversion to, or continuation of, a Eurodollar Rate Loan, the requested Eurodollar Interest Period. In lieu of delivering a Notice of Conversion/Continuation, the Borrower may give the Administrative Agent telephonic notice of any proposed conversion/continuation by the time required under this Section 5.1(c)(ii), if the Borrower confirms such notice by delivery

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of the Notice of Conversion/Continuation to the Administrative Agent by facsimile transmission promptly, but in no event later than 3:00 p.m. (New York time) on the same day. Promptly after receipt of a Notice of Conversion/Continuation under this Section 5.1(c)(ii) (or telephonic notice in

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lieu thereof), the Administrative Agent shall notify each Lender by facsimile transmission, or other similar form of transmission, of the proposed conversion/continuation. Any Notice of Conversion/Continuation for conversion to, or continuation of, a Loan (or telephonic notice in lieu thereof) given pursuant to this Section 5.1(c)(ii) shall be irrevocable, and the Borrower shall

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be

bound to convert or continue in accordance therewith. In the event no Notice of Conversion/Continuation is delivered as and when specified in this Section

5.1(c)(ii) with respect to outstanding Eurodollar Rate Loans, upon the

expiration of the Interest Period applicable thereto, such Loans shall automatically be continued as Eurodollar Rate Loans with a Eurodollar Interest Period of thirty (30) days; provided, however, no such outstanding Loan may be

continued as, or be converted into, a Eurodollar Rate Loan (i) if the continuation of, or the conversion into, would violate any of the provisions of Section 5.2 or (ii) if an Event of Default or a Potential Event of Default would occur or has occurred and is continuing.

(4) Default Interest. Notwithstanding the rates of interest specified in Section 5.1(a) or elsewhere in this Agreement, effective immediately upon the occurrence of an Event of Default, and for as long thereafter as such Event of Default shall be continuing, the principal balance of all Loans and other Obligations shall bear interest at a rate equal to the sum of (A) the Base Rate, as in effect from time to time as interest accrues, plus (B) four percent (4.0%) per annum.

(5) Computation of Interest. Interest on all Obligations shall be computed on the basis of the actual number of days elapsed in the period during which interest accrues and a year of 360 days. In computing interest on any Loan, the date of the making of the Loan or the first day of a Eurodollar Interest Period, as the case may be, shall be included and the date of payment or the expiration date of a Eurodollar Interest Period, as the case may be, shall be excluded.

(6) Eurodollar Rate Information. Upon the reasonable request of the Borrower from time to time, the Administrative Agent shall promptly provide to the Borrower such information with respect to the applicable Eurodollar Rate as may be so requested.

#### 1.16 Special Provisions Governing Eurodollar Rate Loans.

(1) Amount of Eurodollar Rate Loans. Each Eurodollar Rate Loan shall be in a minimum principal amount of \$1,500,000 and in integral multiples of \$100,000 in excess of that amount.

(2) Determination of Eurodollar Interest Period. By giving notice as set forth in Section 2.1(b) (with respect to a Borrowing of Eurodollar Rate Loans), or Section 5.1(c) (with respect to a conversion into or continuation of Eurodollar Rate Loans), the Borrower shall have the option, subject to the other provisions of this

Section 5.2, to select an interest period (each, an "Interest Period") to apply  
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to the Loans described in such notice, subject to the following provisions:

(1) The Borrower may only select, as to a particular Borrowing of Eurodollar Rate Loans, an Interest Period (each, a "Eurodollar Interest Period") of one, two, three or six months in duration or, with the prior  
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written consent of the Administrative Agent, a shorter or a longer duration;

(2) In the case of immediately successive Eurodollar Interest Periods applicable to a Borrowing of Eurodollar Rate Loans, each successive Eurodollar Interest Period shall commence on the day on which the next preceding Eurodollar Interest Period expires;

(3) If any Eurodollar Interest Period would otherwise expire on a day which is not a Business Day, such Eurodollar Interest Period shall be extended to expire on the next succeeding Business Day if the next succeeding Business Day occurs in the same calendar month, and if there will be no succeeding Business Day in such calendar month, the Eurodollar Interest Period shall expire on the immediately preceding Business Day;

(4) The Borrower may not select an Interest Period as to any Loan if such Interest Period terminates later than the Termination Date; and

(5) There shall be no more than four (4) Interest Periods in effect at any one time with respect to Eurodollar Rate Loans.

(3) Determination of Eurodollar Interest Rate. As soon as practicable  
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on the second Business Day prior to the first day of each Eurodollar Interest Period (the "Eurodollar Interest Rate Determination Date"), the Administrative  
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Agent shall determine (pursuant to the procedures set forth in the definition of "Eurodollar Rate") the interest rate which shall apply to the Eurodollar Rate Loans for which an interest rate is then being determined for the applicable Eurodollar Interest Period and shall promptly give notice thereof (in writing or by telephone confirmed in writing) to the Borrower and to each Lender. The Administrative Agent's determination shall be presumed to be correct, absent manifest error, and shall be binding upon the Borrower.

(4) Interest Rate Unascertainable, Inadequate or Unfair. In the event  
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that at least one (1) Business Day before a Eurodollar Interest Rate Determination Date:

(1) the Administrative Agent is advised by the Reference Bank that deposits in Dollars (in the applicable amounts) are not being offered by the Reference Bank in the London interbank market for such Eurodollar Interest Period; or

(2) the Administrative Agent determines that adequate and fair means do not exist for ascertaining the applicable interest rates by reference to which the Eurodollar Rate then being determined is to be fixed; or

(3) the Requisite Lenders advise the Administrative Agent that the Eurodollar Rate for Eurodollar Rate Loans comprising such Borrowing will not adequately reflect the cost to such Requisite Lenders of obtaining funds in Dollars in the London interbank market in the amount substantially equal to such Lenders' Eurodollar Rate Loans in Dollars and for a period equal to such Eurodollar Interest Period;

then the Administrative Agent shall forthwith give notice thereof to the Borrower, whereupon (until the Administrative Agent notifies the Borrower that the circumstances giving rise to such suspension no longer exist) the right of the Borrower to elect to have Loans bear interest based upon the Eurodollar Rate shall be suspended and each outstanding Eurodollar Rate Loan shall be converted into a Base Rate Loan on the last day of the then current Interest Period therefor, notwithstanding any prior election by the Borrower to the contrary.

(5) Illegality. (i) If at any time any Lender determines (which

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determination shall, absent manifest error, be final and conclusive and binding upon all parties) that the making or continuation of any Eurodollar Rate Loan has become unlawful or impermissible by compliance by that Lender with any law, governmental rule, regulation or order of any Governmental Authority (whether or not having the force of law and whether or not failure to comply therewith would be unlawful or would result in costs or penalties), then, and in any such event, such Lender may give notice of that determination, in writing, to the Borrower and the Administrative Agent, and the Administrative Agent shall promptly transmit the notice to each other Lender.

(ii) When notice is given by a Lender under Section 5.2(e)(i), (A)

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the Borrower's right to request from such Lender and such Lender's obligation, if any, to make Eurodollar Rate Loans shall be immediately suspended, and such Lender shall make a Base Rate Loan as part of any requested Borrowing of Eurodollar Rate

Loans and (B) if the affected Eurodollar Rate Loans are then outstanding, the Borrower shall immediately, or if permitted by applicable law, no later than the date permitted thereby, upon at least one (1) Business Day's prior written notice to the Administrative Agent and the affected Lender, convert each such Loan into a Base Rate Loan.

(iii) If at any time after a Lender gives notice under Section

5.2(e)(i) such Lender determines that it may lawfully make Eurodollar Rate

Loans, such Lender shall promptly give notice of that determination, in writing, to the Borrower and the Administrative Agent, and the Administrative Agent shall promptly transmit the notice to each other Lender. The Borrower's right to request, and such Lender's obligation, if any, to make Eurodollar Rate Loans shall thereupon be restored.

(6) Compensation. In addition to all amounts required to be paid by

the Borrower pursuant to Section 5.1 and Article XIII, the Borrower shall

compensate each Lender, upon demand, for all losses, expenses and liabilities (including, without limitation, any loss or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund or maintain such Lender's Eurodollar Rate Loans to the Borrower but excluding any loss of Applicable Margin on the relevant Loans) which that Lender may sustain (i) if for any reason a Borrowing, conversion into or continuation of Eurodollar Rate Loans does not occur on a date specified therefor in a Notice of Borrowing or a Notice of Conversion/Continuation given by the Borrower or in a telephonic request by it for borrowing or conversion/ continuation or a successive Eurodollar Interest Period does not commence after notice therefor is given pursuant to Section 5.1(c), including, without limitation, pursuant to

Section 5.2(d), (ii) if for any reason any Eurodollar Rate Loan is prepaid

(including, without limitation, mandatorily pursuant to Section 4.1(d)) on a

date which is not the last day of the applicable Interest Period, (iii) as a consequence of a required conversion of a Eurodollar Rate Loan to a Base Rate Loan as a result of any of the events indicated in Section 5.2(d), or (iv) as a

consequence of any failure by the Borrower to repay a Eurodollar Rate Loan when required by the terms of this Agreement. The Lender making demand for such compensation shall deliver to the Borrower concurrently with such demand a written statement in reasonable detail as to such losses, expenses and liabilities, and this statement shall be conclusive as to the amount of compensation due to that Lender, absent manifest error.

(7) Booking of Eurodollar Rate Loans. Any Lender may make, carry or

transfer Eurodollar Rate Loans at, to, or for the account of, its Eurodollar Lending Office or Eurodollar Affiliate or its other offices or Affiliates. No Lender

shall be entitled, however, to receive any greater amount under Sections

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4.2 or 5.2(f) or Article XIII as a result of the transfer of any such Eurodollar  
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Rate Loan to any office (other than such Eurodollar Lending Office) or any  
Affiliate (other than such Eurodollar Affiliate) than such Lender would have  
been entitled to receive immediately prior thereto, unless (i) the transfer  
occurred at a time when circumstances giving rise to the claim for such greater  
amount did not exist and (ii) such claim would have arisen even if such transfer  
had not occurred.

(8) Affiliates Not Obligated. No Eurodollar Affiliate or other  
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Affiliate of any Lender shall be deemed a party to this Agreement or shall have  
any liability or obligation under this Agreement.

(9) Adjusted Eurodollar Rate. Any failure by any Lender to take into  
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account the Eurodollar Reserve Percentage when calculating interest due on  
Eurodollar Rate Loans shall not constitute, whether by course of dealing or  
otherwise, a waiver by such Lender of its right to collect such amount for any  
future period.

1.17 Fees.  
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(1) Facility Fee. Borrower shall pay to the Administrative Agent, for  
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the account of the Lenders based on their respective Pro Rata Shares, a fee (the  
"Facility Fee"), accruing at a per annum rate equal to the then applicable  
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Facility Fee Percentage on the aggregate outstanding Loans, such fee being  
payable monthly, in arrears, commencing on the first day of the month next  
succeeding the Closing Date and on the first day of each month thereafter.  
Notwithstanding the foregoing, in the event that any Lender fails to fund its  
Pro Rata Share of any Loan requested by the Borrower which such Lender is  
obligated to fund under the terms of this Agreement, (A) such Lender shall not  
be entitled to any portion of the Facility Fee with respect to its Commitment  
until such failure has been cured in accordance with Section 4.2(b)(iv)(B) and  
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(B) until such time, the Facility Fee shall accrue in favor of the Lenders which  
have funded their respective Pro Rata Shares of such requested Loan, shall be  
allocated among such performing Lenders ratably based upon their relative  
Commitments, and shall be calculated based upon the average amount by which the  
aggregate Commitments of such performing Lenders exceeds the outstanding  
principal amount of the Loans owing to such performing Lenders.

(2) Upfront Fee. Borrower shall pay to the Administrative Agent, for  
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the account of the Lenders based on their respective Pro Rata Shares, on the  
Closing Date, a fee at a per annum rate equal to .075% on the then aggregate  
outstanding Loans.



(3) Commitment Fee. Borrower shall pay to the Administrative Agent,  
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for the account of the Lenders based on their respective Pro Rata Shares, on  
March 23, 2001, a fee (the "Commitment Fee") at a per annum rate equal to .125%  
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on the then aggregate outstanding Loans.

(4) Calculation and Payment of Fees. All fees shall be calculated on  
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the basis of the actual number of days elapsed in a 360-day year. All fees shall  
be payable in addition to, and not in lieu of, interest, compensation, expense  
reimbursements, indemnification and other Obligations. Fees shall be payable to  
the Administrative Agent at its office in New York, New York in immediately  
available funds. All fees shall be fully earned and nonrefundable when paid. All  
fees due to any other Lender, including, without limitation, those referred to  
in this Section 5.3, shall bear interest, if not paid when due, at the interest  
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rate specified in Section 5.1(d) and shall constitute Obligations.

ARTICLE VI  
CONDITIONS TO LOANS

1.18 Conditions Precedent to the Loans. The obligation of each Lender  
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on the Closing Date to make any Loan requested to be made by it shall be subject  
to the satisfaction of all of the following conditions precedent:

(1) Documents. The Administrative Agent shall have received on or  
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before the Closing Date all of the following:

(1) this Agreement, the Notes, and, to the extent not otherwise  
specifically referenced in this Section 6.1(a), all other Loan Documents  
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and agreements, documents and instruments described in the List of Closing  
Documents attached hereto as Exhibit E and made a part hereof, each duly  
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executed and in recordable form, where appropriate, and in form and  
substance satisfactory to the Administrative Agent; without limiting the  
foregoing, the Borrower hereby directs its legal counsel to prepare and  
deliver to the Agents, the Lenders, and Skadden, Arps, Slate, Meagher &  
Flom LLP the legal opinions referred to in such List of Closing Documents;  
and

(2) such additional documentation as the Administrative Agent may  
reasonably request.

(2) No Legal Impediments. No law, regulation, order, judgment or

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decree of any Governmental Authority shall, and the Administrative Agent shall not have received any notice that litigation is pending or threatened which is likely to (i) enjoin, prohibit or restrain the making of the Loans on the Closing Date or (ii) impose or result in the imposition of a Material Adverse Effect.

(3) No Change in Condition. No change in the business, assets,

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management, operations, financial condition or prospects of the Borrower or any of its Properties shall have occurred since June 30, 2000, which change, in the judgment of the Administrative Agent, will have or is reasonably likely to have a Material Adverse Effect.

(4) Interim Liabilities and Equity. Except as disclosed to the

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Lenders, since June 30, 2000, neither the Borrower nor the Company shall have (i) entered into any material (as determined in good faith by the Administrative Agent) commitment or transaction, including, without limitation, transactions for borrowings and capital expenditures, which are not in the ordinary course of the Borrower's business, (ii) declared or paid any dividends or other distributions other than in the ordinary course of business, (iii) established compensation or employee benefit plans, or (iv) redeemed or issued any equity Securities.

(5) No Loss of Material Agreements and Licenses. Since June 30, 2000,

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no agreement or license relating to the business, operations or employee relations of the Borrower or any of its Properties shall have been terminated, modified, revoked, breached or declared to be in default, the termination, modification, revocation, breach or default under which, in the reasonable judgment of the Administrative Agent, would result in a Material Adverse Effect.

(6) No Market Changes. Since June 30, 2000, no material adverse

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change shall have occurred in the conditions in the capital markets or the market for loan syndications generally.

(7) No Default. No Event of Default or Potential Event of Default

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shall have occurred and be continuing or would result from the making of the Loans.

(8) Representations and Warranties. All of the representations and

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warranties contained in Section 7.1 and in any of the other Loan Documents shall be true and correct in all material respects on and as of the Closing Date.

(9) Fees and Expenses Paid. There shall have been paid to the

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Administrative Agent, for the accounts of the Agents and the other Lenders, as applicable, all fees due and payable on or before the Closing Date and all expenses due and payable on or before the Closing Date, including, without limitation, reasonable attorneys' fees and expenses, and other costs and expenses incurred in connection with the Loan Documents.

ARTICLE VII  
REPRESENTATIONS AND WARRANTIES

1.19 Representations and Warranties of the Borrower. In order to

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induce the Lenders to enter into this Agreement and to make the Loans and the other financial accommodations to the Borrower described herein, the Borrower hereby represents and warrants to each Lender that the following statements are true, correct and complete:

(1) Organization; Powers. (i) The Borrower (A) is a limited

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partnership duly organized, validly existing and in good standing under the laws of the State of Delaware, (B) is duly qualified to do business and is in good standing under the laws of each jurisdiction in which failure to be so qualified and in good standing will have or is reasonably likely to have a Material Adverse Effect, (C) has filed and maintained effective (unless exempt from the requirements for filing) a current Business Activity Report with the appropriate Governmental Authority in each state in which failure to do so would have a Material Adverse Effect, (D) has all requisite power and authority to own, operate and encumber its Property and to conduct its business as presently conducted and as proposed to be conducted in connection with and following the consummation of the transactions contemplated by this Agreement and (E) is a partnership for federal income tax purposes.

(ii) The Company (A) is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, (B) is duly authorized and qualified to do business and is in good standing under the laws of each jurisdiction in which failure to be so qualified and in good standing will have or is reasonably likely to have a Material Adverse Effect, and (C) has all requisite corporate power and authority to own, operate and encumber its Property and to conduct its business as presently conducted.

(iii) SPG (A) is a corporation duly organized, validly existing and in good standing under the laws of the State of Maryland, (B) is duly authorized and

qualified to do business and is in good standing under the laws of each jurisdiction in which failure to be so qualified and in good standing will have or is reasonably likely to have a Material Adverse Effect, and (C) has all requisite corporate power and authority to own, operate and encumber its Property and to conduct its business as presently conducted.

(iv) True, correct and complete copies of the Organizational Documents identified on Schedule 7.1-A have been delivered to the Administrative

Agent, each of which is in full force and effect, has not been modified or amended except to the extent set forth indicated therein and, to the best of the Borrower's knowledge, there are no defaults under such Organizational Documents and no events which, with the passage of time or giving of notice or both, would constitute a default under such Organizational Documents.

(v) Neither the Borrower, the Company nor any of their Affiliates are "foreign persons" within the meaning of Section 1445 of the Internal Revenue Code.

(2) Authority. (i) Each General Partner has the requisite power and authority to execute, deliver and perform this Agreement on behalf of the Borrower and each of the other Loan Documents which are required to be executed on behalf of the Borrower as required by this Agreement.

(ii) The Company has the requisite corporate power and authority to execute, deliver and perform this Agreement and each of the other Loan Documents to which it is a party.

(iii) The execution, delivery and performance of each of the Loan Documents which must be executed in connection with this Agreement by the Borrower and to which the Borrower is a party and the consummation of the transactions contemplated thereby are within the Borrower's partnership powers, have been duly authorized by all necessary partnership action (and, in the case of the General Partners acting on behalf of the Borrower in connection therewith, all necessary corporate action of such General Partner) and such authorization has not been rescinded. No other partnership or corporate action or proceedings on the part of the Borrower or any General Partner is necessary to consummate such transactions.

(iv) The execution, delivery and performance of each of the Loan Documents which must be executed in connection with this Agreement by the Company and to which the Company is a party and the consummation of the transactions contemplated thereby are within the Company's corporate powers, have

been duly authorized by all necessary corporate action and such authorization has not been rescinded. No other corporate action or proceeding on the part of the Company is necessary to consummate such transactions.

(v) Each of the Loan Documents to which the Borrower is a party has been duly executed and delivered on behalf of the Borrower and constitutes the Borrower's legal, valid and binding obligation, enforceable against the Borrower in accordance with its terms, is in full force and effect and all the terms, provisions, agreements and conditions set forth therein and required to be performed or complied with by the Company, the Borrower and the Borrower's Subsidiaries on or before the Closing Date have been performed or complied with, and no Potential Event of Default, Event of Default or breach of any covenant by any of the Company, the Borrower or any Subsidiary of the Borrower exists thereunder.

(3) Subsidiaries; Ownership of Capital Stock and Partnership

Interests. (i) Schedule 7.1-C (A) contains a diagram indicating the corporate

structure of the Company, the Borrower, and any other Person in which the Company or the Borrower holds a direct or indirect partnership, joint venture or other equity interest indicating the nature of such interest with respect to each Person included in such diagram; and (B) accurately sets forth (1) the correct legal name of such Person, the jurisdiction of its incorporation or organization and the jurisdictions in which it is qualified to transact business as a foreign corporation, or otherwise, and (2) the authorized, issued and outstanding shares or interests of each class of Securities of the Company, the Borrower and the Subsidiaries of the Borrower and the owners of such shares or interests. None of such issued and outstanding Securities is subject to any vesting, redemption, or repurchase agreement, and there are no warrants or options (other than Permitted Securities Options) outstanding with respect to such Securities, except as noted on Schedule 7.1-C. The outstanding Capital

Stock of the Company is duly authorized, validly issued, fully paid and nonassessable and the outstanding Securities of the Borrower and its Subsidiaries are duly authorized and validly issued. Attached hereto as part of Schedule 7.1-C is a true, accurate and complete copy of the Borrower Partnership

Agreement as in effect on the Closing Date and such Partnership Agreement has not been amended, supplemented, replaced, restated or otherwise modified in any respect since the Closing Date.

(ii) Except where failure may not have a Material Adverse Effect, each Subsidiary: (A) is a corporation or partnership, as indicated on Schedule 7.1-C, duly organized, validly existing and, if applicable, in good standing

under the laws of the jurisdiction of its organization, (B) is duly qualified to do business and, if applicable, is in good standing under the laws of each jurisdiction in which failure to be so

qualified and in good standing would limit its ability to use the courts of such jurisdiction to enforce Contractual Obligations to which it is a party, and (C) has all requisite power and authority to own, operate and encumber its Property and to conduct its business as presently conducted and as proposed to be conducted hereafter.

(4) No Conflict. The execution, delivery and performance of each of  
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the Loan Documents to which the Borrower is a party do not and will not (i) conflict with the Organizational Documents of the Borrower or any Subsidiary of the Borrower, (ii) constitute a tortious interference with any Contractual Obligation of any Person or conflict with, result in a breach of or constitute (with or without notice or lapse of time or both) a default under any Requirement of Law or Contractual Obligation of the Borrower, the General Partners, any Limited Partner, any Subsidiary of the Borrower, or any general or limited partner of any Subsidiary of the Borrower, or require termination of any such Contractual Obligation which may subject the Administrative Agent or any of the other Lenders to any liability, (iii) result in or require the creation or imposition of any Lien whatsoever upon any of the Property or assets of the Borrower, any General Partner, any Limited Partner, any Subsidiary of the Borrower, or any general partner or limited partner of any Subsidiary of the Borrower, or (iv) require any approval of shareholders of the Company or any general partner (or equity holder of any general partner) of any Subsidiary of the Borrower.

(5) Governmental Consents. The execution, delivery and performance  
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of each of the Loan Documents to which the Borrower is a party do not and will not require any registration with, consent or approval of, or notice to, or other action to, with or by any Governmental Authority, except filings, consents or notices which have been made, obtained or given.

(6) Governmental Regulation. Neither the Borrower nor any General  
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Partner is subject to regulation under the Public Utility Holding Company Act of 1935, the Federal Power Act, the Interstate Commerce Act, or the Investment Company Act of 1940, or any other federal or state statute or regulation which limits its ability to incur indebtedness or its ability to consummate the transactions contemplated by this Agreement.

(7) Financial Position. Complete and accurate copies of the  
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following financial statements and materials have been delivered to the Administrative Agent: (i) annual audited financial statements of the Borrower and its Subsidiaries for the fiscal year ended December 31, 1999, and (ii) quarterly financial statements for the Borrower and its Subsidiaries for the fiscal quarter ending June 30,

2000. All financial statements included in such materials were prepared in all material respects in conformity with GAAP, except as otherwise noted therein, and fairly present in all material respects the respective consolidated financial positions, and the consolidated results of operations and cash flows for each of the periods covered thereby of the Borrower and its Subsidiaries as at the respective dates thereof. Neither the Borrower nor any of its Subsidiaries has any Contingent Obligation, contingent liability or liability for any taxes, long-term leases or commitments, not reflected in its audited financial statements delivered to the Administrative Agent on or prior to the Closing Date or otherwise disclosed to the Administrative Agent and the Lenders in writing, which will have or is reasonably likely to have a Material Adverse Effect.

(8) Indebtedness. Schedule 7.1-H sets forth, as of June 30, 2000,

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all Indebtedness for borrowed money of each of the Borrower, the General Partners and their respective Subsidiaries and, except as set forth on Schedule

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7.1-H, there are no defaults in the payment of principal or interest on any such

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Indebtedness and no payments thereunder have been deferred or extended beyond their stated maturity and there has been no material change in the type or amount of such Indebtedness (except for the repayment of certain Indebtedness) since June 30, 2000.

(9) Litigation; Adverse Effects. Except as set forth in Schedule

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7.1I, as of the Closing Date, there is no action, suit, proceeding, Claim,

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investigation or arbitration before or by any Governmental Authority or private arbitrator pending or, to the knowledge of the Borrower, threatened against the Company, the Borrower, or any of their respective Subsidiaries, or any Property of any of them (i) challenging the validity or the enforceability of any of the Loan Documents, (ii) which will or is reasonably likely to result in any Material Adverse Effect, or (iii) under the Racketeering Influenced and Corrupt Organizations Act or any similar federal or state statute where such Person is a defendant in a criminal indictment that provides for the forfeiture of assets to any Governmental Authority as a potential criminal penalty. There is no material loss contingency within the meaning of GAAP which has not been reflected in the consolidated financial statements of the Company and the Borrower. None of the Company, the Borrower or any Subsidiary of the Borrower is (A) in violation of any applicable Requirements of Law which violation will have or is reasonably likely to have a Material Adverse Effect, or (B) subject to or in default with respect to any final judgment, writ, injunction, restraining order or order of any nature, decree, rule or regulation of any court or Governmental Authority which will have or is reasonably likely to have a Material Adverse Effect.

(10) No Material Adverse Effect. Since June 30, 2000, there has

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occurred no event which has had or is reasonably likely to have a Material Adverse Effect.

(11) Tax Examinations. The IRS has examined (or is foreclosed from

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examining by applicable statutes) the federal income tax returns of any of the Company's, the Borrower's or its Subsidiaries' predecessors in interest with respect to the Projects for all tax periods prior to and including the taxable year ending December 31, 1997 and the appropriate state Governmental Authority in each state in which the Company's, the Borrower's or its Subsidiaries' predecessors in interest with respect to the Projects were required to file state income tax returns has examined (or is foreclosed from examining by applicable statutes) the state income tax returns of any of such Persons with respect to the Projects for all tax periods prior to and including the taxable year ending December 31, 1997. All deficiencies which have been asserted against such Persons as a result of any federal, state, local or foreign tax examination for each taxable year in respect of which an examination has been conducted have been fully paid or finally settled or are being contested in good faith, and no issue has been raised in any such examination which, by application of similar principles, reasonably can be expected to result in assertion of a material deficiency for any other year not so examined which has not been reserved for in the financial statements of such Persons to the extent, if any, required by GAAP. No such Person has taken any reporting positions for which it does not have a reasonable basis nor anticipates any further material tax liability with respect to the years which have not been closed pursuant to applicable law.

(12) Payment of Taxes. All tax returns, reports and similar

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statements or filings of each of the Persons described in Section 7.1(k), the

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Company, the Borrower and its Subsidiaries required to be filed have been timely filed, and, except for Customary Permitted Liens, all taxes, assessments, fees and other charges of Governmental Authorities thereupon and upon or relating to their respective Properties, assets, receipts, sales, use, payroll, employment, income, licenses and franchises which are shown in such returns or reports to be due and payable have been paid, except to the extent (i) such taxes, assessments, fees and other charges of Governmental Authorities are being contested in good faith by an appropriate proceeding diligently pursued as permitted by the terms of Section 9.4 and (ii) such taxes, assessments, fees and

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other charges of Governmental Authorities pertain to Property of the Borrower or any of its Subsidiaries and the non-payment of the amounts thereof would not, individually or in the aggregate, result in a Material Adverse Effect. All other taxes (including, without limitation, real estate taxes), assessments, fees and other governmental charges upon or relating to the respective



Properties of the Borrower and its Subsidiaries which are due and payable have been paid, except for Customary Permitted Liens and except to the extent described in clauses (i) and (ii) hereinabove. The Borrower has no knowledge of any proposed tax assessment against the Borrower, any of its Subsidiaries, or any of the Projects that will have or is reasonably likely to have a Material Adverse Effect.

(13) Performance. Neither the Company, the Borrower nor any of their  
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Affiliates has received any notice, citation or allegation, nor has actual knowledge, that (i) it is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any Contractual Obligation applicable to it, (ii) any of its Properties is in violation of any Requirements of Law or (iii) any condition exists which, with the giving of notice or the lapse of time or both, would constitute a default with respect to any such Contractual Obligation, in each case, except where such default or defaults, if any, will not have or is not reasonably likely to have a Material Adverse Effect.

(14) Disclosure. The representations and warranties of the Borrower  
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contained in the Loan Documents, and all certificates and other documents delivered to the Administrative Agent pursuant to the terms thereof, do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading. The Borrower has not intentionally withheld any fact from the Administrative Agent or the other Lenders in regard to any matter which will have or is reasonably likely to have a Material Adverse Effect. Notwithstanding the foregoing, the Lenders acknowledge that the Borrower shall not have liability under this clause (o) with respect to its projections of future events.

(15) Requirements of Law. The Borrower and each of its Subsidiaries  
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is in compliance with all Requirements of Law applicable to it and its respective businesses and Properties, in each case where the failure to so comply individually or in the aggregate will have or is reasonably likely to have a Material Adverse Effect.

(16) Environmental Matters.  
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(i) Except as disclosed on Schedule 7.1P:  
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(A) the operations of the Borrower, each of its Subsidiaries, and their respective Properties comply with all applicable Environmental, Health or Safety Requirements of Law;

(B) the Borrower and each of its Subsidiaries have obtained all material environmental, health and safety Permits necessary for their respective operations, and all such Permits are in good standing and the holder of each such Permit is currently in compliance with all terms and conditions of such Permits;

(C) none of the Borrower or any of its Subsidiaries or any of their respective present or past Property or operations are subject to or are the subject of any investigation, judicial or administrative proceeding, order, judgment, decree, dispute, negotiations, agreement or settlement respecting (I) any Environmental, Health or Safety Requirements of Law, (II) any Remedial Action, (III) any Claims or Liabilities and Costs arising from the Release or threatened Release of a Contaminant into the environment, or (IV) any violation of or liability under any Environmental, Health or Safety Requirement of Law;

(D) none of Borrower or any of its Subsidiaries has filed any notice under any applicable Requirement of Law (I) reporting a Release of a Contaminant; (II) indicating past or present treatment, storage or disposal of a hazardous waste, as that term is defined under 40 C.F.R. Part 261 or any state equivalent; or (III) reporting a violation of any applicable Environmental, Health or Safety Requirement of Law;

(E) none of the Borrower's or any of its Subsidiaries' present or past Property is listed or proposed for listing on the National Priorities List ("NPL") pursuant to CERCLA or on the Comprehensive Environmental Response Compensation Liability Information System List ("CERCLIS") or any similar state list of sites requiring Remedial Action;

(F) neither the Borrower nor any of its Subsidiaries has sent or directly arranged for the transport of any waste to any site listed or proposed for listing on the NPL, CERCLIS or any similar state list;

(G) to the best of Borrower's knowledge, there is not now, and to Borrower's knowledge there has never been on or in any Project (I) any treatment, recycling, storage or disposal of any hazardous waste, as that term is defined under 40 C.F.R. Part 261 or any state equivalent; (II) any landfill, waste pile, or surface impoundment; (III) any underground storage tanks the presence or use of which is or, to Borrower's knowledge, has been in violation of applicable Environmental, Health or Safety Requirements of Law, (IV) any asbestos-containing material which such Person has any reason to believe could subject such Person or its

Property to Liabilities and Costs arising out of or relating to environmental, health or safety matters that would result in a Material Adverse Effect; or (V) any polychlorinated biphenyls (PCB) used in hydraulic oils, electrical transformers or other Equipment which such Person has any reason to believe could subject such Person or its Property to Liabilities and Costs arising out of or relating to environmental, health or safety matters that would result in a Material Adverse Effect;

(H) neither the Borrower nor any of its Subsidiaries has received any notice or Claim to the effect that any of such Persons is or may be liable to any Person as a result of the Release or threatened Release of a Contaminant into the environment;

(I) neither the Borrower nor any of its Subsidiaries has any contingent liability in connection with any Release or threatened Release of any Contaminants into the environment;

(J) no Environmental Lien has attached to any Property of the Borrower or any Subsidiary of the Borrower;

(K) no Property of the Borrower or any Subsidiary of the Borrower is subject to any Environmental Property Transfer Act, or to the extent such acts are applicable to any such Property, the Borrower and/or such Subsidiary whose Property is subject thereto has fully complied with the requirements of such acts; and

(L) neither the Borrower nor any of its Subsidiaries owns or operates, or, to Borrower's knowledge has ever owned or operated, any underground storage tank, the presence or use of which is or has been in violation of applicable Environmental, Health or Safety Requirements of Law, at any Project.

(ii) the Borrower and each of its Subsidiaries are conducting and will continue to conduct their respective businesses and operations and maintain each Project in compliance with Environmental, Health or Safety Requirements of Law and no such Person has been, and no such Person has any reason to believe that it or any Project will be, subject to Liabilities and Costs arising out of or relating to environmental, health or safety matters that would result in a Material Adverse Effect.

(17) ERISA. Neither the Borrower nor any ERISA Affiliate maintains

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or contributes to any Plan or Multiemployer Plan other than those listed on Schedule 7.1-Q hereto. Each such Plan which is intended to be qualified under

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Section 401(a) of the Internal Revenue Code as currently in effect has been determined by the IRS to be so qualified, and each trust related to any such Plan has been determined to be exempt from federal income tax under Section 501(a) of the Internal Revenue Code as currently in effect. Except as disclosed in Schedule 7.1-Q, neither the Borrower nor any of its ERISA Affiliates maintains

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or contributes to any employee welfare benefit plan within the meaning of Section 3(1) of ERISA which provides benefits to employees after termination of employment other than as required by Section 601 of ERISA. The Borrower and each of its ERISA Affiliates is in compliance in all material respects with the responsibilities, obligations and duties imposed on it by ERISA, the Internal Revenue Code and regulations promulgated thereunder with respect to all Plans. No Plan has incurred any accumulated funding deficiency (as defined in Sections 302(a)(2) of ERISA and 412(a) of the Internal Revenue Code) whether or not waived. Neither the Borrower nor any ERISA Affiliate nor any fiduciary of any Plan which is not a Multiemployer Plan (i) has engaged in a nonexempt prohibited transaction described in Sections 406 of ERISA or 4975 of the Internal Revenue Code or (ii) has taken or failed to take any action which would constitute or result in a Termination Event. Neither the Borrower nor any ERISA Affiliate is subject to any liability under Sections 4063, 4064, 4069, 4204 or 4212(c) of ERISA. Neither the Borrower nor any ERISA Affiliate has incurred any liability to the PBGC which remains outstanding other than the payment of premiums, and there are no premium payments which have become due which are unpaid. Schedule B to the most recent annual report filed with the IRS with respect to each Plan and furnished to the Administrative Agent is complete and accurate in all material respects. Since the date of each such Schedule B, there has been no material adverse change in the funding status or financial condition of the Plan relating to such Schedule B. Neither the Borrower nor any ERISA Affiliate has (i) failed to make a required contribution or payment to a Multiemployer Plan or (ii) made a complete or partial withdrawal under Sections 4203 or 4205 of ERISA from a Multiemployer Plan. Neither the Borrower nor any ERISA Affiliate has failed to make a required installment or any other required payment under Section 412 of the Internal Revenue Code on or before the due date for such installment or other payment. Neither the Borrower nor any ERISA Affiliate is required to provide security to a Plan under Section 401(a)(29) of the Internal Revenue Code due to a Plan amendment that results in an increase in current liability for the plan year. Except as disclosed on Schedule 7.1-Q, neither the

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Borrower nor any of its ERISA Affiliates has, by reason of the transactions contemplated hereby, any obligation to make any payment to any employee pursuant to any Plan or existing contract or arrangement.

(18) Securities Activities. The Borrower is not engaged in the  
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business of extending credit for the purpose of purchasing or carrying Margin  
Stock.

(19) Solvency. After giving effect to the Loans to be made on the  
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Closing Date or such other date as Loans requested hereunder are made, and the  
disbursement of the proceeds of such Loans pursuant to the Borrower's  
instructions, the Borrower is Solvent.

(20) Insurance. Schedule 7.1-T accurately sets forth as of the  
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Closing Date all insurance policies and programs currently in effect with  
respect to the respective Property and assets and business of the Borrower and  
its Subsidiaries, specifying for each such policy and program, (i) the amount  
thereof, (ii) the risks insured against thereby, (iii) the name of the insurer  
and each insured party thereunder, (iv) the policy or other identification  
number thereof, and (v) the expiration date thereof. The Borrower has delivered  
to the Administrative Agent copies of all insurance policies set forth on  
Schedule 7.1-T. Such insurance policies and programs are currently in full force  
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and effect, in compliance with the requirements of Section 9.5 hereof and,  
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together with payment by the insured of scheduled deductible payments, are in  
amounts sufficient to cover the replacement value of the respective Property and  
assets of the Borrower and/or its Subsidiaries.

(21) REIT Status. The Company qualifies as a REIT under the Internal  
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Revenue Code.

(22) Ownership of Projects, Minority Holdings and Property. Ownership  
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of substantially all wholly-owned Projects, Minority Holdings and other Property  
of the Consolidated Businesses is held by the Borrower and its Subsidiaries and  
is not held directly by any General Partner.

ARTICLE VIII  
REPORTING COVENANTS

The Borrower covenants and agrees that so long as any Commitments are  
outstanding and thereafter until payment in full of all of the Obligations  
(other than indemnities pursuant to Section 15.3 not yet due), unless the  
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Requisite Lenders shall otherwise give prior written consent thereto:

1.20 Borrower Accounting Practices. The Borrower shall maintain, and  
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cause each of its Subsidiaries to maintain, a system of accounting established  
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administered in accordance with sound business practices to permit preparation of consolidated and consolidating financial statements in conformity with GAAP, and each of the financial statements and reports described below shall be prepared from such system and records and in form satisfactory to the Administrative Agent.

1.21 Financial Reports. The Borrower shall deliver or cause to be delivered to the Administrative Agent and the Lenders:

(1) Quarterly Reports.

(i) Borrower Quarterly Financial Reports. As soon as practicable, and in any event within fifty (50) days after the end of each fiscal quarter in each Fiscal Year (other than the last fiscal quarter in each Fiscal Year), a consolidated balance sheet of the Borrower and the related consolidated statements of income and cash flow of the Borrower (to be prepared and delivered quarterly in conjunction with the other reports delivered hereunder at the end of each fiscal quarter) for each such fiscal quarter, in each case in form and substance satisfactory to the Administrative Agent and, in comparative form, the corresponding figures for the corresponding periods of the previous Fiscal Year, certified by an Authorized Financial Officer of the Borrower as fairly presenting the consolidated and consolidating financial position of the Borrower as of the dates indicated and the results of their operations and cash flow for the months indicated in accordance with GAAP, subject to normal quarterly adjustments.

(ii) Company Quarterly Financial Reports. As soon as practicable, and in any event within fifty (50) days after the end of each fiscal quarter in each Fiscal Year (other than the last fiscal quarter in each Fiscal Year), the Financial Statements of the Company, the Borrower and its Subsidiaries on Form 10-Q as at the end of such period and a report setting forth in comparative form the corresponding figures for the corresponding period of the previous Fiscal Year, certified by an Authorized Financial Officer of the Company as fairly presenting the consolidated and consolidating financial position of the Company, the Borrower and its Subsidiaries as at the date indicated and the results of their operations and cash flow for the period indicated in accordance with GAAP, subject to normal adjustments.

(iii) Quarterly Compliance Certificates. Together with each delivery of any quarterly report pursuant to paragraph (a)(i) of this Section 8.2, the Borrower shall deliver Officer's Certificates of the Borrower and the Company (the "Quarterly Compliance Certificates"), signed by the Borrower's and the Company's respective Authorized Financial Officers representing and certifying (1) that the Authorized

Financial Officer signatory thereto has reviewed the terms of the Loan Documents, and has made, or caused to be made under his/her supervision, a review in reasonable detail of the transactions and consolidated and consolidating financial condition of the Company, the Borrower and its Subsidiaries, during the fiscal quarter covered by such reports, that such review has not disclosed the existence during or at the end of such fiscal quarter, and that such officer does not have knowledge of the existence as at the date of such Officer's Certificate, of any condition or event which constitutes an Event of Default or Potential Event of Default or mandatory prepayment event, or, if any such condition or event existed or exists, and specifying the nature and period of existence thereof and what action the General Partners and/or the Borrower or any of its Subsidiaries has taken, is taking and proposes to take with respect thereto, (2) the calculations (with such specificity as the Administrative Agent may reasonably request) for the period then ended which demonstrate compliance with the covenants and financial ratios set forth in Articles IX and X and, when applicable, that no Event of

Default described in Section 11.1 exists, (3) a schedule of the Borrower's outstanding Indebtedness, including the amount, maturity, interest rate and amortization requirements, as well as such other information regarding such Indebtedness as may be reasonably requested by the Administrative Agent, (4) a schedule of Combined EBITDA, (5) a schedule of Unencumbered Combined EBITDA, (6) calculations, in the form of Exhibit G attached hereto, evidencing compliance with each of the financial covenants set forth in Article X hereof, and (7) a

schedule of the estimated taxable income of the Borrower for such fiscal quarter.

(iv) Hedging Status Report. The Borrower shall deliver, within fifty

(50) days after the end of each fiscal quarter of each Fiscal Year, a written report which sets forth the details of the "Interest Rate Hedges" required under Section 9.9.

(2) Annual Reports.

(i) Borrower Financial Statements. As soon as practicable, and in any

event within ninety-five (95) days after the end of each Fiscal Year, (i) the Financial Statements of the Borrower and its Subsidiaries as at the end of such Fiscal Year, (ii) a report with respect thereto of Arthur Andersen & Co. or other independent certified public accountants acceptable to the Administrative Agent, which report shall be unqualified and shall state that such financial statements fairly present the consolidated and consolidating financial position of each of the Borrower and its Subsidiaries as at the dates indicated and the results of their operations and cash flow for the periods indicated in conformity with GAAP applied on a basis consistent with prior years (except for changes with which Arthur Andersen & Co. or any such other independent certified public accountants, if applicable, shall concur and which shall

have been disclosed in the notes to the financial statements), and (iii) in the event that the report referred to in clause (ii) above is qualified, a copy of the management letter or any similar report delivered to the General Partners or to any officer or employee thereof by such independent certified public accountants in connection with such financial statements (which letter or report shall be subject to the confidentiality limitations set forth herein). The Administrative Agent and each Lender (through the Administrative Agent) may, with the consent of the Borrower (which consent shall not be unreasonably withheld), communicate directly with such accountants, with any such communication to occur together with a representative of the Borrower, at the expense of the Administrative Agent (or the Lender requesting such communication), upon reasonable notice and at reasonable times during normal business hours.

(ii) Company Financial Statements. As soon as practicable, and in any

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event within ninety-five (95) days after the end of each Fiscal Year, (i) the Financial Statements of the Company and its Subsidiaries on Form 10-K as at the end of such Fiscal Year and a report setting forth in comparative form the corresponding figures from the consolidated Financial Statements of the Company and its Subsidiaries for the prior Fiscal Year; (ii) a report with respect thereto of Arthur Andersen & Co. or other independent certified public accountants acceptable to the Administrative Agent, which report shall be unqualified and shall state that such financial statements fairly present the consolidated and consolidating financial position of each of the Company and its Subsidiaries as at the dates indicated and the results of their operations and cash flow for the periods indicated in conformity with GAAP applied on a basis consistent with prior years (except for changes with which Arthur Andersen & Co. or any such other independent certified public accountants, if applicable, shall concur and which shall have been disclosed in the notes to the financial statements)(which report shall be subject to the confidentiality limitations set forth herein); and (iii) in the event that the report referred to in clause (ii) above is qualified, a copy of the management letter or any similar report delivered to the Company or to any officer or employee thereof by such independent certified public accountants in connection with such financial statements. The Administrative Agent and each Lender (through the Administrative Agent) may, with the consent of the Company (which consent shall not be unreasonably withheld), communicate directly with such accountants, with any such communication to occur together with a representative of the Company, at the expense of the Administrative Agent (or the Lender requesting such communication), upon reasonable notice and at reasonable times during normal business hours.

(iii) Annual Compliance Certificates. Together with each delivery of

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any annual report pursuant to clauses (i) and (ii) of this Section 8.2(b), the  
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Borrower



shall deliver Officer's Certificates of the Borrower and the Company (the "Annual Compliance Certificates" and, collectively with the Quarterly Compliance

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Certificates, the "Compliance Certificates"), signed by the Borrower's and the

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Company's respective Authorized Financial Officers, representing and certifying that (1) the officer signatory thereto has reviewed the terms of the Loan Documents, and has made, or caused to be made under his/her supervision, a review in reasonable detail of the transactions and consolidated and consolidating financial condition of the General Partners, the Borrower and its Subsidiaries, during the accounting period covered by such reports, that such review has not disclosed the existence during or at the end of such accounting period, and that such officer does not have knowledge of the existence as at the date of such Officer's Certificate, of any condition or event which constitutes an Event of Default or Potential Event of Default or mandatory prepayment event, or, if any such condition or event existed or exists, and specifying the nature and period of existence thereof and what action the General Partners and/or the Borrower or any of its Subsidiaries has taken, is taking and proposes to take with respect thereto, (2) the calculations (with such specificity as the Administrative Agent may reasonably request) for the period then ended which demonstrate compliance with the covenants and financial ratios set forth in Articles IX and X and, when applicable, that no Event of Default described in

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Section 11.1 exists, (3) a schedule of the Borrower's outstanding Indebtedness

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including the amount, maturity, interest rate and amortization requirements, as well as such other information regarding such Indebtedness as may be reasonably requested by the Administrative Agent, (4) a schedule of Combined EBITDA, (5) a schedule of Unencumbered Combined EBITDA, (6) calculations, in the form of Exhibit G attached hereto, evidencing compliance with each of the financial covenants set forth in Article X hereof, and (7) a schedule of the estimated

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taxable income of the Borrower for such fiscal year.

(iv) Tenant Bankruptcy Reports. As soon as practicable, and in any

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event within ninety-five (95) days after the end of each Fiscal Year, the Borrower shall deliver a written report, in form reasonably satisfactory to the Administrative Agent, of all bankruptcy proceedings filed by or against any tenant of any of the Projects, which tenant occupies 3% or more of the gross leasable area in the Projects in the aggregate. The Borrower shall deliver to the Administrative Agent and the Lenders, immediately upon the Borrower's learning thereof, of any bankruptcy proceedings filed by or against, or the cessation of business or operations of, any tenant of any of the Projects which tenant occupies 3% or more of the gross leasable area in the Projects in the aggregate.

(v) Property Reports. When reasonably requested by the Administrative

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Agent, a rent roll, tenant sales report and income statement with respect to any Project.

1.22 Events of Default. Promptly upon the Borrower obtaining

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knowledge (a) of any condition or event which constitutes an Event of Default or Potential Event of Default, or becoming aware that any Lender or the Administrative Agent has given any notice to the Borrower with respect to a claimed Event of Default or Potential Event of Default under this Agreement; (b) that any Person has given any notice to the Borrower or any Subsidiary of the Borrower or taken any other action with respect to a claimed default or event or condition of the type referred to in Section 11.1(e); or (c) of any condition or

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event which has or is reasonably likely to have a Material Adverse Effect, the Borrower shall deliver to the Administrative Agent and the Lenders an Officer's Certificate specifying (i) the nature and period of existence of any such claimed default, Event of Default, Potential Event of Default, condition or event, (ii) the notice given or action taken by such Person in connection therewith, and (iii) what action the Borrower has taken, is taking and proposes to take with respect thereto. The occurrence of a condition or event described in clause (c) above shall not constitute an Event of Default.

1.23 Lawsuits. (i) Promptly upon the Borrower's obtaining knowledge

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of the institution of, or written threat of, any action, suit, proceeding, governmental investigation or arbitration against or affecting the Borrower or any of its Subsidiaries not previously disclosed pursuant to Section 7.1(i),

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which action, suit, proceeding, governmental investigation or arbitration exposes, or in the case of multiple actions, suits, proceedings, governmental investigations or arbitrations arising out of the same general allegations or circumstances which expose, in the Borrower's reasonable judgment, the Borrower or any of its Subsidiaries to liability in an amount aggregating \$1,000,000 or more and is not covered by Borrower's insurance, the Borrower shall give written notice thereof to the Administrative Agent and the Lenders and provide such other information as may be reasonably available to enable each Lender and the Administrative Agent and its counsel to evaluate such matters; (ii) as soon as practicable and in any event within fifty (50) days after the end of each fiscal quarter of the Borrower, the Borrower shall provide a written quarterly report to the Administrative Agent and the Lenders covering the institution of, or written threat of, any action, suit, proceeding, governmental investigation or arbitration (not previously reported) against or affecting the Borrower or any of its Subsidiaries or any Property of the Borrower or any of its Subsidiaries not previously disclosed by the Borrower to the Administrative Agent and the Lenders, and shall provide such other information at such time as may be reasonably available to enable

each Lender and the Administrative Agent and its counsel to evaluate such matters; and (iii) in addition to the requirements set forth in clauses (i) and (ii) of this Section 8.4, the Borrower upon request of the Administrative Agent

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or the Requisite Lenders shall promptly give written notice of the status of any action, suit, proceeding, governmental investigation or arbitration covered by a report delivered pursuant to clause (i) or (ii) above and provide such other information as may be reasonably available to it to enable each Lender and the Administrative Agent and its counsel to evaluate such matters.

1.24 Insurance. As soon as practicable and in any event by January

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1st of each calendar year, the Borrower shall deliver to the Administrative Agent and the Lenders (i) a report in form and substance reasonably satisfactory to the Administrative Agent and the Lenders outlining all insurance coverage maintained as of the date of such report by the Borrower and its Subsidiaries and the duration of such coverage and (ii) evidence that all premiums with respect to such coverage have been paid when due.

1.25 ERISA Notices. The Borrower shall deliver or cause to be

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delivered to the Administrative Agent and the Lenders, at the Borrower's expense, the following information and notices as soon as reasonably possible, and in any event:

(a) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate knows or has reason to know that an ERISA Termination Event has occurred, a written statement of the chief financial officer of the Borrower describing such ERISA Termination Event and the action, if any, which the Borrower or any ERISA Affiliate has taken, is taking or proposes to take with respect thereto, and when known, any action taken or threatened by the IRS, DOL or PBGC with respect thereto;

(b) within fifteen (15) Business Days after the Borrower knows or has reason to know that a prohibited transaction (defined in Sections 406 of ERISA and Section 4975 of the Internal Revenue Code) has occurred, a statement of the chief financial officer of the Borrower describing such transaction and the action which the Borrower or any ERISA Affiliate has taken, is taking or proposes to take with respect thereto;

(c) within fifteen (15) Business Days after the filing of the same with the DOL, IRS or PBGC, copies of each annual report (form 5500 series), including Schedule B thereto, filed with respect to each Plan;

(d) within fifteen (15) Business Days after receipt by the Borrower or any ERISA Affiliate of each actuarial report for any Plan or Multiemployer Plan and each annual report for any Multiemployer Plan, copies of each such report;

(e) within fifteen (15) Business Days after the filing of the same with the IRS, a copy of each funding waiver request filed with respect to any Plan and all communications received by the Borrower or any ERISA Affiliate with respect to such request;

(f) within fifteen (15) Business Days after the occurrence of any material increase in the benefits of any existing Plan or Multiemployer Plan or the establishment of any new Plan or the commencement of contributions to any Plan or Multiemployer Plan to which the Borrower or any ERISA Affiliate was not previously contributing, notification of such increase, establishment or commencement;

(g) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate receives notice of the PBGC's intention to terminate a Plan or to have a trustee appointed to administer a Plan, copies of each such notice;

(h) within fifteen (15) Business Days after the Borrower or any of its Subsidiaries receives notice of any unfavorable determination letter from the IRS regarding the qualification of a Plan under Section 401(a) of the Internal Revenue Code, copies of each such letter;

(i) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate receives notice from a Multiemployer Plan regarding the imposition of withdrawal liability, copies of each such notice;

(j) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate fails to make a required installment or any other required payment under Section 412 of the Internal Revenue Code on or before the due date for such installment or payment, a notification of such failure; and

(k) within fifteen (15) Business Days after the Borrower or any ERISA Affiliate knows or has reason to know (i) a Multiemployer Plan has been terminated, (ii) the administrator or plan sponsor of a Multiemployer Plan intends to terminate a Multiemployer Plan, or (iii) the PBGC has instituted or will institute proceedings under Section 4042 of ERISA to

terminate a Multiemployer Plan, notification of such termination, intention to terminate, or institution of proceedings.

For purposes of this Section 8.6, the Borrower and any ERISA Affiliate shall be

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deemed to know all facts known by the "Administrator" of any Plan of which the Borrower or any ERISA Affiliate is the plan sponsor.

1.26 Environmental Notices. The Borrower shall notify the

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Administrative Agent and the Lenders in writing, promptly upon any representative of the Borrower or other employee of the Borrower responsible for the environmental matters at any Property of the Borrower learning thereof, of any of the following (together with any material documents and correspondence received or sent in connection therewith):

(a) notice or claim to the effect that the Borrower or any of its Subsidiaries is or may be liable to any Person as a result of the Release or threatened Release of any Contaminant into the environment, if such liability would result in a Material Adverse Effect;

(b) notice that the Borrower or any of its Subsidiaries is subject to investigation by any Governmental Authority evaluating whether any Remedial Action is needed to respond to the Release or threatened Release of any Contaminant into the environment;

(c) notice that any Property of the Borrower or any of its Subsidiaries is subject to an Environmental Lien if the claim to which such Environmental Lien relates would result in a Material Adverse Effect;

(d) notice of violation by the Borrower or any of its Subsidiaries of any Environmental, Health or Safety Requirement of Law;

(e) any condition which might reasonably result in a violation by the Borrower or any Subsidiary of the Borrower of any Environmental, Health or Safety Requirement of Law, which violation would result in a Material Adverse Effect;

(f) commencement or threat of any judicial or administrative proceeding alleging a violation by the Borrower or any of its Subsidiaries of any Environmental, Health or Safety Requirement of Law, which would result in a Material Adverse Effect;

(g) new or proposed changes to any existing Environmental, Health or Safety Requirement of Law that could result in a Material Adverse Effect;  
or

(h) any proposed acquisition of stock, assets, real estate, or leasing of Property, or any other action by the Borrower or any of its Subsidiaries that could subject the Borrower or any of its Subsidiaries to environmental, health or safety Liabilities and Costs which could result in a Material Adverse Effect.

1.27 Labor Matters. The Borrower shall notify the Administrative

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Agent and the Lenders in writing, promptly upon the Borrower's learning thereof, of any labor dispute to which the Borrower or any of its Subsidiaries may become a party (including, without limitation, any strikes, lockouts or other disputes relating to any Property of such Persons' and other facilities) which could result in a Material Adverse Effect.

1.28 Notices of Asset Sales and/or Acquisitions. The Borrower shall

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deliver to the Administrative Agent and the Lenders written notice of each of the following upon the occurrence thereof: (a) a sale, transfer or other disposition of assets, in a single transaction or series of related transactions, for consideration in excess of \$50,000,000, (b) an acquisition of assets, in a single transaction or series of related transactions, for consideration in excess of \$50,000,000, and (c) the grant of a Lien with respect to assets, in a single transaction or series of related transactions, in connection with Indebtedness aggregating an amount in excess of \$50,000,000.

1.29 Tenant Notifications. The Borrower shall promptly notify the

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Administrative Agent upon obtaining knowledge of the bankruptcy or cessation of operations of any tenant to which greater than 3% of the Borrower's share of consolidated minimum rent is attributable.

1.30 Other Reports. The Borrower shall deliver or cause to be

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delivered to the Administrative Agent and the other Lenders copies of all financial statements, reports, notices and other materials, if any, sent or made available generally by any General Partner and/or the Borrower to its respective Securities holders or filed with the Commission, all press releases made available generally by any General Partner and/or the Borrower or any of its Subsidiaries to the public concerning material developments in the business of any General Partner, the Borrower or any such Subsidiary and all notifications received by the General Partners, the

Borrower or its Subsidiaries pursuant to the Securities Exchange Act and the rules promulgated thereunder.

1.31 Other Information. Promptly upon receiving a request therefor

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from the Administrative Agent, the Borrower shall prepare and deliver to the Administrative Agent and the other Lenders such other information with respect to any General Partner, the Borrower, or any of its Subsidiaries, as from time to time may be reasonably requested by the Administrative Agent.

ARTICLE IX  
AFFIRMATIVE COVENANTS

Borrower covenants and agrees that so long as any Commitments are outstanding and thereafter until payment in full of all of the Obligations (other than indemnities pursuant to Section 15.3 not yet due), unless the

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Requisite Lenders shall otherwise give prior written consent:

1.32 Existence, Etc. The Borrower shall, and shall cause each of its

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Subsidiaries to, at all times maintain its corporate existence or existence as a limited partnership or joint venture, as applicable, and preserve and keep, or cause to be preserved and kept, in full force and effect its rights and franchises material to its businesses, except where the loss or termination of such rights and franchises is not likely to have a Material Adverse Effect.

1.33 Powers; Conduct of Business. The Borrower shall remain

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qualified, and shall cause each of its Subsidiaries to qualify and remain qualified, to do business and maintain its good standing in each jurisdiction in which the nature of its business and the ownership of its Property requires it to be so qualified and in good standing.

1.34 Compliance with Laws, Etc. The Borrower shall, and shall cause

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each of its Subsidiaries to, (a) comply with all Requirements of Law and all restrictive covenants affecting such Person or the business, Property, assets or operations of such Person, and (b) obtain and maintain as needed all Permits necessary for its operations (including, without limitation, the operation of the Projects) and maintain such Permits in good standing, except where noncompliance with either clause (a) or (b) above is not reasonably likely to

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have a Material Adverse Effect; provided, however, that the Borrower shall, and

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shall cause each of its Subsidiaries to, comply with all Environmental, Health or Safety Requirements of

Law affecting such Person or the business, Property, assets or operations of such Person.

1.35 Payment of Taxes and Claims. (a) The Borrower shall pay, and

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shall cause each of its Subsidiaries to pay, (i) all taxes, assessments and other governmental charges imposed upon it or on any of its Property or assets or in respect of any of its franchises, licenses, receipts, sales, use, payroll, employment, business, income or Property before any penalty or interest accrues thereon, and (ii) all Claims (including, without limitation, claims for labor, services, materials and supplies) for sums which have become due and payable and which by law have or may become a Lien (other than a Lien permitted by Section

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10.3 or a Customary Permitted Lien for property taxes and assessments not yet

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due upon any of the Borrower's or any of the Borrower's Subsidiaries' Property or assets, prior to the time when any penalty or fine shall be incurred with respect thereto; provided, however, that no such taxes, assessments, fees and

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governmental charges referred to in clause (i) above or Claims referred to in clause (ii) above need be paid if being contested in good faith by appropriate proceedings diligently instituted and conducted and if such reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made therefor.

1.36 Insurance. The Borrower shall maintain for itself and its

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Subsidiaries, or shall cause each of its Subsidiaries to maintain in full force and effect the insurance policies and programs listed on Schedule 7.1-U or

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substantially similar policies and programs or other policies and programs as are reasonably acceptable to the Administrative Agent. All such policies and programs shall be maintained with insurers reasonably acceptable to the Administrative Agent.

1.37 Inspection of Property; Books and Records; Discussions. The

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Borrower shall permit, and cause each of its Subsidiaries to permit, any authorized representative(s) designated by either the Administrative Agent or other Lender to visit and inspect any of the Projects or inspect the MIS of the Borrower or any of its Subsidiaries which relates to the Projects, to examine, audit, check and make copies of their respective financial and accounting records, books, journals, orders, receipts and any correspondence and other data relating to their respective businesses or the transactions contemplated hereby (including, without limitation, in connection with environmental compliance, hazard or liability), and to discuss their affairs, finances and accounts with their officers and independent certified public accountants, all with a representative of the Borrower present, upon reasonable notice and at such reasonable times during normal business hours, as often as may be reasonably requested. Each such visitation and inspection shall be at such visitor's expense. The



Borrower shall keep and maintain, and cause its Subsidiaries to keep and maintain, in all material respects on its MIS and otherwise proper books of record and account in which entries in conformity with GAAP shall be made of all dealings and transactions in relation to their respective businesses and activities.

1.38 ERISA Compliance. The Borrower shall, and shall cause each of  
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its Subsidiaries and ERISA Affiliates to, establish, maintain and operate all Plans to comply in all material respects with the provisions of ERISA, the Internal Revenue Code, all other applicable laws, and the regulations and interpretations thereunder and the respective requirements of the governing documents for such Plans.

1.39 Maintenance of Property. The Borrower shall, and shall cause  
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each of its Subsidiaries to, maintain in all material respects all of their respective owned and leased Property in good, safe and insurable condition and repair and in a businesslike manner, and not permit, commit or suffer any waste or abandonment of any such Property and from time to time shall make or cause to be made all material repairs, renewal and replacements thereof, including, without limitation, any capital improvements which may be required to maintain the same in a businesslike manner; provided, however, that such Property may be  
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altered or renovated in the ordinary course of business of the Borrower or such applicable Subsidiary. Without any limitation on the foregoing, the Borrower shall maintain the Projects in a manner such that each Project can be used in the manner and substantially for the purposes such Project is used on the Closing Date, including, without limitation, maintaining all utilities, access rights, zoning and necessary Permits for such Project.

1.40 Hedging Requirements. The Borrower shall maintain "Interest Rate  
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Hedges" (as defined below) on a notional amount of Indebtedness of the Borrower and its Subsidiaries which, when added to the aggregate principal amount of Indebtedness of the Borrower and its Subsidiaries which bears interest at a fixed rate, equals or exceeds 75% of the aggregate principal amount of all Indebtedness of the Borrower and its Subsidiaries. "Interest Rate Hedges" shall  
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mean interest rate exchange, collar, cap, swap, adjustable strike cap, adjustable strike corridor or similar agreements having terms, conditions and tenors reasonably acceptable to the Administrative Agent entered into by the Borrower and/or its Subsidiaries in order to provide protection to, or minimize the impact upon, the Borrower and/or such Subsidiaries of increasing floating rates of interest applicable to Indebtedness.

1.41 Company Status. The Company shall at all times (1) remain a  
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publicly traded company listed on the New York Stock Exchange or other national stock exchange; (2) maintain its status as a REIT under the Internal Revenue Code,

(3) retain direct or indirect management and control of the Borrower, and (4) own, directly or indirectly, no less than ninety-nine percent (99%) of the equity Securities of the Company (or any other General Partner of the Borrower).

1.42 Ownership of Projects, Minority Holdings and Property. The

ownership of substantially all wholly-owned Projects, Minority Holdings and other Property of the Consolidated Businesses shall be held by the Borrower and its Subsidiaries and shall not be held directly by any General Partner.

ARTICLE X  
NEGATIVE COVENANTS

Borrower covenants and agrees that it shall comply with the following covenants so long as any Commitments are outstanding and thereafter until payment in full of all of the Obligations (other than indemnities pursuant to Section 15.3 not yet due), unless the Requisite Lenders shall otherwise give

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prior written consent:

1.43 Indebtedness. Neither the Borrower nor any of its Subsidiaries

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shall directly or indirectly create, incur, assume or otherwise become or remain directly or indirectly liable with respect to any Indebtedness, except Indebtedness which, when aggregated with Indebtedness of the General Partners, the Borrower or any of their respective Subsidiaries and Minority Holdings Indebtedness allocable in accordance with GAAP to the Borrower or any Subsidiary of the Borrower as of the time of determination, would not exceed (i) sixty percent (60%) of Capitalization Value as of the date of incurrence, or (ii) in the case of Secured Indebtedness of the Consolidated Businesses and the Borrower's proportionate share of Secured Indebtedness of its Minority Holdings, fifty-five percent (55%) of the Capitalization Value. In addition, neither the Borrower nor any of its Subsidiaries shall incur, directly or indirectly, Indebtedness for borrowed money from any of the General Partners, unless such Indebtedness is unsecured and expressly subordinated to the payment of the Obligations.

1.44 Sales of Assets. Neither the Borrower nor any of its

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Subsidiaries shall sell, assign, transfer, lease, convey or otherwise dispose of any Property, whether now owned or hereafter acquired, or any income or profits therefrom, or enter into any agreement to do so which would result in a Material Adverse Effect.

1.45 Liens. Neither the Borrower nor any of its Subsidiaries shall

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directly or indirectly create, incur, assume or permit to exist any Lien on or with respect to any Property, except:

(a) Liens with respect to Capital Leases of Equipment entered into in the ordinary course of business of the Borrower pursuant to which the aggregate Indebtedness under such Capital Leases does not exceed \$100,000 for any Project;

(b) Liens securing permitted Secured Indebtedness; and

(c) Customary Permitted Liens.

1.46 Investments. Neither the Borrower nor any of its Subsidiaries

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shall directly or indirectly make or own any Investment except:

(a) Investments in Cash Equivalents;

(b) Subject to the limitations of clause (e) below, Investments in the Borrower's Subsidiaries, the Borrower's Affiliates and the Management Company;

(c) Investments in the form of advances to employees in the ordinary course of business; provided that the aggregate principal amount of all such advances at any time outstanding shall not exceed \$1,000,000;

(d) Investments received in connection with the bankruptcy or reorganization of suppliers and lessees and in settlement of delinquent obligations of, and other disputes with, lessees and suppliers arising in the ordinary course of business;

(e) Investments (i) in any individual Project (other than Mall of America), which when combined with like Investments of the General Partners in such Project, do not exceed ten percent (10%) of the Capitalization Value after giving effect to such Investments of the Borrower or (ii) in a single Person owning a Project or Property, or a portfolio of Projects or Properties, which when combined with like Investments of the General Partners in such Person, do not exceed thirty-three percent (33%) of the Capitalization Value after giving effect to such Investments of the Borrower, it being understood that no Investment in any individual Person will be permitted if the Borrower's

allocable share of the Investment of such Person in any individual Project would exceed the limitation described in clause (i) hereinabove.

1.47 Conduct of Business. Neither the Borrower nor any of its

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Subsidiaries shall engage in any business, enterprise or activity other than (a) the businesses of acquiring, developing, re-developing and managing predominantly retail and mixed use Projects and portfolios of like Projects and (b) any business or activities which are substantially similar, related or incidental thereto.

1.48 Transactions with Partners and Affiliates. Neither the Borrower

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nor any of its Subsidiaries shall directly or indirectly enter into or permit to exist any transaction (including, without limitation, the purchase, sale, lease or exchange of any property or the rendering of any service) with any holder or holders of more than five percent (5%) of any class of equity Securities of the Borrower, or with any Affiliate of the Borrower which is not its Subsidiary, on terms that are determined by the respective Boards of Directors of the General Partners to be less favorable to the Borrower or any of its Subsidiaries, as applicable, than those that might be obtained in an arm's length transaction at the time from Persons who are not such a holder or Affiliate. Nothing contained in this Section 10.6 shall prohibit (a) increases in compensation and benefits

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for officers and employees of the Borrower or any of its Subsidiaries which are customary in the industry or consistent with the past business practice of the Borrower or such Subsidiary, provided that no Event of Default or Potential

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Event of Default has occurred and is continuing; (b) payment of customary partners' indemnities; or (c) performance of any obligations arising under the Loan Documents.

1.49 Restriction on Fundamental Changes. Neither the Borrower nor

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any of its Subsidiaries shall enter into any merger or consolidation, or liquidate, wind-up or dissolve (or suffer any liquidation or dissolution), or convey, lease, sell, transfer or otherwise dispose of, in one transaction or series of transactions, all or substantially all of the Borrower's or any such Subsidiary's business or Property, whether now or hereafter acquired, except in connection with issuance, transfer, conversion or repurchase of limited partnership interests in Borrower. Notwithstanding the foregoing, the Borrower shall be permitted to merge with another Person so long as either (x) the Borrower is the surviving Person following such merger, or (y) the majority of the board of directors (or equivalent) of the surviving Person, as well as the majority of senior management of the surviving Person shall be the same as the board of directors (or equivalent) and senior management of the Borrower immediately prior to such merger.

1.50 Margin Regulations; Securities Laws. Neither the Borrower nor

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any of its Subsidiaries shall use all or any portion of the proceeds of any credit extended under this Agreement to purchase or carry Margin Stock.

1.51 ERISA. The Borrower shall not and shall not permit any of its

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Subsidiaries or ERISA Affiliates to:

(a) engage in any prohibited transaction described in Sections 406 of ERISA or 4975 of the Internal Revenue Code for which a statutory or class exemption is not available or a private exemption has not been previously obtained from the DOL;

(b) permit to exist any accumulated funding deficiency (as defined in Sections 302 of ERISA and 412 of the Internal Revenue Code), with respect to any Plan, whether or not waived;

(c) fail to pay timely required contributions or annual installments due with respect to any waived funding deficiency to any Plan;

(d) terminate any Plan which would result in any liability of Borrower or any ERISA Affiliate under Title IV of ERISA;

(e) fail to make any contribution or payment to any Multiemployer Plan which Borrower or any ERISA Affiliate may be required to make under any agreement relating to such Multiemployer Plan, or any law pertaining thereto;

(f) fail to pay any required installment or any other payment required under Section 412 of the Internal Revenue Code on or before the due date for such installment or other payment; or

(g) amend a Plan resulting in an increase in current liability for the plan year such that the Borrower or any ERISA Affiliate is required to provide security to such Plan under Section 401(a)(29) of the Internal Revenue Code.

1.52 Organizational Documents. Neither the General Partners, the

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Borrower nor any of its Subsidiaries shall amend, modify or otherwise change any of the terms or provisions in any of their respective Organizational Documents as in effect on the Closing Date, except amendments to effect (a) a change of name of the Borrower or any such Subsidiary, provided that the Borrower shall

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have provided the

Administrative Agent with sixty (60) days prior written notice of any such name change, or (b) changes that would not affect such Organizational Documents in any material manner not otherwise permitted under this Agreement.

1.53 Fiscal Year. Neither the Company, the Borrower nor any of its

Consolidated Businesses shall change its Fiscal Year for accounting or tax purposes from a period consisting of the 12-month period ending on December 31 of each calendar year.

1.54 Other Financial Covenants.

(1) Minimum Combined Equity Value. The Combined Equity Value shall at no time be less than \$4,500,000,000.

(2) Consolidated Interest Coverage Ratio. As of the first day of each fiscal quarter for the immediately preceding consecutive four fiscal quarters, the ratio of (i) Combined EBITDA to (ii) Combined Interest Expense shall not be less than 1.8 to 1.0.

(3) Minimum Debt Service Coverage Ratio. As of the first day of each fiscal quarter for the immediately preceding consecutive four fiscal quarters, the ratio of Combined EBITDA to Combined Debt Service shall not be less than 1.60 to 1.00.

(4) Minimum Debt Yield. As of the first day of each fiscal quarter for the immediately preceding consecutive four fiscal quarters, the ratio (expressed as a percentage) (the "Debt Yield") of (1) Combined EBITDA to

(2) Total Adjusted Outstanding Indebtedness (less unrestricted Cash and Cash Equivalents of the Borrower) shall not be less than 13.5%.

(5) Unencumbered Combined EBITDA to Total Unsecured Outstanding Indebtedness. As of the first day of each fiscal quarter for the immediately preceding consecutive four fiscal quarters, the ratio (expressed as a percentage) (the "Unsecured Debt Yield") of (i) the Unencumbered Combined EBITDA to (ii) Total Unsecured Outstanding Indebtedness (less unrestricted Cash and Cash Equivalents of the Borrower) shall not be less than 11%.

(6) Unencumbered Combined EBITDA to Unsecured Interest Expense. As of the first day of each fiscal quarter for the immediately preceding

consecutive four fiscal quarters, the ratio of (i) the Unencumbered Combined EBITDA to (ii) Unsecured Interest Expense shall not be less than 1.5 to 1.0.

1.55 Pro Forma Adjustments. In connection with an acquisition of a

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Project, a Property, or a portfolio of Projects or Properties, by any of the Consolidated Businesses or any Minority Holding (whether such acquisition is direct or through the acquisition of a Person which owns such Property), the financial covenants contained in this Agreement shall be calculated as follows on a pro forma basis (with respect to the pro rata share of the Borrower in the

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case of an acquisition by a Minority Holding), which pro forma calculation shall

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be effective until the last day of the fourth fiscal quarter following such acquisition (or such earlier test period, as applicable), at which time actual performance shall be utilized for such calculations.

(1) Annual EBITDA. Annual EBITDA for the acquired Property shall be

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deemed to be an amount equal to (i) the net purchase price of the acquired Property (or the Borrower's pro rata share of such net purchase price in the event of an acquisition by a Minority Holding) for the first fiscal quarter following such acquisition, multiplied by 8.25% and (ii) for the succeeding three fiscal quarters, Annual EBITDA shall be deemed the greater of (A) the net purchase price multiplied by 8.25%, or (B) the actual EBITDA from such acquired Property during the period following Borrower's (direct or indirect) acquisition, computed on an annualized basis, provided that such annualized EBITDA shall in no event exceed the final product obtained after multiplying (1) the net purchase price by (2) 1.1, and then by (3) 8.25%.

(2) Combined EBITDA. The pro forma calculation of Annual EBITDA for

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the acquired Property shall be added to the calculation of Combined EBITDA.

(3) Unencumbered Combined EBITDA. If, after giving effect to the

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acquisition, the acquired Property will not be encumbered by Secured Indebtedness, then the pro forma Annual EBITDA for the acquired Property shall be added to the calculation of Unencumbered Combined EBITDA.

(4) Secured Indebtedness. Any Indebtedness secured by a Lien

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incurred and/or assumed in connection with such acquisition of a Property shall be added to the calculation of Secured Indebtedness.

(5) Total Adjusted Outstanding Indebtedness. Any Indebtedness

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incurred and/or assumed in connection with such acquisition shall be added to the calculation of Total Adjusted Outstanding Indebtedness.

(6) Combined Interest Expense. If any Indebtedness is incurred or

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assumed in connection with such acquisition, then the amount of interest expense to be incurred on such Indebtedness during the period following such acquisition, computed on an annualized basis during the applicable period, shall be added to the calculation of Combined Interest Expense.

(7) Total Unsecured Outstanding Indebtedness. Any Indebtedness

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which is not secured by a Lien and which is incurred and/or assumed in connection with such acquisition shall be added to the calculation of Total Unsecured Outstanding Indebtedness.

(8) Unsecured Interest Expense. If any unsecured Indebtedness is

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incurred or assumed in connection with such acquisition, then the amount of interest expense to be incurred on such Indebtedness during the period following such acquisition, computed on an annualized basis during the applicable period, shall be added to the calculation of Unsecured Interest Expense.

(9) Debt Yield and Unencumbered Debt Yield. For purposes of

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calculating Debt Yield and Unencumbered Debt Yield only, non-recourse Indebtedness and completion guarantees incurred for the construction of new Projects shall, until such time as the interest expense associated with such financing need no longer be capitalized in accordance with GAAP, be excluded from the calculation of Total Adjusted Outstanding Indebtedness (provided that recourse Indebtedness and repayment guarantees shall be included in such calculation).

ARTICLE XI  
EVENTS OF DEFAULT; RIGHTS AND REMEDIES

1.56 Events of Default. Each of the following occurrences shall

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constitute an Event of Default under this Agreement:

(1) Failure to Make Payments When Due. The Borrower shall fail to

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pay (i) when due any principal payment on the Obligations which is due on the Termination Date or pursuant to the terms of Section 2.1(a), Section 2.4, or Section 4.1(d) or (ii) within five Business Days after the date on which due, -----  
any interest



payment on the Obligations or any principal payment pursuant to the terms of Section 4.1(a) or (iii) when due, any principal payment on the Obligations not

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referenced in clauses (i) or (ii) hereinabove.

(2) Breach of Certain Covenants. The Borrower shall fail duly and  
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punctually to perform or observe any agreement, covenant or obligation binding on such Person under Sections 8.3, 9.1, 9.2, 9.3, 9.4, 9.5, 9.6, or Article X.  
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(3) Breach of Representation or Warranty. Any representation or  
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warranty made by the Borrower to the Administrative Agent or any other Lender herein or by the Borrower or any of its Subsidiaries in any of the other Loan Documents or in any statement or certificate at any time given by any such Person pursuant to any of the Loan Documents shall be false or misleading in any material respect on the date as of which made.

(4) Other Defaults. Except as set forth in the next sentence, the  
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Borrower shall default in the performance of or compliance with any term contained in this Agreement (other than as identified in paragraphs (a), (b) or (c) of this Section 11.1), or any default or event of default shall occur under  
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any of the other Loan Documents, and such default or event of default shall continue for twenty (20) days after receipt of written notice from the Administrative Agent thereof. With respect to any failure in the performance of or compliance with the terms of Section 9.9, such failure or noncompliance shall  
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not constitute an Event of Default so long as the Borrower cures such failure or noncompliance within one hundred eighty (180) days after the receipt of written notice from the Administrative Agent thereof.

(5) Acceleration of Other Indebtedness. Any breach, default or  
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event of default shall occur, or any other condition shall exist under any instrument, agreement or indenture pertaining to any recourse Indebtedness (other than the Obligations) of the Borrower or its Subsidiaries aggregating \$30,000,000 or more, and the effect thereof is to cause an acceleration, mandatory redemption or other required repurchase of such Indebtedness, or permit the holder(s) of such Indebtedness to accelerate the maturity of any such Indebtedness or require a redemption or other repurchase of such Indebtedness; or any such Indebtedness shall be otherwise declared to be due and payable (by acceleration or otherwise) or required to be prepaid, redeemed or otherwise repurchased by the Borrower or any of its Subsidiaries (other than by a regularly scheduled required prepayment) prior to the stated maturity thereof.

(6) Involuntary Bankruptcy; Appointment of Receiver, Etc.  
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(i) An involuntary case shall be commenced against any General Partner, the Borrower, or any of its Subsidiaries to which \$150,000,000 or more of the Combined Equity Value is attributable, and the petition shall not be dismissed, stayed, bonded or discharged within sixty (60) days after commencement of the case; or a court having jurisdiction in the premises shall enter a decree or order for relief in respect of any General Partner, the Borrower or any of its Subsidiaries in an involuntary case, under any applicable bankruptcy, insolvency or other similar law now or hereinafter in effect; or any other similar relief shall be granted under any applicable federal, state, local or foreign law; or the respective board of directors of any General Partner or Limited Partners of the Borrower or the board of directors or partners of any of the Borrower's Subsidiaries (or any committee thereof) adopts any resolution or otherwise authorizes any action to approve any of the foregoing.

(ii) A decree or order of a court having jurisdiction in the premises for the appointment of a receiver, liquidator, sequestrator, trustee, custodian or other officer having similar powers over any of the General Partners, the Borrower, or any of its Subsidiaries to which \$150,000,000 or more of the Combined Equity Value is attributable, or over all or a substantial part of the Property of any of the General Partners, the Borrower or any of such Subsidiaries shall be entered; or an interim receiver, trustee or other custodian of any of the General Partners, the Borrower or any of such Subsidiaries or of all or a substantial part of the Property of any of the General Partners, the Borrower or any of such Subsidiaries shall be appointed or a warrant of attachment, execution or similar process against any substantial part of the Property of any of the General Partners, the Borrower or any of such Subsidiaries shall be issued and any such event shall not be stayed, dismissed, bonded or discharged within sixty (60) days after entry, appointment or issuance; or the respective board of directors of any of the General Partners or Limited Partners of the Borrower or the board of directors or partners of any of Borrower's Subsidiaries (or any committee thereof) adopts any resolution or otherwise authorizes any action to approve any of the foregoing.

(7) Voluntary Bankruptcy; Appointment of Receiver, Etc. Any of the  
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General Partners, the Borrower, or any of its Subsidiaries to which \$150,000,000 or more of the Combined Equity Value is attributable, shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case, or to the conversion of an involuntary case to a voluntary case, under any such law, or shall consent to the appointment of or taking possession by a receiver, trustee or other custodian for all or a substantial part of its Property; or any of the General Partners, the Borrower or any of such Subsidiaries shall make any assignment for the benefit of

creditors or shall be unable or fail, or admit in writing its inability, to pay its debts as such debts become due.

(8) Judgments and Unpermitted Liens.  
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(i) Any money judgment (other than a money judgment covered by insurance as to which the insurance company has acknowledged coverage), writ or warrant of attachment, or similar process against the Borrower or any of its Subsidiaries or any of their respective assets involving in any case an amount in excess of \$15,000,000 (other than with respect to Claims arising out of non-recourse Indebtedness) is entered and shall remain undischarged, unvacated, unbonded or unstayed for a period of sixty (60) days or in any event later than five (5) days prior to the date of any proposed sale thereunder; provided,

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however, if any such judgment, writ or warrant of attachment or similar process

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is in excess of \$30,000,000 (other than with respect to Claims arising out of non-recourse Indebtedness), the entry thereof shall immediately constitute an Event of Default hereunder.

(ii) A federal, state, local or foreign tax Lien is filed against the Borrower which is not discharged of record, bonded over or otherwise secured to the satisfaction of the Administrative Agent within fifty (50) days after the filing thereof or the date upon which the Administrative Agent receives actual knowledge of the filing thereof for an amount which, either separately or when aggregated with the amount of any judgments described in clause (i) above and/or the amount of the Environmental Lien Claims described in clause (iii) below, equals or exceeds \$15,000,000.

(iii) An Environmental Lien is filed against any Project with respect to Claims in an amount which, either separately or when aggregated with the amount of any judgments described in clause (i) above and/or the amount of the tax Liens described in clause (ii) above, equals or exceeds \$15,000,000.

(9) Dissolution. Any order, judgment or decree shall be entered  
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against the Borrower decreeing its involuntary dissolution or split up; or the Borrower shall otherwise dissolve or cease to exist except as specifically permitted by this Agreement.

(10) Loan Documents. At any time, for any reason, any Loan Document  
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ceases to be in full force and effect or the Borrower seeks to repudiate its obligations thereunder.

(11) ERISA Termination Event. Any ERISA Termination Event occurs

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which the Administrative Agent believes could subject either the Borrower or any ERISA Affiliate to liability in excess of \$500,000.

(12) Waiver Application. The plan administrator of any Plan applies

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under Section 412(d) of the Code for a waiver of the minimum funding standards of Section 412(a) of the Internal Revenue Code and the Administrative Agent believes that the substantial business hardship upon which the application for the waiver is based could subject either the Borrower or any ERISA Affiliate to liability in excess of \$500,000.

(13) Intentionally Omitted.

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(14) Certain Defaults Pertaining to the General Partners. The

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Company shall fail to (i) maintain its status as a REIT for federal income tax purposes, (ii) continue as a general partner of the Borrower, (iii) maintain ownership of no less than 99% of the equity Securities of any other General Partner of the Borrower, (iv) comply with all Requirements of Law applicable to it and its businesses and Properties, in each case where the failure to so comply individually or in the aggregate will have or is reasonably likely to have a Material Adverse Effect, (v) remain listed on the New York Stock Exchange or other national stock exchange, or (vi) file all tax returns and reports required to be filed by it with any Governmental Authority as and when required to be filed or to pay any taxes, assessments, fees or other governmental charges upon it or its Property, assets, receipts, sales, use, payroll, employment, licenses, income, or franchises which are shown in such returns, reports or similar statements to be due and payable as and when due and payable, except for taxes, assessments, fees and other governmental charges (A) that are being contested by the Company in good faith by an appropriate proceeding diligently pursued, (B) for which adequate reserves have been made on its books and records, and (C) the amounts the non-payment of which would not, individually or in the aggregate, result in a Material Adverse Effect.

(15) Merger or Liquidation of the General Partners or the Borrower.

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Any General Partner shall merge or liquidate with or into any other Person, other than another General Partner, and, as a result thereof and after giving effect thereto, (i) such General Partner is not the surviving Person, or (ii) the majority of the board of directors (or equivalent) of the surviving Person, as well as the majority of senior management of the surviving Person shall not be the same as the board of directors (or equivalent) and senior management of such General Partner immediately prior to such merger, or (iii) such merger or liquidation would effect an acquisition of or

Investment in any Person not otherwise permitted under the terms of this Agreement. The Borrower shall merge or liquidate with or into any other Person and, as a result thereof and after giving effect thereto, (i) the Borrower is not the surviving Person or (ii) such merger or liquidation would effect an acquisition of or Investment in any Person not otherwise permitted under the terms of this Agreement.

An Event of Default shall be deemed "continuing" until cured or waived in writing in accordance with Section 15.7.

1.57 Rights and Remedies.

(1) Acceleration and Termination. Upon the occurrence of any Event of Default described in Sections 11.1(f) or 11.1(g), the Commitments shall automatically and immediately terminate and the unpaid principal amount of, and any and all accrued interest on, the Obligations and all accrued fees shall automatically become immediately due and payable, without presentment, demand, or protest or other requirements of any kind (including, without limitation, valuation and appraisalment, diligence, presentment, notice of intent to demand or accelerate and of acceleration), all of which are hereby expressly waived by the Borrower; and upon the occurrence and during the continuance of any other Event of Default, the Administrative Agent shall at the request, or may with the consent, of the Requisite Lenders, by written notice to the Borrower, (i) declare that the Commitments are terminated, and/or (ii) declare the unpaid principal amount of and any and all accrued and unpaid interest on the Obligations to be, and the same shall thereupon be, immediately due and payable, without presentment, demand, or protest or other requirements of any kind (including, without limitation, valuation and appraisalment, diligence, presentment, notice of intent to demand or accelerate and of acceleration), all of which are hereby expressly waived by the Borrower.

(2) Rescission. If at any time after termination of the Commitments and/or acceleration of the maturity of the Loans, the Borrower shall pay all arrears of interest and all payments on account of principal of the Loans which shall have become due otherwise than by acceleration (with interest on principal and, to the extent permitted by law, on overdue interest, at the rates specified in this Agreement) and all Events of Default and Potential Events of Default (other than nonpayment of principal of and accrued interest on the Loans due and payable solely by virtue of acceleration) shall be remedied or waived pursuant to Section 15.7, then upon the written consent of the Requisite Lenders and written notice to the Borrower, the termination of the Commitments and/or the acceleration and their consequences may be rescinded and annulled; but such action shall not affect any subsequent Event

of Default or Potential Event of Default or impair any right or remedy consequent thereon. The provisions of the preceding sentence are intended merely to bind the Lenders to a decision which may be made at the election of the Requisite Lenders; they are not intended to benefit the Borrower and do not give the Borrower the right to require the Lenders to rescind or annul any acceleration hereunder, even if the conditions set forth herein are met.

(3) Enforcement. The Borrower acknowledges that in the event the

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Borrower or any of its Subsidiaries fails to perform, observe or discharge any of their respective obligations or liabilities under this Agreement or any other Loan Document, any remedy of law may prove to be inadequate relief to the Administrative Agent and the other Lenders; therefore, the Borrower agrees that the Administrative Agent and the other Lenders shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages.

ARTICLE XII  
THE AGENTS

1.58 Appointment. (a) Each Lender hereby designates and appoints

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Chase as the Administrative Agent of such Lender under this Agreement, and each Lender hereby irrevocably authorizes the Administrative Agent and all other Agents to take such actions on its behalf under the provisions of this Agreement and the Loan Documents and to exercise such powers as are set forth herein or therein together with such other powers as are reasonably incidental thereto. The Agents each agrees to act as such on the express conditions contained in this Article XII. The Administrative Agent shall administer this Agreement and

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service the Loans with the same degree of care as the Administrative Agent would use in servicing a loan of similar size and type for its own account.

(1) The provisions of this Article XII are solely for the benefit

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of the Agents and the Lenders, and neither the Borrower, the General Partners nor any Subsidiary of the Borrower shall have any rights to rely on or enforce any of the provisions hereof (other than as expressly set forth in Section

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12.7). In performing their respective functions and duties under this Agreement,

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the Agents shall act solely as agent of the Lenders and do not assume and shall not be deemed to have assumed any obligation or relationship of agency, trustee or fiduciary with or for any General Partner, the Borrower or any Subsidiary of the Borrower. The Agents may perform any of their respective duties hereunder, or under the Loan Documents, by or through their respective agents or employees.

1.59 Nature of Duties. The Agents shall not have any duties or

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responsibilities except those expressly set forth in this Agreement or in the Loan Documents. The duties of the Administrative Agent shall be mechanical and administrative in nature. None of the Agents shall have by reason of this Agreement a fiduciary relationship in respect of any Holder. Nothing in this Agreement or any of the Loan Documents, expressed or implied, is intended to or shall be construed to impose upon the Agents any obligations in respect of this Agreement or any of the Loan Documents except as expressly set forth herein or therein. The Administrative Agent hereby agrees that its duties shall include providing copies of documents received by such Agent from the Borrower which are reasonably requested by any Lender and promptly notifying each Lender upon its obtaining actual knowledge of the occurrence of any Event of Default hereunder. In addition, the Administrative Agent shall promptly deliver to each of the Lenders copies of all notices of default and other formal notices (including, without limitation, requests for waivers or modifications) sent or received.

1.60 Right to Request Instructions. The Agents may at any time

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request instructions from the Lenders with respect to any actions or approvals which by the terms of any of the Loan Documents such Agent is permitted or required to take or to grant, and such Agent shall be absolutely entitled to refrain from taking any action or to withhold any approval and shall not be under any liability whatsoever to any Person for refraining from any action or withholding any approval under any of the Loan Documents until it shall have received such instructions from those Lenders from whom such Agent is required to obtain such instructions for the pertinent matter in accordance with the Loan Documents. Without limiting the generality of the foregoing, such Agent shall take any action, or refrain from taking any action, which is permitted by the terms of the Loan Documents upon receipt of instructions from those Lenders from whom such Agent is required to obtain such instructions for the pertinent matter in accordance with the Loan Documents, provided, that no Holder shall have any

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right of action whatsoever against the Agents as a result of such Agent acting or refraining from acting under the Loan Documents in accordance with the instructions of the Requisite Lenders or, where required by the express terms of this Agreement, a greater proportion of the Lenders.

1.61 Reliance. The Agents shall each be entitled to rely upon any

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written notices, statements, certificates, orders or other documents or any telephone message believed by it in good faith to be genuine and correct and to have been signed, sent or made by the proper Person, and with respect to all matters pertaining to this Agreement or any of the Loan Documents and its duties hereunder or thereunder,

upon advice of legal counsel (including counsel for the Borrower), independent public accountants and other experts selected by it.

1.62 Indemnification. To the extent that any Agent is not

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reimbursed and indemnified by the Borrower, the Lenders will reimburse and indemnify such Agent solely in its capacity as such Agent and not as a Lender for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, and reasonable costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against it in any way relating to or arising out of the Loan Documents or any action taken or omitted by such Agent under the Loan Documents, in proportion to each Lender's Pro Rata Share, unless and to the extent that any such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, and reasonable costs, expenses or disbursements shall arise as a result of such Agent's gross negligence or willful misconduct. Such Agent agrees to refund to the Lenders any of the foregoing amounts paid to it by the Lenders which amounts are subsequently recovered by such Agent from the Borrower or any other Person on behalf of the Borrower. The obligations of the Lenders under this Section 12.5 shall survive the payment in full of the Loans and all other

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Obligations and the termination of this Agreement.

1.63 Agents Individually. With respect to their respective Pro

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Rata Share of the Commitments hereunder, if any, and the Loans made by it, if any, the Agents shall have and may exercise the same rights and powers hereunder and is subject to the same obligations and liabilities as and to the extent set forth herein for any other Lender. The terms "Lenders" or "Requisite Lenders" or any similar terms shall, unless the context clearly otherwise indicates, include each of the Agents in its respective individual capacity as a Lender or as one of the Requisite Lenders. The Administrative Agent may accept deposits from, lend money to, and generally engage in any kind of banking, trust or other business with the Borrower or any of its Subsidiaries as if they were not acting as the applicable Agent pursuant hereto.

1.64 Successor Agents.

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(1) Resignation and Removal. Any Agent may resign from the  
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performance of all its functions and duties hereunder at any time by giving at least thirty (30) Business Days' prior written notice to the Borrower and the other Lenders, unless applicable law requires a shorter notice period or that there be no notice period, in which instance such applicable law shall control. Any Agent may be removed (i) at the direction of Lenders whose Pro Rata Shares, in the aggregate, are greater than fifty percent (50%), in the event the Agent is not also a Lender having a Commitment of at



least \$20,000,000 or twenty percent (20%) of the Commitments at such time or (ii) at the direction of the Requisite Lenders, in the event such Agent shall commit gross negligence or willful misconduct in the performance of its duties hereunder. Such resignation or removal shall take effect upon the acceptance by a successor Agent of appointment pursuant to this Section 12.7.

(2) Intentionally Omitted.

(3) Appointment by Retiring Agent. If a successor Administrative

Agent shall not have been appointed within the thirty (30) Business Days or shorter period provided in paragraph (a) of this Section 12.7, the retiring

Agent shall then appoint a successor Agent who shall serve as Administrative Agent until such time, if any, as the Lenders appoint a successor Agent as provided above.

(4) Rights of the Successor and Retiring Agents. Upon the

acceptance of any appointment as Administrative Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Agent's resignation hereunder as Agent, the provisions of this Article XII shall inure to its benefit as to any actions

taken or omitted to be taken by it while it was the Agent under this Agreement.

1.65 Relations Among the Lenders. Each Lender agrees that it will

not take any legal action, nor institute any actions or proceedings, against the Borrower hereunder with respect to any of the Obligations, without the prior written consent of the Lenders. Without limiting the generality of the foregoing, no Lender may accelerate or otherwise enforce its portion of the Obligations, or unilaterally terminate its Commitment except in accordance with Section 11.2(a).

ARTICLE XIII  
YIELD PROTECTION

1.66 Taxes.

(1) Payment of Taxes. Any and all payments by the Borrower

hereunder or under any Note or other document evidencing any Obligations shall be made, in accordance with Section 4.2, free and clear of and without reduction

for any and all present or future taxes, levies, imposts, deductions, charges, withholdings, and

all stamp or documentary taxes, excise taxes, ad valorem taxes and other taxes imposed on the value of the Property, charges or levies which arise from the execution, delivery or registration, or from payment or performance under, or otherwise with respect to, any of the Loan Documents or the Commitments and all other liabilities with respect thereto excluding, in the case of each Lender, taxes imposed on or measured by net income or overall gross receipts and capital and franchise taxes imposed on it by (i) the United States, (ii) the Governmental Authority of the jurisdiction in which such Lender's Applicable Lending Office is located or any political subdivision thereof or (iii) the Governmental Authority in which such Person is organized, managed and controlled or any political subdivision thereof (all such non-excluded taxes, levies, imposts, deductions, charges and withholdings being hereinafter referred to as "Taxes"). If the Borrower shall be required by law to withhold or deduct any

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Taxes from or in respect of any sum payable hereunder or under any such Note or document to any Lender, (x) the sum payable to such Lender shall be increased as may be necessary so that after making all required withholding or deductions (including withholding or deductions applicable to additional sums payable under this Section 13.1) such Lender receives an amount equal to the sum it would have

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received had no such withholding or deductions been made, (y) the Borrower shall make such withholding or deductions, and (z) the Borrower shall pay the full amount withheld or deducted to the relevant taxation authority or other authority in accordance with applicable law.

(2) Indemnification. The Borrower will indemnify each Lender

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against, and reimburse each Lender on demand for, the full amount of all Taxes (including, without limitation, any Taxes imposed by any Governmental Authority on amounts payable under this Section 13.1 and any additional income or

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franchise taxes resulting therefrom) incurred or paid by such Lender or any of its Affiliates and any liability (including penalties, interest, and out-of-pocket expenses paid to third parties) arising therefrom or with respect thereto, whether or not such Taxes were lawfully payable. A certificate as to any additional amount payable to any Person under this Section 13.1 submitted by

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it to the Borrower shall, absent manifest error, be final, conclusive and binding upon all parties hereto. Each Lender agrees, within a reasonable time after receiving a written request from the Borrower, to provide the Borrower and the Administrative Agent with such certificates as are reasonably required, and take such other actions as are reasonably necessary to claim such exemptions as such Lender may be entitled to claim in respect of all or a portion of any Taxes which are otherwise required to be paid or deducted or withheld pursuant to this Section 13.1 in respect of any payments under this Agreement or under the Notes.

(3) Receipts. Within thirty (30) days after the date of any payment  
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of Taxes by the Borrower, the Borrower will furnish to the Administrative Agent,  
at its address referred to in Section 15.8, the original or a certified copy of  
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a receipt evidencing payment thereof.

(4) Foreign Bank Certifications. (i) Each Lender that is not created  
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or organized under the laws of the United States or a political subdivision  
thereof shall deliver to the Borrower and the Administrative Agent on the  
Closing Date or the date on which such Lender becomes a Lender pursuant to  
Section 15.1 hereof a true and accurate certificate executed in duplicate  
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by a duly authorized officer of such Lender to the effect that such Lender is  
eligible to receive payments hereunder and under the Notes without deduction or  
withholding of United States federal income tax (I) under the provisions of an  
applicable tax treaty concluded by the United States (in which case the  
certificate shall be accompanied by two duly completed copies of Form W-8BEN (or  
any successor or substitute form or forms)) or (II) under Sections 1442(c)(1)  
and 1442(a) of the Internal Revenue Code (in which case the certificate shall be  
accompanied by two duly completed copies of Form W-8ECI (or any successor or  
substitute form or forms)).

(ii) Each Lender further agrees to deliver to the Borrower and the  
Administrative Agent from time to time a true and accurate certificate executed  
in duplicate by a duly authorized officer of such Lender before or promptly upon  
the occurrence of any event requiring a change in the most recent certificate  
previously delivered by it to the Borrower and the Administrative Agent pursuant  
to this Section 13.1(d). Each certificate required to be delivered pursuant to  
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this Section 13.1(d)(ii) shall certify as to one of the following:

(1) that such Lender can continue to receive payments hereunder and  
under the Notes without deduction or withholding of United States federal  
income tax;

(2) that such Lender cannot continue to receive payments hereunder  
and under the Notes without deduction or withholding of United States  
federal income tax as specified therein but does not require additional  
payments pursuant to Section 13.1(a) because it is entitled to recover the  
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full amount of any such deduction or withholding from a source other than  
the Borrower; or

(3) that such Lender is no longer capable of receiving payments  
hereunder and under the Notes without deduction or withholding of United

States federal income tax as specified therein and that it is not capable of recovering the full amount of the same from a source other than the Borrower. Each Lender agrees to deliver to the Borrower and the Administrative Agent further duly completed copies of the above mentioned IRS forms on or before the earlier of (x) the date that any such form expires or becomes obsolete or otherwise is required to be resubmitted as a condition to obtaining an exemption from withholding from United States federal income tax and (y) fifteen (15) days after the occurrence of any event requiring a change in the most recent form previously delivered by such Lender to the Borrower and Administrative Agent, unless any change in treaty, law, regulation, or official interpretation thereof which would render such form inapplicable or which would prevent the Lender from duly completing and delivering such form has occurred prior to the date on which any such delivery would otherwise be required and the Lender promptly advises the Borrower that it is not capable of receiving payments hereunder and under the Notes without any deduction or withholding of United States federal income tax.

1.67 Increased Capital. If after the date hereof any Lender

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determines that (i) the adoption or implementation of or any change in or in the interpretation or administration of any law or regulation or any guideline or request from any central bank or other Governmental Authority or quasi-governmental authority exercising jurisdiction, power or control over any Lender or banks or financial institutions generally (whether or not having the force of law), compliance with which affects or would affect the amount of capital required or expected to be maintained by such Lender or any corporation controlling such Lender and (ii) the amount of such capital is increased by or based upon the making or maintenance by any Lender of its Loans, any Lender's participation in or obligation to participate in the Loans or other advances made hereunder or the existence of any Lender's obligation to make Loans, then, in any such case, upon written demand by such Lender (with a copy of such demand to the Administrative Agent), the Borrower shall immediately pay to the Administrative Agent for the account of such Lender, from time to time as specified by such Lender, additional amounts sufficient to compensate such Lender or such corporation therefor. Such demand shall be accompanied by a statement as to the amount of such compensation and include a brief summary of the basis for such demand. Such statement shall be conclusive and binding for all purposes, absent manifest error.

1.68 Changes; Legal Restrictions. If after the date hereof any

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Lender determines that the adoption or implementation of or any change in or in the interpretation or administration of any law or regulation or any guideline or request from any

central bank or other Governmental Authority or quasi-governmental authority exercising jurisdiction, power or control over any Lender, or over banks or financial institutions generally (whether or not having the force of law), compliance with which:

(a) does or will subject a Lender (or its Applicable Lending Office or Eurodollar Affiliate) to charges (other than taxes) of any kind which such Lender reasonably determines to be applicable to the Commitments of the Lenders to make Eurodollar Rate Loans or change the basis of taxation of payments to that Lender of principal, fees, interest, or any other amount payable hereunder with respect to Eurodollar Rate Loans; or

(b) does or will impose, modify, or hold applicable, in the determination of a Lender, any reserve (other than reserves taken into account in calculating the Eurodollar Rate), special deposit, compulsory loan, FDIC insurance or similar requirement against assets held by, or deposits or other liabilities in or for the account of, advances or loans by, commitments made, or other credit extended by, or any other acquisition of funds by, a Lender or any Applicable Lending Office or Eurodollar Affiliate of that Lender;

and the result of any of the foregoing is to increase the cost to that Lender of making, renewing or maintaining the Loans or its Commitment or to reduce any amount receivable thereunder; then, in any such case, upon written demand by such Lender (with a copy of such demand to the Administrative Agent), the Borrower shall immediately pay to the Administrative Agent for the account of such Lender, from time to time as specified by such Lender, such amount or amounts as may be necessary to compensate such Lender or its Eurodollar Affiliate for any such additional cost incurred or reduced amount received. Such demand shall be accompanied by a statement as to the amount of such compensation and include a brief summary of the basis for such demand. Such statement shall be conclusive and binding for all purposes, absent manifest error.

1.69 Replacement of Certain Lenders. In the event a Lender (a  
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"Designee Lender") shall have requested additional compensation from the  
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Borrower under Section 13.2 or under Section 13.3, the Borrower may, at its sole  
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election, (a) make written demand on such Designee Lender (with a copy to the  
Administrative Agent) for the Designee Lender to assign, and such Designee  
Lender shall assign pursuant to one or more duly executed Assignment and  
Acceptances to one or more Eligible Assignees which the Borrower or the  
Administrative Agent shall have identified for such purpose, all of such  
Designee Lender's right and obligations under

this Agreement and the Notes (including, without limitation, and all Loans owing to it) in accordance with Section 15.1 for an amount equal to the then

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outstanding principal balance of the Loans owing to the Designee Lender together with interest accrued with respect thereto to the date of such repayment and all fees and other charges accrued or payable under the terms of this Agreement for the benefit of the Designee Lender or (b) repay all Loans owing to the Designee Lender together with interest accrued with respect thereto to the date of such repayment and all fees and other charges accrued or payable under the terms of this Agreement for the benefit of the Designee Lender to the date of such repayment. Any such repayment and remittance shall be for the sole credit of the Designee Lender and not for any other Lender. Upon delivery of such repayment and remittance in immediately available funds to the Designee Lender in accordance with clauses (a) or (b) of the foregoing sentence, as applicable, the Designee Lender shall cease to be a Lender under this Agreement. All expenses incurred by the Administrative Agent in connection with the foregoing shall be for the sole account of the Borrower and shall constitute Obligations hereunder. In no event shall Borrower's election under the provisions of this Section 13.4

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affect its obligation to pay the additional compensation required under either Section 13.2 or Section 13.3.  
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ARTICLE XIV  
INTENTIONALLY OMITTED

ARTICLE XV  
MISCELLANEOUS

1.70 Assignments and Participations.  
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(1) Assignments. No assignments or participations of any Lender's  
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rights or obligations under this Agreement shall be made except in accordance with this Section 15.1. During the continuance of an Event of Default, each  
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Lender may assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all of its rights and obligations with respect to the Loans) in accordance with the provisions of Section 15.1(b). In addition, the foregoing shall not be deemed to prohibit any  
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assignment or participation by a Lender to a special purpose entity in connection with issuances of collateralized loan obligations, collateralized bond obligations or similar securities issuances. In addition, the foregoing shall not be deemed to prohibit any assignment or participation by a Lender to a special purpose entity in connection with issuances of credit derivatives.

(2) Limitations on Assignments. Upon such execution, delivery,

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acceptance and recording in the Register, from and after the effective date specified in each Assignment and Acceptance and agreed to by the Administrative Agent, (A) the assignee thereunder shall, in addition to any rights and obligations hereunder held by it immediately prior to such effective date, if any, have the rights and obligations hereunder that have been assigned to it pursuant to such Assignment and Acceptance and shall, to the fullest extent permitted by law, have the same rights and benefits hereunder as if it were an original Lender hereunder, (B) the assigning Lenders shall, to the extent that rights and obligations hereunder have been assigned by them pursuant to such Assignment and Acceptance, relinquish their rights and be released from their obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all or the remaining portion of all assigning Lenders' rights and obligations under this Agreement, the assigning Lenders shall cease to be parties hereto) and (C) the Borrower shall execute and deliver to the assignee thereunder a Note evidencing its obligations to such assignee with respect to the Loans.

(3) The Register. The Administrative Agent shall maintain at its

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address referred to in Section 15.8 a copy of each Assignment and Acceptance  
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delivered to and accepted by it and a register (the "Register") for the

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recordation of the names and addresses of the Lenders, the Commitment of, and the principal amount of the Loans under the Commitments owing to, each Lender from time to time and whether such Lender is an original Lender or the assignee of another Lender pursuant to an Assignment and Acceptance. The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower and each of its Subsidiaries, the Administrative Agent and the other Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(4) Fee. Upon its receipt of an Assignment and Acceptance executed by

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the assigning Lenders and an Eligible Assignee and a processing and recordation fee of \$3,500 (payable by the assignee to the Administrative Agent), the Administrative Agent shall, if such Assignment and Acceptance has been completed and is in compliance with this Agreement and in substantially the form of Exhibit A hereto, (i) accept such Assignment and Acceptance, (ii) record the  
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information contained therein in the Register and (iii) give prompt notice thereof to the Borrower.

(5) Participations. Each Lender may sell participations to one or

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more other financial institutions in or to all or a portion of its rights and obligations under and in respect of any and all facilities under this Agreement (including, without

limitation, all or a portion of any or all of its Commitment hereunder and the Loans owing to it); provided, however, that (i) such Lender's obligations under

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this Agreement (including, without limitation, its Commitment hereunder) shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, (iv) each participation shall be in a minimum amount of \$5,000,000, and (v) such participant's rights to agree or to restrict such Lender's ability to agree to the modification, waiver or release of any of the terms of the Loan Documents, to consent to any action or failure to act by any party to any of the Loan Documents or any of their respective Affiliates, or to exercise or refrain from exercising any powers or rights which any Lender may have under or in respect of the Loan Documents, shall be limited to the right to consent to (A) increase in the Commitment of the Lender from whom such participant purchased a participation, (B) reduction of the principal of, or rate or amount of interest on the Loans subject to such participation (other than by the payment or prepayment thereof), (C) postponement of any date fixed for any payment of principal of, or interest on, the Loan(s) subject to such participation and (D) release of any guarantor of the Obligations.

(6) Intentionally Omitted.  
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(7) Information Regarding the Borrower. Subject to Section 15.20, any  
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Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 15.1, disclose to the  
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assignee or participant or proposed assignee or participant, any information relating to the Borrower or its Subsidiaries furnished to such Lender by the Administrative Agent or by or on behalf of the Borrower.

(8) SPC Assignment. Notwithstanding anything to the contrary  
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contained herein, any Lender (a "Granting Lender") may grant to a special  
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purpose funding vehicle (a "SPC"), identified in writing from time to time by  
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the Granting Lender to the Administrative Agent, the option to purchase from the Granting Lender all or any part of any Loan that such Granting Lender would otherwise be obligated to make as provided herein, provided that (i)  
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nothing herein shall constitute a commitment to purchase any Loan by any SPC, and (ii) if a SPC elects not to exercise such option or otherwise fails to fund all or any part of such Loan, the Granting Lender shall be obligated to fund such Loan pursuant to the terms hereof. The funding of a Loan by a SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were funded by such Granting Lender. Each



party hereby agrees that no SPC shall be liable for any indemnity or payment under this Agreement for which a Lender would otherwise be liable, for so long as, and to the extent, the Granting Lender provides such indemnity or makes such payment. In furtherance of the foregoing, each party hereto hereby agrees that, prior to the date that is one year and one day after the payment in full of all outstanding Loans of any SPC, it will not institute against, or join any other person in instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or similar proceedings under the laws of the United States. Notwithstanding anything to the contrary contained in this Agreement, the Granting Lender may disclose to a SPC and any SPC may disclose to any Rating Agency or provider of any surety or guarantee to such SPC any information relating to the SPC's funding of Loans, all on a confidential basis. This clause (h) may not be amended without the prior written consent of each Granting Lender, all or any part of whose Loans are being funded by a SPC at the time of such amendment.

(9) Payment to Participants. Anything in this Agreement to the

contrary notwithstanding, in the case of any participation, all amounts payable by the Borrower under the Loan Documents shall be calculated and made in the manner and to the parties required hereby as if no such participation had been sold.

(10) Lenders' Creation of Security Interests. Notwithstanding any

other provision set forth in this Agreement, any Lender may at any time create a security interest in all or any portion of its rights under this Agreement (including, without limitation, Obligations owing to it and any Note held by it) in favor of any Federal Reserve bank in accordance with Regulation A of the Federal Reserve Board.

1.71 Expenses.

(1) Generally. The Borrower agrees upon demand to pay or reimburse

the Administrative Agent for all of its reasonable external audit and investigation expenses, and for the fees, expenses and disbursements of Skadden, Arps, Slate, Meagher & Flom LLP (but not of other legal counsel) and for all other out-of-pocket costs and expenses of every type and nature incurred by the Administrative Agent in connection with (i) the audit and investigation of the Consolidated Businesses, the Projects and other Properties of the Consolidated Businesses in connection with the preparation, negotiation, and execution of the Loan Documents; (ii) the preparation, negotiation, execution and interpretation of this Agreement (including, without limitation, the satisfaction or attempted satisfaction of any of the conditions set forth in Article VI), the Loan Documents, and the making of the Loans hereunder; (iii) the syndication of the Loans, (iv) the ongoing

administration of this Agreement and the Loans, including consultation with attorneys in connection therewith and with respect to the Administrative Agent's rights and responsibilities under this Agreement and the other Loan Documents; (v) the protection, collection or enforcement of any of the Obligations or the enforcement of any of the Loan Documents; (vi) the commencement, defense or intervention in any court proceeding relating in any way to the Obligations, any Project, the Borrower, any of its Subsidiaries, this Agreement or any of the other Loan Documents; (vii) the response to, and preparation for, any subpoena or request for document production with which the Administrative Agent or any other Agents or any other Lender is served or deposition or other proceeding in which any Lender is called to testify, in each case, relating in any way to the Obligations, a Project, the Borrower, any of the Consolidated Businesses, this Agreement or any of the other Loan Documents; and (viii) any amendments, consents, waivers, assignments, restatements, or supplements to any of the Loan Documents and the preparation, negotiation, and execution of the same.

(2) After Default. The Borrower further agrees to pay or reimburse

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the Administrative Agent and each of the Lenders upon demand for all out-of-pocket costs and expenses, including, without limitation, reasonable attorneys' fees (including allocated costs of internal counsel and costs of settlement) incurred by such entity after the occurrence of an Event of Default (i) in enforcing any Loan Document or Obligation or any security therefor or exercising or enforcing any other right or remedy available by reason of such Event of Default; (ii) in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a "work-out" or in any insolvency or bankruptcy proceeding; (iii) in commencing, defending or intervening in any litigation or in filing a petition, complaint, answer, motion or other pleadings in any legal proceeding relating to the Obligations, a Project, any of the Consolidated Businesses and related to or arising out of the transactions contemplated hereby or by any of the other Loan Documents; and (iv) in taking any other action in or with respect to any suit or proceeding (bankruptcy or otherwise) described in clauses (i) through (iii) above.

1.72 Indemnity. The Borrower further agrees (a) to defend, protect,

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indemnify, and hold harmless the Administrative Agent and each and all of the other Lenders and each of their respective officers, directors, employees, attorneys and agents (including, without limitation, those retained in connection with the satisfaction or attempted satisfaction of any of the conditions set forth in Article VI) (collectively, the "Indemnitees") from and

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against any and all liabilities, obligations, losses (other than loss of profits), damages, penalties, actions, judgments, suits,

claims, costs, reasonable expenses and disbursements of any kind or nature whatsoever (excluding any taxes and including, without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding, whether or not such Indemnitees shall be designated a party thereto), imposed on, incurred by, or asserted against such Indemnitees in any manner relating to or arising out of (i) this Agreement or the other Loan Documents, or any act, event or transaction related or attendant thereto, the making of the Loans hereunder, the management of such Loans, the use or intended use of the proceeds of the Loans hereunder, or any of the other transactions contemplated by the Loan Documents, or (ii) any Liabilities and Costs relating to violation of any Environmental, Health or Safety Requirements of Law, the past, present or future operations of the Borrower, any of its Subsidiaries or any of their respective predecessors in interest, or, the past, present or future environmental, health or safety condition of any respective Property of the Borrower or any of its Subsidiaries, the presence of asbestoscontaining materials at any respective Property of the Borrower or any of its Subsidiaries, or the Release or threatened Release of any Contaminant into the environment (collectively, the "Indemnified Matters");

provided, however, the Borrower shall have no obligation to an Indemnitee

hereunder with respect to Indemnified Matters caused by or resulting from the willful misconduct or gross negligence of such Indemnitee, as determined by a court of competent jurisdiction in a non-appealable final judgment; and (b) not to assert any claim against any of the Indemnitees, on any theory of liability, for consequential or punitive damages arising out of, or in any way in connection with, the Commitments, the Obligations, or the other matters governed by this Agreement and the other Loan Documents. To the extent that the undertaking to indemnify, pay and hold harmless set forth in the preceding sentence may be unenforceable because it is violative of any law or public policy, the Borrower shall contribute the maximum portion which it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all Indemnified Matters incurred by the Indemnitees.

1.73 Change in Accounting Principles. If any change in the

accounting principles used in the preparation of the most recent financial statements referred to in Sections 8.1 or 8.2 are hereafter required or

permitted by the rules, regulations, pronouncements and opinions of the Financial Accounting Standards Board or the American Institute of Certified Public Accountants (or successors thereto or agencies with similar functions) and are adopted by any General Partner or the Borrower, as applicable, with the agreement of its independent certified public accountants and such changes result in a change in the method of calculation of any of the covenants, standards or terms found in Article X, the parties hereto agree to enter into

negotiations in order to amend such provisions so as to equitably reflect such

changes with the desired result that the criteria for evaluating compliance with such covenants, standards and terms by the Borrower shall be the same after such changes as if such changes had not been made; provided, however, no change in

GAAP that would affect the method of calculation of any of the covenants, standards or terms shall be given effect in such calculations until such provisions are amended, in a manner satisfactory to the Administrative Agent and the Borrower, to so reflect such change in accounting principles.

1.74 Setoff. In addition to any Liens granted under the Loan

Documents and any rights now or hereafter granted under applicable law, upon the occurrence and during the continuance of any Event of Default, each Lender and any Affiliate of any Lender is hereby authorized by the Borrower at any time or from time to time, without notice to any Person (any such notice being hereby expressly waived) to set off and to appropriate and to apply any and all deposits (general or special, including, but not limited to, indebtedness evidenced by certificates of deposit, whether matured or unmatured (but not including trust accounts)) and any other Indebtedness at any time held or owing by such Lender or any of its Affiliates to or for the credit or the account of the Borrower against and on account of the Obligations of the Borrower to such Lender or any of its Affiliates, including, but not limited to, all Loans and all claims of any nature or description arising out of or in connection with this Agreement, irrespective of whether or not (i) such Lender shall have made any demand hereunder or (ii) the Administrative Agent, at the request or with the consent of the Requisite Lenders, shall have declared the principal of and interest on the Loans and other amounts due hereunder to be due and payable as permitted by Article XI and even though such Obligations may be contingent or

unmatured. Each Lender agrees that it shall not, without the express consent of the Requisite Lenders, and that it shall, to the extent it is lawfully entitled to do so, upon the request of the Requisite Lenders, exercise its setoff rights hereunder against any accounts of the Borrower now or hereafter maintained with such Lender or any Affiliate.

1.75 Ratable Sharing. The Lenders agree among themselves that (i)

with respect to all amounts received by them which are applicable to the payment of the Obligations (excluding the fees described in Sections 5.2(f), and 5.3 and

Article XIII) equitable adjustment will be made so that, in effect, all such

amounts will be shared among them ratably in accordance with their Pro Rata Shares, whether received by voluntary payment, by the exercise of the right of setoff or banker's lien, by counterclaim or cross-action or by the enforcement of any or all of the Obligations (excluding the fees described in Sections

5.2(f), and 5.3 and Article XIII), (ii) if any of them shall by voluntary

payment or by the exercise of any right of counterclaim, setoff, banker's lien or otherwise, receive payment of a proportion of the aggregate

amount of the Obligations held by it, which is greater than the amount which such Lender is entitled to receive hereunder, the Lender receiving such excess payment shall purchase, without recourse or warranty, an undivided interest and participation (which it shall be deemed to have done simultaneously upon the receipt of such payment) in such Obligations owed to the others so that all such recoveries with respect to such Obligations shall be applied ratably in accordance with their Pro Rata Shares; provided, however, that if all or part of

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such excess payment received by the purchasing party is thereafter recovered from it, those purchases shall be rescinded and the purchase prices paid for such participations shall be returned to such party to the extent necessary to adjust for such recovery, but without interest except to the extent the purchasing party is required to pay interest in connection with such recovery. The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 15.6 may, to the fullest extent permitted by

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law, exercise all its rights of payment (including, subject to Section 15.5, the right of setoff) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

1.76 Amendments and Waivers.  
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(1) General Provisions. Unless otherwise provided for or required in  
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this Agreement, no amendment or modification of any provision of this Agreement or any of the other Loan Documents shall be effective without the written agreement of the Requisite Lenders (which the Requisite Lenders shall have the right to grant or withhold in their sole discretion) and the Borrower; provided,

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however, that the Borrower's agreement shall not be required for any amendment

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or modification of Sections 12.1 through 12.8. No termination or waiver of any

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provision of this Agreement or any of the other Loan Documents, or consent to any departure by the Borrower therefrom, shall be effective without the written concurrence of the Requisite Lenders, which the Requisite Lenders shall have the right to grant or withhold in their sole discretion. All amendments, waivers and consents not specifically reserved to the Administrative Agent or the other Lenders in Section 15.7(b), 15.7(c), and in other provisions of this Agreement

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shall require only the approval of the Requisite Lenders. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No notice to or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in similar or other circumstances.

(2) Amendments, Consents and Waivers by Affected Lenders. Any  
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amendment, modification, termination, waiver or consent with respect to any of the

following provisions of this Agreement shall be effective only by a written agreement, signed by each Lender affected thereby as described below:

(1) waiver of any of the conditions specified in Section 6.1

(except with respect to a condition based upon another provision of this Agreement, the waiver of which requires only the concurrence of the Requisite Lenders),

(2) increase in the amount of such Lender's Commitment,

(iii) reduction of the principal of, rate or amount of interest on the Loans, or any fees or other amounts payable to such Lender (other than by the payment or prepayment thereof), and

(3) postponement or extension of any date (other than the Termination Date postponement or extension of which is governed by Section

15.7(c)(i)) fixed for any payment of principal of, or interest on, the

Loans or any fees or other amounts payable to such Lender (except with respect to any modifications of the application provisions relating to prepayments of Loans and other Obligations which are governed by Section

4.2(b)).

(3) Amendments, Consents and Waivers by All Lenders. Any amendment,

modification, termination, waiver or consent with respect to any of the following provisions of this Agreement shall be effective only by a written agreement, signed by each Lender:

(1) postponement of the Termination Date, or increase in the aggregate Commitments to any amount in excess of \$475,000,000,

(2) change in the definition of Requisite Lenders or in the aggregate Pro Rata Share of the Lenders which shall be required for the Lenders or any of them to take action hereunder or under the other Loan Documents,

(iv) amendment of Section 15.6 or this Section 15.7,

(3) assignment of any right or interest in or under this Agreement or any of the other Loan Documents by the Borrower, and

(4) waiver of any Event of Default described in Sections 11.1(a),

(f), (g), (i), (n), and (o).

(4) Administrative Agent Authority. The Administrative Agent may,

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but shall have no obligation to, with the written concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of that Lender. Notwithstanding anything to the contrary contained in this Section 15.7, no

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amendment, modification, waiver or consent shall affect the rights or duties of the Administrative Agent under this Agreement and the other Loan Documents, unless made in writing and signed by the Administrative Agent in addition to the Lenders required above to take such action. Notwithstanding anything herein to the contrary, in the event that the Borrower shall have requested, in writing, that any Lender agree to an amendment, modification, waiver or consent with respect to any particular provision or provisions of this Agreement or the other Loan Documents, and such Lender shall have failed to state, in writing, that it either agrees or disagrees (in full or in part) with all such requests (in the case of its statement of agreement, subject to satisfactory documentation and such other conditions it may specify) within thirty (30) days after such Lender receives such request, then such Lender hereby irrevocably authorizes the Administrative Agent to agree or disagree, in full or in part, and in the Administrative Agent's sole discretion, to such requests on behalf of such Lender as such Lenders' attorney-in-fact and to execute and deliver any writing approved by the Administrative Agent which evidences such agreement as such Lender's duly authorized agent for such purposes.

1.77 Notices. Unless otherwise specifically provided herein, any

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notice or other communication herein required or permitted to be given shall be in writing and may be personally served, sent by facsimile transmission or by courier service and shall be deemed to have been given when delivered in person or by courier service, or upon receipt of a facsimile transmission. Notices to the Administrative Agent pursuant to Articles II, IV or XII shall not be

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effective until received by the Administrative Agent. For the purposes hereof, the addresses of the parties hereto (until notice of a change thereof is delivered as provided in this Section 15.8) shall be as set forth below each

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party's name on the signature pages hereof or the signature page of any applicable Assignment and Acceptance, or, as to each party, at such other address as may be designated by such party in a written notice to all of the other parties to this Agreement.

1.78 Survival of Warranties and Agreements. All representations and

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warranties made herein and all obligations of the Borrower in respect of taxes, indemnification and expense reimbursement shall survive the execution and delivery of this Agreement and the other Loan Documents, the making and repayment of the Loans and the termination of this Agreement and shall not be limited in any way by

the passage of time or occurrence of any event and shall expressly cover time periods when the Administrative Agent, any of the other Agents or any of the other Lenders may have come into possession or control of any Property of the Borrower or any of its Subsidiaries.

1.79 Failure or Indulgence Not Waiver; Remedies Cumulative. No  
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failure or delay on the part of the Administrative Agent, any other Lender or any other Agent in the exercise of any power, right or privilege under any of the Loan Documents shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege. All rights and remedies existing under the Loan Documents are cumulative to and not exclusive of any rights or remedies otherwise available.

1.80 Marshalling; Payments Set Aside. None of the Administrative  
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Agent or any other Lender shall be under any obligation to marshal any assets in favor of the Borrower or any other party or against or in payment of any or all of the Obligations. To the extent that the Borrower makes a payment or payments to the Administrative Agent or any other Lender or any such Person exercises its rights of setoff, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, right and remedies therefor, shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

1.81 Severability. In case any provision in or obligation under  
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this Agreement or the other Loan Documents shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

1.82 Headings. Section headings in this Agreement are included  
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herein for convenience of reference only and shall not constitute a part of this Agreement or be given any substantive effect.

1.83 Governing Law. THIS AGREEMENT SHALL BE INTERPRETED, AND THE  
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RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED, IN ACCORDANCE WITH THE INTERNAL LAWS OF



THE STATE OF NEW YORK WITHOUT REGARD TO ITS CONFLICT OF LAWS PRINCIPLES.

1.84 Limitation of Liability. No claim may be made by any Lender,  
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the Administrative Agent, or any other Person against any Lender (acting in any capacity hereunder) or the Affiliates, directors, officers, employees, attorneys or agents of any of them for any consequential or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the transactions contemplated by this Agreement, or any act, omission or event occurring in connection therewith; and each Lender and the Administrative Agent hereby waives, releases and agrees not to sue upon any such claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

1.85 Successors and Assigns. This Agreement and the other Loan  
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Documents shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and the successors and permitted assigns of the Lenders. The rights hereunder of the Borrower, or any interest therein, may not be assigned without the prior written consent of all Lenders, except in accordance with the provisions of Article XIV hereof.

1.86 Certain Consents and Waivers of the Borrower.  
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(1) Personal Jurisdiction. (i) EACH OF THE LENDERS AND THE  
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BORROWER IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF ANY NEW YORK STATE COURT OR FEDERAL COURT SITTING IN NEW YORK, NEW YORK, AND ANY COURT HAVING JURISDICTION OVER APPEALS OF MATTERS HEARD IN SUCH COURTS, IN ANY ACTION OR PROCEEDING ARISING OUT OF, CONNECTED WITH, RELATED TO OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH THIS AGREEMENT, WHETHER ARISING IN CONTRACT, TORT, EQUITY OR OTHERWISE, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE COURT OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. THE BORROWER IRREVOCABLY DESIGNATES AND APPOINTS CT CORPORATION SYSTEM, 1633 BROADWAY, NEW YORK, NEW YORK 10019, AS ITS AGENT (THE

"PROCESS AGENT") FOR SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH

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COURT, SUCH SERVICE BEING HEREBY ACKNOWLEDGED TO BE EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT. EACH OF THE LENDERS AND THE BORROWER AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. THE BORROWER WAIVES IN ALL DISPUTES ANY OBJECTION THAT IT MAY HAVE TO THE LOCATION OF THE COURT CONSIDERING THE DISPUTE.

(ii) THE BORROWER AGREES THAT THE ADMINISTRATIVE AGENT SHALL HAVE THE RIGHT TO PROCEED AGAINST THE BORROWER OR ITS PROPERTY IN A COURT IN ANY LOCATION NECESSARY OR APPROPRIATE TO ENABLE THE ADMINISTRATIVE AGENT AND THE OTHER LENDERS TO ENFORCE A JUDGMENT OR OTHER COURT ORDER ENTERED IN FAVOR OF THE ADMINISTRATIVE AGENT OR ANY OTHER LENDER. THE BORROWER AGREES THAT IT WILL NOT ASSERT ANY PERMISSIVE COUNTERCLAIMS IN ANY PROCEEDING BROUGHT BY THE ADMINISTRATIVE AGENT OR ANY LENDER TO ENFORCE A JUDGMENT OR OTHER COURT ORDER IN FAVOR OF THE ADMINISTRATIVE AGENT OR ANY LENDER. THE BORROWER WAIVES ANY OBJECTION THAT IT MAY HAVE TO THE LOCATION OF THE COURT IN WHICH THE ADMINISTRATIVE AGENT OR ANY LENDER MAY COMMENCE A PROCEEDING DESCRIBED IN THIS SECTION.

(2) Service of Process. THE BORROWER IRREVOCABLY CONSENTS TO THE

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SERVICE OF PROCESS OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO THE PROCESS AGENT OR THE BORROWER'S NOTICE ADDRESS SPECIFIED BELOW, SUCH SERVICE TO BECOME EFFECTIVE UPON RECEIPT. THE BORROWER IRREVOCABLY WAIVES ANY OBJECTION (INCLUDING, WITHOUT LIMITATION, ANY OBJECTION OF THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS) WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY JURISDICTION SET FORTH ABOVE. NOTHING HEREIN SHALL AFFECT THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY

LAW OR SHALL LIMIT THE RIGHT OF THE ADMINISTRATIVE AGENT OR THE OTHER LENDERS TO BRING PROCEEDINGS AGAINST THE BORROWER IN THE COURTS OF ANY OTHER JURISDICTION.

(3) WAIVER OF JURY TRIAL. EACH OF THE ADMINISTRATIVE AGENT AND THE

OTHER LENDERS AND THE BORROWER IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT.

1.87 Counterparts; Effectiveness; Inconsistencies. This Agreement

and any amendments, waivers, consents, or supplements hereto may be executed in counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. This Agreement shall become effective against the Borrower and each Lender on the Closing Date. This Agreement and each of the other Loan Documents shall be construed to the extent reasonable to be consistent one with the other, but to the extent that the terms and conditions of this Agreement are actually inconsistent with the terms and conditions of any other Loan Document, this Agreement shall govern.

1.88 Limitation on Agreements. All agreements between the Borrower,

the Administrative Agent and each Lender in the Loan Documents are hereby expressly limited so that in no event shall any of the Loans or other amounts payable by the Borrower under any of the Loan Documents be directly or indirectly secured (within the meaning of Regulation U) by Margin Stock.

1.89 Confidentiality. The Lenders shall hold all nonpublic

information obtained pursuant to the requirements of this Agreement, and identified as such by the Borrower, in accordance with such Lender's customary procedures for handling confidential information of this nature and in accordance with safe and sound banking practices (provided that such Lender may share such information with its Affiliates in accordance with such Lender's customary procedures for handling confidential information of this nature and provided further that such Affiliate similarly shall hold such information confidential) and in any event the Lenders may make disclosure reasonably required by a bona fide offeree, transferee or participant in connection with the contemplated transfer or participation or as required or requested by any Governmental Authority or representative thereof or pursuant to legal process and shall require any such offeree, transferee or participant to agree (and require any of its offerees, transferees or participants to agree) to comply with this Section 15.20.

In no event shall any Lender be obligated or required to return any materials furnished by the Borrower; provided, however, each offeree shall be required to

agree that if it does not become a transferee or participant it shall return all materials furnished to it by the Borrower in connection with this Agreement. Any and all confidentiality agreements entered into between any Lender and the Borrower shall survive the execution of this Agreement.

1.90 Disclaimers. The Administrative Agent and the other Lenders

shall not be liable to any contractor, subcontractor, supplier, laborer, architect, engineer, tenant or other party for services performed or materials supplied in connection with any work performed on the Projects, including any TI Work. The Administrative Agent and the other Lenders shall not be liable for any debts or claims accruing in favor of any such parties against the Borrower or others or against any of the Projects. The Borrower is not and shall not be an agent of any of the Administrative Agent or the other Lenders for any purposes and none of the Lenders or the Administrative Agent shall be deemed partners or joint venturers with Borrower or any of its Affiliates. None of the Administrative Agent or the other Lenders shall be deemed to be in privity of contract with any contractor or provider of services to any Project, nor shall any payment of funds directly to a contractor or subcontractor or provider of services be deemed to create any third party beneficiary status or recognition of same by any of the Administrative Agent or the other Lenders and the Borrower agrees to hold the Administrative Agent and the other Lenders harmless from any of the damages and expenses resulting from such a construction of the relationship of the parties or any assertion thereof.

1.91 Intentionally Omitted.

1.92 Retained Properties. Notwithstanding anything contained in

this Agreement to the contrary, the Company or any Subsidiary thereof will retain direct or indirect ownership of the Retained Properties, or, if the Company shall elect to sell or otherwise transfer any of the Retained Properties, it shall retain any and all proceeds received in connection therewith, and will not contribute any portion thereof to the Borrower or any other entity or distribute any portion thereof to any of its shareholders.

1.93 Entire Agreement. This Agreement, taken together with all of

the other Loan Documents, embodies the entire agreement and understanding among the parties hereto and supersedes all prior agreements and understandings, written and oral, relating to the subject matter hereof.

IN WITNESS WHEREOF, this Agreement has been duly executed as of the date first above written.

BORROWER: SIMON PROPERTY GROUP, L.P.,  
- ----- a Delaware limited partnership

By: SIMON PROPERTY GROUP, INC.,  
as Managing General Partner

By: \_\_\_\_\_  
David Simon  
Chief Executive Officer

SIMON PROPERTY GROUP, INC.

By: \_\_\_\_\_  
David Simon  
Chief Executive Officer

Notice Address:  
-----

Merchants Plaza  
P.O. Box 7033  
Indianapolis, Indiana 46207  
Attn: Mr. David Simon  
Telecopy: (317) 263-7037

with a copy to:

Simon Property Group, L.P.  
Merchants Plaza  
P.O. Box 7033  
Indianapolis, Indiana 46207  
Attn: General Counsel  
Telecopy: (317) 685-7221

ADMINISTRATIVE AGENT:  
-----

THE CHASE MANHATTAN BANK

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Notice Address, Domestic and Eurodollar Lending  
-----

Office:  
-----

The Chase Manhattan Bank  
270 Park Avenue, 31/st/ Floor  
New York, New York 10017  
Attention: John Mix

Pro Rata Share: 25.26315%

Revolving Credit Commitment: \$120,000,000

DOCUMENTATION AGENT:  
-----

BANK OF AMERICA, NATIONAL ASSOCIATION

By: \_\_\_\_\_  
Name: Cynthia C. Sanford  
Title: Senior Vice President

Notice Address; Domestic and  
-----  
Eurodollar Lending Office:  
-----

Bank of America, N.A.  
901 Main Street, 51/st/ Floor  
Dallas, TX 75202  
Attn: Alison B. Connell  
Telecopy: 214-209-1571

Pro Rata Share: 20%

Revolving Credit Commitment: \$95,000,000

LENDER:  
-----

UBS AG, STAMFORD BRANCH

By: \_\_\_\_\_  
Name: Jeffrey W. Wald  
Title: Executive Director

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Notice Address, Domestic  
Lending Office and  
Eurodollar Lending Office:  
-----

UBS AG  
299 Park Avenue  
New York, New York 10171  
Attn: Ms. Xiomara Martez  
Telecopy: (212) 821-4138

Pro Rata Share: 9.89473%

Revolving Credit Commitment: \$47,000,000



LENDER:  
-----

MORGAN GUARANTY TRUST COMPANY  
OF NEW YORK

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Notice Address:  
-----

c/o J.P. Morgan Services Inc.  
500 Stanton Christiana Road  
Newark, Delaware 19713-2107  
Attn: Mr. William Lamb  
Telecopy: (302) 634-1093

Domestic and Eurodollar  
-----  
Lending Office:  
-----

c/o J.P. Morgan Services Inc.  
500 Stanton Christiana Road  
Newark, Delaware 19713-2107  
Attn: Mr. William Lamb  
Telecopy: (302) 634-1093

Pro Rata Share: 17.05264%

Revolving Credit Commitment: \$81,000,000

LENDER:  
-----

MERRILL LYNCH CAPITAL CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Notice Address:  
-----

Attn:  
Telecopy:

Domestic and Eurodollar  
-----

Lending Office:  
-----

Attn:  
Telecopy:

Pro Rata Share: 14.94737%

Revolving Credit Commitment: \$71,000,000

LENDER:  
-----

CITICORP REAL ESTATE, INC.

By: \_\_\_\_\_  
Name: Mark Brown  
Title: Vice President

Notice Address:  
-----

Citicorp Real Estate, Inc.  
599 Lexington Avenue  
20/th/ Floor/Zone 6  
New York, NY 10043  
Attn: Mark Brown  
Telecopy: 212-793-6314

Domestic Lending Office, Eurodollar  
-----

Lending Office or  
-----

Eurodollar Affiliate:  
-----

Citicorp Real Estate, Inc.  
599 Lexington Avenue  
20/th/ Floor/Zone 6  
New York, NY 10043  
Attn: Mark Brown  
Telecopy: 212-793-6314

And to:

Citicorp Real Estate, Inc.  
599 Lexington Avenue  
25/th/ Floor/Zone 10  
New York, NY 10043  
Attn: Michael Broido, Esq.  
General Counsel  
Telecopy:

Pro Rata Share: 12.84211%

Revolving Credit Commitment: \$61,000,000

EXHIBIT A  
to  
Credit Agreement  
dated as of September 22, 2000

FORM OF ASSIGNMENT AND ACCEPTANCE

\_\_\_\_\_  
ASSIGNMENT AND  
ACCEPTANCE

This ASSIGNMENT AND ACCEPTANCE dated as of \_\_\_\_\_, 2000, among [Names of Assignor Lenders] (each, an "Assignor" and collectively, the "Assignors") and \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, (etc.) (each, an "Assignee" and collectively, the "Assignees").

PRELIMINARY STATEMENTS

A. Reference is made to the Credit Agreement dated as of September 22, 2000 (as the same may be amended, supplemented, restated or otherwise modified from time to time, the "Credit Agreement") among Simon Property Group, L.P., Simon Property Group, Inc., the institutions from time to time party thereto as Lenders and syndication and documentation agents, and The Chase Manhattan Bank, as Administrative Agent. Capitalized terms used herein and not otherwise defined herein are used as defined in the Credit Agreement.

B. The Assignors are Lenders under the Credit Agreement and each desires to sell and assign to the Assignees a portion of such Assignor's existing Commitment, as set forth on Schedule 2 attached hereto (each, an "Assigned Commitment") in the aggregate amount of \$\_\_\_\_\_ of the Commitments (the "Aggregate Assigned Amount"), and each Assignee desires to purchase and assume from each Assignor, on terms and conditions set forth below, an interest in such Assignor's respective Assigned Commitment and related outstanding Loans (the "Assigned Percentages"), together with the Assignors' respective rights and obligations under the Credit Agreement with respect to the Assigned Percentages, such that each Assignee shall, from and after the Effective Date (as defined below), become a Lender under the Credit Agreement with the respective Commitment and Pro Rata Share listed on the signature pages attached hereto.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Assignors and the Assignees hereby agree as follows:

1. In consideration of the payments of each Assignee to each Assignor, to be made by wire transfer to the Administrative Agent of immediately available funds on the Effective Date in accordance with Schedule 3 attached hereto, each Assignor hereby sells and assigns to each Assignee, and each Assignee hereby purchases and assumes from such Assignor, the Assigned Percentage set forth on Schedule 1 attached hereto, together with such Assignor's rights and obligations under the Credit Agreement and all of the other Loan Documents with respect to the Assigned Percentages as of the date hereof (after giving effect to any other assignments thereof made prior to the date hereof, whether or not such assignments have become effective, but without giving effect to any other assignments thereof also made on the date hereof), including, without limitation, the obligation to make Loans.

2. Each Assignor (i) represents and warrants that as of the date hereof its Commitment is as set forth on Schedule 2 attached hereto (in each case, after giving effect to any other assignments thereof made prior to the date hereof, whether or not such assignments have become effective, but without giving effect to any other assignments thereof made as of the date hereof); (ii) represents and warrants that it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim and that such Assignor is legally authorized to enter into this Assignment and Acceptance; (iii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or any of the other Loan Documents or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or any of the other Loan Documents or any other instrument or document furnished pursuant thereto; and (iv) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any obligations under the Credit Agreement or any of the other Loan Documents or any other instrument or document furnished pursuant thereto.

3. Each 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 Credit Agreement, together with copies of such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (iii) agrees that it shall have no recourse against the Assignor with respect to any matter relating to the Credit Agreement, any of the other Loan Documents, or this Assignment and

Acceptance (except with respect to the representations or warranties made by the Assignors in clauses (i) and (ii) of paragraph 2 above); (iv) agrees that it

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will, independently and without reliance upon the Administrative Agent, the Assignors 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 Credit Agreement; (v) confirms that it is an Eligible Assignee; (vi) appoints and authorizes the Administrative Agent to take such action as agent on Assignee's behalf and to exercise such powers under the Credit Agreement as are delegated to the Administrative Agent by the terms thereof, together with such powers as are reasonably incidental thereto; (vii) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender; (viii) confirms that, to the best of its knowledge, as of the date hereof, it is not subject to any law, regulation or guideline from any central bank or other Governmental Authority or quasi-governmental authority exercising jurisdiction, power or control over it, which would subject the Borrower to the payment of additional compensation under Section 13.2 or

-----  
under Section 13.3 of the Credit Agreement; (ix) specifies as its Domestic

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Lending Office (and address for notices) and Eurodollar Lending Office(s) the offices set forth beneath its name on the signature pages hereof; (x) if such Assignee is organized under the laws of a jurisdiction outside the United States, attaches the forms prescribed by the Internal Revenue Service of the United States certifying as to the Assignee's status for purposes of determining exemption from United States withholding taxes with respect to all payments to be made to the Assignee under the Credit Agreement and the Notes or such other documents as are necessary to indicate that all such payments are subject to such rates at a rate reduced by an applicable tax treaty; and (xi) represents and warrants that none of the funds, monies, assets or other consideration being used to purchase pursuant to this Assignment and Acceptance are "plan assets" as defined under ERISA and that its rights, benefits, and interests in and under the Loan Documents will not be "plan assets" under ERISA.

4. Following the execution of this Assignment and Acceptance by each of the Assignors and the Assignees, it will be delivered to the Administrative Agent for acceptance and recording by the Administrative Agent. The effective date of this Assignment and Acceptance shall be \_\_\_\_\_, 200\_\_ (the "Effective Date").

5. As of the Effective Date, (i) each Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender thereunder and (ii) each Assignor shall, to the extent provided in this Assignment and Acceptance, relinquish its rights and be released from its obligations under the Credit Agreement with respect to its Assigned Commitment.

6. From and after the Effective Date, the Administrative Agent shall make all payments under the Credit Agreement and the Notes in respect of the Aggregate Assigned Amount (including, without limitation, all payments of principal, interest and fees with respect thereto) to the appropriate Assignees. The Administrative Agent shall make all appropriate adjustments in payments under the Credit Agreement and the Notes for periods prior to the Effective Date.

7. THIS ASSIGNMENT AND ACCEPTANCE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

8. This Assignment and Acceptance may be executed in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Acceptance to be executed by their respective officers thereunto duly authorized, as of the date first above written.

ASSIGNORS: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Notice Address, Domestic  
-----  
Lending Office and Eurodollar Lending Office:  
-----

Adjusted Pro Rata Share: \_\_\_%

Adjusted Commitment: \$\_\_\_\_



ASSIGNEES: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Notice Address, Domestic  
-----  
Lending Office and Eurodollar Lending Office:  
-----

Pro Rata Share: \_\_\_%

Commitment: \$ \_\_\_\_\_

Accepted as of this \_\_\_ day  
of \_\_\_\_\_, 200

THE CHASE MANHATTAN BANK,  
as Administrative Agent

By: \_\_\_\_\_  
Name:  
Title:

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SCHEDULE 1

Assignee -----	Assigned Percentage -----	New Pro Rata Share -----
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SCHEDULE 2

EXISTING CREDIT COMMITMENTS AND  
PRO RATA SHARES OF ASSIGNORS

Assignor	Existing Credit Commitment -----	Existing Pro Rata Share -----	Existing Assigned Commitment -----
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SCHEDULE 3  
PAYMENTS/1/

Lender	Facility	Funding	Fee	Amount/Repay-	Fee to
			---	ment to Assignors	Administrative Agent/2/

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/1/ Payments to the Lenders are shown without parentheses; payments from the Lenders to the Administrative Agent, on its own behalf or on behalf of the Lenders, are shown in parentheses.

/2/ Pursuant to Section 15.1 (d) of the Credit Agreement.

EXHIBIT B  
to  
Credit Agreement  
dated as of September 22, 2000

FORM OF NOTE

-----  
PROMISSORY NOTE

Dated: September 22, 2000

FOR VALUE RECEIVED, the undersigned, SIMON PROPERTY GROUP, L.P., a Delaware limited partnership, and SIMON PROPERTY GROUP, INC., a Delaware corporation (collectively, "Borrower"), JOINTLY AND SEVERALLY HEREBY PROMISE TO

-----  
PAY to the order of \_\_\_\_\_ (the "Lender"), on the Termination

-----  
Date, the aggregate principal amount then outstanding of the Loans made by the Lender to the Borrower pursuant to that certain Credit Agreement dated as of September 22, 2000, among Borrower, the Lender, the other financial institutions from time to time a party thereto as Lenders and syndication and documentation agents, and The Chase Manhattan Bank, as Administrative Agent (as the same may be amended, restated, supplemented, or otherwise modified from time to time, the "Credit Agreement"). Capitalized terms used herein, and not otherwise defined

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herein, shall have the meanings ascribed to such terms in the Credit Agreement.

The Borrower further promises to pay interest on the unpaid principal amount of each Loan from the date advanced until such principal amount is paid in full, at such interest rates (which shall not exceed the maximum rate permitted by applicable law), and at such times, as are specified in the Credit Agreement.

All payments of principal and interest in respect of this Promissory Note shall be made to the Administrative Agent in lawful money of the United States of America in same day funds for the account of the Lender in accordance with the terms of the Credit Agreement. Each Loan made by the Lender to the Borrower pursuant to the Credit Agreement, and all payments made on account of principal thereof, shall be recorded by the Lender on its books and records and, if the Lender so elects in connection with any transfer or enforcement hereof, appropriate notations to evidence the foregoing information with respect to each such Loan then outstanding may be endorsed by the Lender on the schedule attached hereto, or on a continuation of such schedule attached to and made a part hereof; provided that the failure of the Lender to make any such

-----  
recordation or endorsement shall not affect the obligations of the Borrower hereunder or under the Credit Agreement.

This Promissory Note is one of the Notes referred to in, is executed and delivered pursuant to, and is entitled to the benefits of, the Credit Agreement, to which Credit Agreement reference is hereby made for a statement of the terms and conditions under which this Promissory Note may be prepaid or the Obligations accelerated or extended. The terms and conditions of the Credit Agreement are hereby incorporated in their entirety herein by reference as though fully set forth herein. Upon the occurrence of certain Events of Default as more particularly described in the Credit Agreement, the unpaid principal amount evidenced by this Promissory Note shall become, and upon the occurrence and during the continuance of certain other Events of Default, such unpaid principal amount may be declared to be, due and payable in the manner, upon the conditions and with the effect provided in the Credit Agreement.

Notwithstanding anything contained in this Promissory Note or the Credit Agreement to the contrary, it is expressly understood and agreed that nothing in the Credit Agreement or in this Promissory Note shall be construed as creating any liability on any Limited Partner, any General Partner, or any partner, officer, shareholder or director of any Limited Partner or any General Partner to pay any of the Obligations other than liability arising from or in connection with (i) fraud or (ii) the misappropriation or misapplication of proceeds of the Loans; but nothing herein shall be construed to prevent the exercise of any remedy allowed to the Administrative Agent, the other Lenders or any Issuing Banks by law or by the terms of the Credit Agreement or the other Loan Documents which does not relate to or result in such an obligation by any Limited Partner or any General Partner to pay money.

Demand, presentment, diligence, protest and notice of nonpayment are hereby waived by the Borrower.

THIS PROMISSORY NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the Borrower has caused this Promissory Note to be executed and delivered by its duly authorized officer as of the day and year first above written.

SIMON PROPERTY GROUP, L.P., a Delaware limited partnership

By: SIMON PROPERTY GROUP, INC., its general partner

By: \_\_\_\_\_  
David Simon  
Chief Executive Officer

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EXHIBIT C  
to  
Credit Agreement  
dated as of September 22, 2000

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FORM OF NOTICE OF BORROWING

\_\_\_\_\_, 200\_

The Chase Manhattan Bank, as Administrative Agent for the Lenders party to the Credit Agreement referred to below  
One Chase Manhattan Plaza, 8th floor  
New York, New York 10081  
Attention: Christina Gould

Ladies and Gentlemen:

Reference is hereby made to that certain Credit Agreement dated as of September 22, 2000 (as the same may be amended, supplemented, restated or otherwise modified from time to time, the "Credit Agreement", the terms defined therein being used herein as therein defined), among Simon Property Group, L.P., a Delaware limited partnership, and Simon Property Group, Inc. (collectively, the "Borrower"), the institutions from time to time party thereto as Lenders and syndication and documentation agents, and The Chase Manhattan Bank, as Administrative Agent.

The Borrower hereby gives you notice, irrevocably, pursuant to Section -----  
2.1(b) of the Credit Agreement that the Borrower hereby requests a Borrowing -----  
under the Credit Agreement and, in that connection, sets forth below the information relating to such Borrowing (the "Proposed Borrowing") as required pursuant to the terms of the Credit Agreement:

The date of the Proposed Borrowing is September 22, 2000.

The amount of the Proposed Borrowing is \$475,000,000.

The Proposed Borrowing will be of [Eurodollar Rate Loans] [Base Rate Loans].

The requested Eurodollar Interest Period for the Proposed Borrowing is from \_\_\_\_\_ and ending \_\_\_\_\_ (for a total of \_\_\_\_\_ months)./1/

The Borrower hereby directs the Administrative Agent to disburse the proceeds of the Loans comprising the Proposed Borrowing on the Closing Date therefor as set forth on Schedule 1 attached hereto and made a part hereof, ----- whereupon the proceeds of such Loans shall be deemed received by or for the benefit of the Borrower.

\_\_\_\_\_  
/1/ To be specified if the Proposed Borrowing is of Eurodollar Rate Loans.

The Borrower hereby certifies that the conditions precedent contained in Section 6.1 are satisfied on the date hereof and will be satisfied on the -----  
Funding Date of the Proposed Borrowing.

SIMON PROPERTY GROUP, L.P., a Delaware limited partnership

By: SIMON PROPERTY GROUP, INC., its general partner

By: \_\_\_\_\_

Name:

Title:

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SCHEDULE 1  
to  
Notice of Borrowing  
-----  
dated \_\_\_\_\_, 200\_

[Insert disbursement directions]

EXHIBIT D  
to  
Credit Agreement  
dated as of September 22, 2000

8

-----  
FORM OF NOTICE OF CONVERSION/CONTINUATION

\_\_\_\_\_, 200\_

The Chase Manhattan Bank, as Administrative Agent for the Lenders party to the  
Credit Agreement  
referred to below  
380 Madison Avenue  
New York, New York

Attention:

Ladies and Gentlemen:

Reference is hereby made to that certain Credit Agreement dated as of  
September 22, 2000 (as the same may be amended, supplemented, restated or  
otherwise modified from time to time, the "Credit Agreement", the terms defined  
therein being used herein as therein defined), among Simon Property Group, L.P.  
and Simon Property Group, Inc. (collectively, the "Borrower"), the institutions  
from time to time party thereto as Lenders and syndication and documentation  
agents, and The Chase Manhattan Bank, as Administrative Agent.

The Borrower hereby gives you notice pursuant to Section 5.1(c)(ii) of  
-----  
the Credit Agreement that the Borrower hereby elects to/1/:

\_\_\_\_\_  
/1/ Include those items that are applicable, completed appropriately for the  
circumstances.

D-1

1. Convert \$\_\_\_\_\_/2/ in aggregate principal amount of Base Rate Loans from Base Rate Loans to [Eurodollar Rate Loans] on \_\_\_\_\_, 200\_/3/. [The Eurodollar Interest Period for such Eurodollar Rate Loans is requested to be \_\_\_\_\_ month[s]].

2. Convert \$\_\_\_\_\_ in aggregate principal amount of Eurodollar Rate Loans with a current Eurodollar Interest Period ending \_\_\_\_\_, 200\_/4/ to [Base Rate Loans].

3. Continue as Eurodollar Rate Loans \$\_\_\_\_\_/5/ in aggregate principal amount of Eurodollar Rate Loans with a current Eurodollar Interest Period from \_\_\_\_\_ and ending \_\_\_\_\_, 200\_. The succeeding Eurodollar Interest period for such Eurodollar Rate Loans is requested to be \_\_\_\_\_ month[s].

\_\_\_\_\_  
/2/ Such amount of conversion to or continuation of Eurodollar Rate Loans must be in a minimum amount of \$5,000,000 and in integral multiples of \$100,000 in excess of that amount, except in the case of a conversion into or a conversion of an entire Borrowing of Non Pro Rata Loans.

/3/ Date of conversion must be a Business Day.

/4/ The Conversion of Eurodollar Rate Loans to Base Rate Loans shall be made on, and only on, the last day of the Eurodollar Interest Period for such converted Loans.

/5/ See footnote 2.

The Borrower hereby certifies that on the date hereof there are no prohibitions under the Credit Agreement to the requested conversion/continuation, and no such prohibitions will exist on the date of the requested conversion/continuation.

SIMON PROPERTY GROUP, L.P.

By:SIMON PROPERTY GROUP, INC., its general partner

By:\_\_\_\_\_

Name:

Title:

D-3



EXHIBIT E  
to  
Credit Agreement  
dated as of September 22, 2000

-----  
LIST OF CLOSING DOCUMENTS/1/  
-----

1 Credit Agreement (the "Credit Agreement"), among Simon Property Group, L.P. and Simon Property Group, Inc. (collectively, the "Borrower"), certain financial institutions listed on the signature pages thereof as lenders (collectively referred to herein, together with their respective successors and assigns, as the "Lenders"), certain financial institutions listed on the signature pages thereof as syndication and documentation agents (collectively referred to herein, together with their respective successors and assigns, as the "Co-Agents"), and The Chase Manhattan Bank, as Administrative Agent ("Administrative Agent").

2 Exhibits and Schedules to the Credit Agreement as described on Schedule 1 attached hereto.  
-----

3 Promissory Notes (the "Notes") executed by the Borrower and payable to each Lender evidencing the Loans made by such Lender under the Credit Agreement.

4 Certificate of the Secretary of each of the Company and SPG dated the Closing Date (a) in its capacity as general partner of the Borrower certifying (1) the names and true signatures of the incumbent officers of the Company authorized to sign the Credit Agreement, the Notes and the other Loan Documents on behalf of the Borrower, (2) the resolutions of the Company's Board of Directors approving and authorizing the execution, delivery and performance of the Credit Agreement, the Notes and all other Loan Documents executed by the General Partner on behalf of the Borrower, and (3) a copy of the Partnership Agreement of the Borrower as in effect on the date of such certification, and (b) a copy of the Certificate of Incorporation of the Company, together with all amendments thereto, if any, certified by the Secretary of State of Maryland.

---

/1/ Capitalized terms used herein but not otherwise defined herein have the meaning assigned to such terms in the Credit agreement.

5 Copy of the Certificates of Limited Partnership of the Borrower, together with all amendments thereto, if any, certified by the Secretary of State of Delaware.

6 Copy of the Articles of Incorporation of the Company, together with all amendments thereto, if any, certified by the Secretary of State of Delaware.

7 Opinion of James M. Barkley, General Counsel of the Borrower and the Company.

8 Opinion of Skadden Arps, et al., regarding the enforceability of the Credit Agreement under New York law.

9 Notice of Borrowing executed by the Borrower with respect to the Loans to be made on the Closing Date.

10 Disbursement Direction Authorization executed by the Borrower pursuant to which the Administrative Agent is directed to disburse the proceeds of the Loans to be made on the Closing Date as described therein.

11 Officer's Certificate of the General Partners dated the Closing Date, signed by the President of the Company, certifying, among other things, satisfaction of the conditions precedent to funding set forth in Section 6.1 of the Credit Agreement. -----

SCHEDULE 1  
TO LIST OF CLOSING DOCUMENTS

EXHIBITS  
-----

- Exhibit A -- Form of Assignment and Acceptance
- Exhibit B -- Form of Note
- Exhibit C -- Form of Notice of Borrowing
- Exhibit D -- Form of Notice of Conversion/Continuation
- Exhibit E -- List of Closing Documents
- Exhibit F -- Form of Officer's Certificate
- Exhibit G -- Sample Calculations of Financial Covenants

SCHEDULES  
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- Schedule 1.1.4 -- Permitted Securities Options
- Schedule 7.1-A -- Organizational Documents
- Schedule 7.1-C -- Corporate Structure; Outstanding Capital Stock and Partnership Interests; Partnership Agreement
- Schedule 7.1-H -- Indebtedness for Borrowed Money; Contingent Obligations
- Schedule 7.1-I -- Pending Actions
- Schedule 7.1-P -- Environmental Matters
- Schedule 7.1-Q -- ERISA Matters
- Schedule 7.1-T -- Insurance Policies
- Schedule 8.8(vi)-- Retained Properties

EXHIBIT F  
to  
Credit Agreement  
dated as of September 22, 2000

-----  
FORM OF OFFICER'S CERTIFICATE TO  
ACCOMPANY REPORTS

\_\_\_\_\_, 200\_

The Chase Manhattan Bank, as Administrative Agent for the Lenders party to the  
Credit Agreement referred to below  
380 Madison Avenue  
New York, New York

Attention:

Ladies and Gentlemen:

Pursuant to [Section 8.2(a)(iii)] of that certain Credit Agreement dated as of September 22, 2000 (as the same may be amended, supplemented, restated or otherwise modified from time to time, the "Credit Agreement", the terms defined therein being used herein as therein defined) among Simon Property Group, L.P. and Simon Property Group, Inc. (collectively, the "Borrower"), the institutions from time to time party thereto as Lenders and as syndication and documentation agents, and The Chase Manhattan Bank, as Administrative Agent, the undersigned, \_\_\_\_\_, the \_\_\_\_\_ of Simon Property Group, Inc., a Delaware corporation (the "Company") hereby certifies that:

1 The undersigned has reviewed the terms of the Loan Documents, and has made, or caused to be made under [his/her] supervision, a review in reasonable detail of the transactions and consolidated and consolidating financial condition of the Company and its Subsidiaries during the accounting period covered by the financial statements identified below. To the best of the undersigned's knowledge, such review has not disclosed the existence during or at the end of such accounting period, and as of the date hereof the undersigned does not have knowledge, of the existence of any condition or event which constitutes an Event of Default or Potential Event of Default./1/

\_\_\_\_\_  
/1/ If such condition or event exists or existed, specify (i) the nature and period of such condition or event and (ii) the action taken, being taken or proposed to be

2 The financial statements, reports and copies of certain instruments and documents attached hereto, namely,

- A. Compliance Certificate, dated \_\_\_\_\_
- B. \_\_\_\_\_, dated \_\_\_\_\_
- C. \_\_\_\_\_, dated \_\_\_\_\_
- D. \_\_\_\_\_, dated \_\_\_\_\_

are true and complete copies of the aforesaid which constitute part of or are based upon the customary books and records of the Company, and, to the best of the undersigned's knowledge and belief, there exist no facts or circumstances which would materially and adversely affect or vary the information contained in any of the aforesaid.

\_\_\_\_\_  
Name:  
Title:

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taken with respect thereto.

EXHIBIT G  
to  
Credit Agreement  
dated as of September 22, 2000

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SAMPLE CALCULATIONS OF FINANCIAL COVENANTS

Attached.

G-1

Schedule 15.23

Retained Properties

(1) Ocean County Mall  
Toms River, New Jersey

(2) Safeway 1  
Tempe, Arizona

(3) Allied Store  
Austin, Texas

(4) JC Penney Store  
Atlanta, Georgia





THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM SEC FORM  
10-Q AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

	9-MOS	
	DEC-31-2000	
	JAN-01-2000	
	SEP-30-2000	
		104,324
		0
		233,558
		0
		0
		0
		12,790,497
		1,363,346
		13,728,585
		0
		8,792,597
		0
		1,028,368
		3,399,433
		(115,812)
13,728,585		0
		0
		1,448,389
		0
		792,111
		0
		7,632
		475,563
		174,446
		0
		174,446
		0
		(440)
		(12,311)
		215,308
		0.66
		0.66

RECEIVABLES ARE STATED NET OF ALLOWANCES.  
THE REGISTRANT DOES NOT REPORT USING A CLASSIFIED BALANCE SHEET.