

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (date of earliest event reported): September 21, 2001

AMB PROPERTY CORPORATION

(Exact name of registrant as specified in its charter)

Maryland	001-13545	94-3281941
(State or other jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

Pier 1, Bay 1, San Francisco, California 94111

(Address of principal executive offices) (Zip Code)

415-394-9000

(Registrants' telephone number, including area code)

n/a

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

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On September 21, 2001, AMB Property, L.P., in which we are the sole general partner, issued and sold 800,000 7.95% Series J cumulative redeemable preferred limited partnership units at a price of \$50.00 per unit in a private placement. AMB Property, L.P. intends to use the gross proceeds of \$40,000,000 to pay transaction expenses, including a placement fee, for general corporate purposes, which may include the partial repayment of indebtedness and the acquisition or development of additional properties.

Series J Preferred Units

General. Each Series J preferred unit will be entitled to receive cumulative preferential distributions payable on or before the 15th day of January, April, July and October of each year, commencing October 15, 2001, at a rate of 7.95% per annum in preference to any payment made on any other class or series of partnership interest in AMB Property, L.P., other than any class or series of partnership interest expressly designated as ranking on parity with or senior to the Series J preferred units.

Ranking. The Series J preferred units rank, with respect to distribution rights and rights upon voluntary or involuntary liquidation, winding-up or dissolution, senior to AMB Property, L.P.'s common partnership units and to all of its partnership units the terms of which provide that they shall rank junior to the Series J preferred units, on a parity with AMB Property, L.P.'s Series A preferred units, Series B preferred units and all other classes or series of preferred partnership units expressly designated as ranking on a parity with the Series J preferred units, and junior to all partnership units which rank senior to the Series J preferred units.

Limited Voting Rights. For so long as any Series J preferred units remain outstanding, AMB Property, L.P. shall not, without the affirmative vote of the holders of at least two-thirds of such series of preferred units outstanding at the time:

- authorize, create or increase the authorized or issued amount of any class or series of partnership interests ranking prior to the Series J preferred units with respect to payment of distributions or rights upon liquidation, dissolution or winding-up or reclassify any of AMB Property, L.P.'s partnership interests into any such partnership interest, or create, authorize or issue any obligations or security convertible into or evidencing the right to purchase any such partnership interests,
- authorize or create, or increase the authorized or issued amount of any preferred units ranking on a parity with the Series J preferred units or reclassify any of AMB Property, L.P.'s partnership interest into any such partnership interest or create, authorize or issue any obligations or security convertible into or evidencing the right to

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purchase any such partnership interests but only to the extent such parity preferred units are issued to an affiliate of AMB Property, L.P., other than us, to the extent the issuance of such interests was to allow us to issue corresponding preferred stock to persons who are not affiliates of AMB Property, L.P., or

- either (1) consolidate, merge into or with, or convey, transfer or lease AMB Property, L.P.'s assets substantially as an entirety to, any corporation or other entity or (2) amend, alter or repeal the provisions of AMB Property, L.P.'s partnership agreement, whether by merger, consolidation or otherwise, in each case in a manner that would materially and adversely affect the powers, special rights, preferences, privileges or voting power of the Series J preferred units or the holders of the Series J preferred units.

With respect to the occurrence of any of the events set forth in the third bullet point above, so long as AMB Property, L.P. is either the surviving entity and Series J preferred units remain outstanding with the terms unchanged or the resulting, surviving or transferee entity (1) is a partnership, limited liability company or other pass-through entity organized under the laws of any state, (2) is not taxable as a corporation for U.S. federal income tax purposes and (3) substitutes for the Series J preferred units other interests having substantially the same terms and rights as the Series J preferred units, the occurrence of any such event will not be considered to materially and adversely affect the rights, preferences, privileges or voting powers of holders of the Series J preferred units. Any increase in the amount of partnership interests or the creation or issuance of any other class or series of partnership interests ranking on a parity with or junior to the Series J preferred units, not issued to one of AMB Property, L.P.'s affiliates, other than to us, to the extent issuance of such interests was not to allow us to issue corresponding preferred stock to persons who are not affiliates of AMB Property, L.P., will not be considered to materially and adversely affect such rights, preferences, privileges or voting powers.

Redemption and Exchange. Beginning September 21, 2006, AMB Property, L.P. may redeem the Series J preferred units out of proceeds from issuances of our capital stock, which we will contribute to AMB Property, L.P. as an additional capital contribution, at a redemption price equal to the capital account balance of the holder; provided, however, that no redemption will be permitted if the redemption price does not equal or exceed the original capital contribution of the holder plus the cumulative Series J priority return to the redemption date to the extent not previously distributed. Beginning September 21, 2011, the Series J preferred units may be exchanged, in whole but not in part, into shares of our 7.95% Series J cumulative redeemable preferred stock at the option of the holders of 51% of the outstanding Series J preferred units. In addition, the Series J preferred units may be exchanged, in whole but not in part, into shares of Series J preferred stock at any time at the option of the holders of 51% of the outstanding Series J preferred units if:

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- distributions on the Series J preferred units have not been made for six prior quarterly distribution periods, whether or not consecutive, or
- such holders conclude that AMB Property, L.P., if it was otherwise taxable as a real estate investment trust, either will not or likely will not satisfy the income tests of Section 856 of the Internal Revenue Code for the year in which the determination is made or will not or likely will not satisfy the asset tests of Section 856 of the Internal Revenue Code as of the end of the calendar quarter in which the determination is made, which failure will not or is unlikely to be (or subsequently is not) cured as permitted under Section 856 of the Internal Revenue Code, and such holders obtain an opinion of independent counsel to the effect of the foregoing conclusion, and AMB Property, L.P.'s failure would create a meaningful risk that a holder of the Series J preferred units would fail to maintain its qualification as a real estate investment trust, and we agree with such holders' conclusion and the conclusion of the independent counsel, such agreement not to be unreasonably withheld.

In addition, the Series J preferred units may generally be exchanged, in whole but not in part, at the option of the holders of 51% of the outstanding Series J preferred units if such holders conclude that there is an imminent and substantial risk that such holders' interest in AMB Property, L.P. represents or will represent more than 19.5% of the total profits or capital interests in AMB Property, L.P. for the taxable year, and such holders obtain an opinion of independent counsel to the effect there is a substantial risk that their interest in AMB Property, L.P. does not or will not satisfy such 19.5% limit, and we agree with such holders' conclusion and the conclusion of the independent counsel, such agreement not to be unreasonably withheld.

We may, in lieu of exchanging the Series J preferred units for shares of Series J preferred stock, elect to redeem all or a portion of the preferred units of such series for cash in an amount equal to \$50.00 per unit plus accrued and unpaid distributions. The right of the holders of Series J preferred units to exchange the preferred units for shares of our Series J preferred stock are subject to the ownership limitations set forth in our charter in order for us to maintain our qualification as a real estate investment trust for federal income tax purposes. Any Series J preferred units not exchanged because of such ownership limitations will be redeemed by AMB Property, L.P. for cash in an amount equal to \$50.00 per unit plus any accrued and unpaid distributions.

Series J Preferred Stock

General. Each share of Series J preferred stock into which the Series J preferred units may be exchanged will be entitled to receive cumulative preferential cash dividends from the date of issue (including any accrued but unpaid distributions in respect of the Series J preferred

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units at the time that the units are exchanged for shares of Series J preferred stock) payable on or before the 15th of January, April, July and October of each year, in cash, at the rate of 7.95% of the \$50.00 liquidation preference per annum for the Series J preferred stock in preference to any payment made on any of our other classes or series of capital stock or our other equity securities, other than any class or series of our equity securities expressly designated as ranking on a parity with or senior to the Series J preferred stock.

Ranking. The Series J preferred stock will rank, with respect to dividend rights and rights upon voluntary or involuntary liquidation, dissolution or winding up,

- senior to all of our classes or series common stock and to all of our equity securities the terms of which provide that such equity securities shall rank junior to the Series J preferred stock,
- on parity with our 8.50% Series A cumulative redeemable preferred stock, 8.65% Series B cumulative redeemable preferred stock, 8.75% Series C cumulative redeemable preferred stock, 7.75% Series D cumulative redeemable preferred stock, 7.75% Series E cumulative redeemable preferred stock, 7.95% Series F cumulative redeemable preferred stock, 7.95% Series G cumulative redeemable preferred stock, 8.125% Series H cumulative redeemable preferred stock and 8.00% Series I cumulative redeemable preferred stock, if and when issued, and all other equity securities issued by us other than those referred to in the bullet point above and the bullet point below, and
- junior to all equity securities issued by us which rank senior to the Series J preferred stock.

Redemption. The Series J preferred stock may be redeemed, at our option, on and after September 21, 2006, in whole or in part from time to time, at a redemption price payable in cash equal to \$50.00 per share, plus any accrued but unpaid dividends to the date of redemption. We may redeem the Series J preferred stock prior to September 21, 2006 to the extent necessary to maintain our qualification as a real estate investment trust. The redemption price of the Series J preferred stock (other than the portion of the redemption price consisting of accumulated but unpaid dividends) will be payable solely out of proceeds from issuances of our capital stock.

Limited Voting Rights. If dividends on any of the shares of Series J preferred stock remain unpaid for six or more quarterly periods (whether or not consecutive), the holders of such shares of such series of preferred stock (voting as a single class with all other shares of preferred stock ranking on a parity with such series of preferred stock upon which like voting rights have been conferred and are exercisable) will be entitled to vote for the election of two additional directors of us who will be elected by a plurality of the votes cast in such election for a one-year term and until their successors are duly elected and shall qualify (or until such director's right to hold such office terminates, whichever occurs earlier, subject to such director's earlier death, disqualification, resignation or removal), at a special meeting called by the holders of at least

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20% of the outstanding shares of Series J preferred stock or the holders of shares of any other class or series of preferred stock ranking on a parity with the Series J preferred stock with respect to which dividends are also accrued and unpaid (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of stockholders) or, if the request for a special meeting is received by us less than 90 days before the date fixed for the next annual or special meeting of stockholders, at the next annual or special meeting of stockholders, and at each subsequent annual meeting until all dividends accumulated on the shares of such series of preferred stock for all past dividend periods and the dividend for the then current dividend period have been fully paid or declared and a sum sufficient for the payment of such dividends irrevocably set aside in trust for payment in full. Upon the payment in full of all such dividends, the holders of such series of preferred stock will be divested of their voting rights and the term of any member of the board of directors elected by the holders of such series of preferred stock and holders of any other shares of preferred stock ranking on a parity with such series of preferred stock will terminate.

In addition, for so long as any shares of Series J preferred stock are outstanding, without the consent of two-thirds of the holders of the Series J preferred stock then outstanding, we shall not:

- authorize or create, or increase the authorized or issued amount of, any shares ranking senior to such series of preferred stock or reclassify any of our authorized shares into any such shares,
- designate or create, or increase the authorized or issued amount of, or reclassify any of our authorized shares into any preferred stock ranking on a parity with such series of preferred stock, or create, authorize or issue any obligations or security convertible into or evidencing the right to purchase any such shares, but only to the extent such preferred stock ranking on a parity with such series of preferred stock is issued to one of our affiliates, or
- either (1) consolidate, merge into or with, or convey, transfer or lease its assets substantially as an entirety, to any corporation or other entity or (2) amend, alter or repeal the provisions of our Articles of Incorporation, whether by merger, consolidation or otherwise, in each case that would materially and adversely affect the powers, special rights, preferences, privileges or voting power of such series of preferred stock or the holders of the Series J preferred stock.

The Series J preferred stock has no voting rights other than as discussed above and as otherwise provided by applicable law.

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With respect to the occurrence of any of the events set forth in the third bullet point above, so long as we are either the surviving entity and shares of such series of preferred stock remain outstanding with the terms materially unchanged or the resulting, surviving or transferee entity is a corporation, business trust or like entity organized under the laws of any state and substitutes for the shares of such series of preferred stock other preferred stock or preferred shares having substantially the same terms and rights as such series of preferred stock, the occurrence of any such event will not be considered to materially and adversely affect rights, preferences, privileges or voting powers of holders of the Series J preferred stock. Any increase in the amount of authorized preferred stock, the creation or issuance of any other class or series of preferred stock or any increase in an amount of authorized shares of each class or series, in each case ranking on a parity with or junior to the Series J preferred stock, will not be considered to materially and adversely affect such rights, preferences, privileges or voting powers.

Liquidation Preference. Each share of Series J preferred stock is entitled to a liquidation preference of \$50.00 per share, plus any accrued but unpaid dividends, in preference to holders of our common stock or any other of our equity securities, other than any class or series of our equity securities that rank junior to this Series J preferred stock as to liquidation rights.

Forward Looking Statements

Some of the information included in this report contains forward-looking statements, such as statements pertaining to the use of proceeds from the sale of the Series J preferred units. Forward-looking statements involve numerous risks and uncertainties and you should not rely on them as predictions of future events. The events or circumstances reflected in forward-looking statements might not occur. You can identify forward-looking statements by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "pro forma," "estimates" or "anticipates" or the negative of these words and phrases or similar words or phrases. You can also identify forward-looking statements by discussions of strategy, plans or intentions. Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and we may not be able to realize them. We caution you not to place undue reliance on forward-looking statements, which reflect our analysis only and speak only as of the date of this report or the dates indicated in the statements.

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ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits:

Exhibit Number	Description
3.1	Articles Supplementary establishing and fixing the rights and preferences of the 7.95% Series J Cumulative Redeemable Preferred Stock.
4.1	Registration Rights Agreement among AMB Property Corporation, AMB Property, L.P. and the unit holders signatory thereto dated September 21, 2001.
10.1	Fifth Amended and Restated Agreement of Limited Partnership of AMB Property, L.P., dated September 21, 2001.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMB Property Corporation
(Registrant)

Date: October 3, 2001

By: /s/ Tamra Browne

Tamra Browne
Vice President and General Counsel

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AMB PROPERTY CORPORATION

ARTICLES SUPPLEMENTARY

ESTABLISHING AND FIXING THE RIGHTS AND
PREFERENCES OF 7.95% SERIES J CUMULATIVE
REDEEMABLE PREFERRED STOCK

AMB Property Corporation, a corporation organized and existing under the laws of the State of Maryland (the "Corporation"), certifies to the State Department of Assessments and Taxation of Maryland (the "Department") that:

FIRST: Pursuant to the authority expressly vested in the Board of Directors of the Corporation (sometimes referred to herein as the "Board") by Article IV of the Articles of Incorporation of the Corporation filed with the Department on November 24, 1997, which comprises, together with the Articles Supplementary filed by the Corporation on July 23, 1998 establishing a class of Preferred Stock of the Corporation, par value \$0.01 per share (the "Preferred Stock"), designated as the "8 1/2% Series A Cumulative Redeemable Preferred Stock" (the "Series A Preferred Stock"), the Articles Supplementary filed by the Corporation on November 12, 1998 establishing a class of Preferred Stock designated as the "8 5/8% Series B Cumulative Redeemable Preferred Stock" (the "Series B Preferred Stock"), the Articles Supplementary filed by the Corporation on November 25, 1998 establishing a class of Preferred Stock designated as the "8.75% Series C Cumulative Redeemable Preferred Stock" (the "Series C Preferred Stock"), the Certificate of Correction filed by the Corporation on March 18, 1999, the Articles Supplementary filed by the Corporation on May 5, 1999 establishing a class of Preferred Stock designated as the "7.75% Series D Cumulative Redeemable Preferred Stock" (the "Series D Preferred Stock"), the Articles Supplementary filed by the Corporation on August 31, 1999 establishing a class of Preferred Stock designated as the "7.75% Series E Cumulative Redeemable Preferred Stock" (the "Series E Preferred Stock"), the Articles Supplementary filed by the Corporation on March 23, 2000 establishing a class of Preferred Stock designated as the "7.95% Series F Cumulative Redeemable Preferred Stock" (the "Series F Preferred Stock"), the Articles Supplementary filed by the Corporation on August 30, 2000 establishing a class of Preferred Stock designated as the "7.95% Series G Cumulative Redeemable Preferred Stock" (the "Series G Preferred Stock"), the Articles Supplementary filed by the Corporation on September 1, 2000 establishing a class of Preferred Stock designated as the "8.125% Series H Cumulative Redeemable Preferred Stock" (the "Series H Preferred Stock"), the Articles Supplementary filed by the Corporation on March 21, 2001 establishing a class of Preferred Stock designated as the "8.00% Series I Cumulative Redeemable Preferred Stock" (the "Series I Preferred Stock") and these Articles Supplementary, the charter (the "Charter") of the Corporation, and Section 2-105 of the Maryland General Corporation Law (the "MGCL"), the Board of Directors of the Corporation, on May 22, 2001, adopted resolutions authorizing the Corporation, among other things, to issue up to a stated maximum number of shares of Preferred Stock of the Corporation, having a stated maximum aggregate liquidation preference and dividend rate and certain other stated terms applicable to the issuance thereof, and appointing, pursuant to the MGCL and the powers contained in the Bylaws of the Corporation, a committee (the "Committee") of the Board of Directors comprised of W. Blake Baird and delegating to the

Committee, to the fullest extent permitted by Maryland law and the Charter and Bylaws of the Corporation, all powers of the Board of Directors with respect to classifying, authorizing, approving, ratifying and/or confirming the terms of the Preferred Stock to be issued, including, without limitation, the preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications and terms and conditions of redemption, and determining the consideration per share to be received in respect of the issuance and sale of each share of Preferred Stock to be issued and sold, and the number of shares of Preferred Stock to be so classified or reclassified and issued by the Corporation, subject to the limitations set forth in the resolutions of the Board of Directors adopted on May 22, 2001.

SECOND: Pursuant to the authority conferred upon the Committee as aforesaid, the Committee has, on September 20, 2001, adopted resolutions classifying and designating a separate class of Preferred Stock as the 7.95% Series J Cumulative Redeemable Preferred Stock, with the preferences, conversions and other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications and terms and conditions of redemption and other terms and conditions of such 7.95% Series J Cumulative Redeemable Preferred Stock (within the limitations set by the Board of Directors in the resolutions adopted on May 22, 2001, and referred to in Article First of these Articles Supplementary) and establishing 800,000 as the number of shares to be so classified and designated, and authorizing the issuance of up to 800,000 shares of 7.95% Series J Cumulative Redeemable Preferred Stock.

THIRD: The separate class of Preferred Stock of the Corporation created

by the resolutions duly adopted by the Board of Directors of the Corporation and by the Committee and referred to in Articles First and Second of these Articles Supplementary shall have the designation, number of shares, preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends, qualifications, terms and conditions of redemption and other terms and conditions as follows (and which, upon any restatement of the Charter, may be made a part of Article IV thereof, with any necessary or appropriate changes to the numeration or lettering of the sections or subsections hereof):

(1) DESIGNATION AND NUMBER. A class of Preferred Stock, designated the "7.95% Series J Cumulative Redeemable Preferred Stock" (the "Series J Preferred Stock"), is hereby established. The number of shares of Series J Preferred Stock shall be 800,000 (the "Series J Preferred Shares").

(2) RANK. The Series J Preferred Shares will rank, with respect to dividend rights and rights upon voluntary or involuntary liquidation, dissolution or winding up of the Corporation, (a) senior to all classes or series of Common Stock (as defined in the Charter) and to all equity securities of the Corporation the terms of which provide that such equity securities shall rank junior to such Series J Preferred Shares; (b) on a parity with the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock, the Series E Preferred Stock, the Series F Preferred Stock, the Series G Preferred Stock, the Series H Preferred Stock, the Series I Preferred Stock and all equity securities issued by the Corporation other than those referred to in clauses (a) and (c) (it being the intent of the Corporation that the Series J Preferred Stock be on a parity with the Series A Preferred Stock, the Series B Preferred

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Stock, the Series C Preferred Stock, the Series D Preferred Stock, the Series E Preferred Stock, the Series F Preferred Stock, the Series G Preferred Stock, the Series H Preferred Stock and the Series I Preferred Stock with respect to dividend rights and rights upon voluntary or involuntary liquidation, dissolution or winding up of the Corporation, notwithstanding any provision contained in these Articles Supplementary, which, if given effect, would make the Series J Preferred Stock not in parity with the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock, the Series E Preferred Stock, the Series F Preferred Stock, the Series G Preferred Stock, the Series H Preferred Stock and the Series I Preferred Stock; and any such provision contained in these Articles Supplementary shall be of no force or effect); and (c) junior to all equity securities issued by the Corporation which rank senior to the Series J Preferred Shares in accordance with Section 6(d) of this Article Third. The term "equity securities" does not include convertible debt securities, until the same are converted into equity securities.

(3) DIVIDENDS.

(a) Holders of Series J Preferred Shares shall be entitled to receive, if, when and as authorized by the Board, out of funds legally available for the payment of dividends, cumulative preferential cash dividends at the rate of 7.95% of the \$50.00 liquidation preference per annum (equivalent to \$3.975 per annum per share). Such dividends shall accumulate on a daily basis computed on the basis of a 360-day year consisting of twelve 30-day months and be cumulative, shall accrue from the original date of issuance and shall be payable quarterly (such quarterly periods for purposes of payment and accrual will be the quarterly periods ending on the dates specified in this sentence and not calendar year quarters) in equal amounts in arrears on the 15th day of each January, April, July and October or, if not a business day, the next succeeding business day (each a "Dividend Payment Date"). Dividends shall be payable to holders of record as they appear in the share records of the Corporation at the close of business on the applicable record date (each, a "Dividend Record Date"), which shall be the date designated by the Board for the payment of dividends that is not more than 30 nor less than 10 days prior to the applicable payment date therefor. Any dividend payable on the Series J Preferred Shares for any partial dividend period shall be prorated and computed on the basis of a 360-day year consisting of twelve 30-day months. If any date on which distributions are to be made on the Series J Preferred Stock is not a Business Day (as defined herein), then payment of the distribution to be made on such date will be made on the next succeeding day that is a Business Day (and without any interest or other payment in respect of any such delay) except that, if such Business Day is in the next succeeding calendar year, such payment shall be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date. Notwithstanding any provision to the contrary contained herein, each outstanding share of Series J Preferred Stock shall be entitled to receive, and shall receive, a dividend with respect to any Dividend Record Date equal to the dividend paid with respect to each other share of Series J Preferred Stock which is outstanding on such date which shall be equal to the greatest dividend per share payable on any such share on such date. In addition, notwithstanding anything to the contrary set forth herein, each share of Series J Preferred Stock shall also continue to accrue all accrued and unpaid distributions up to the exchange date on any Series J Preferred Unit (as defined

L.P., dated as of September 21, 2001, as amended and supplemented from time to time (the "Partnership Agreement")) validly exchanged into such share of Series J Preferred Stock in accordance with the provisions of the Partnership Agreement.

(b) No dividend on the Series J Preferred Shares shall be authorized by the Board or be paid or set apart for payment by the Corporation at such time as the terms and provisions of any agreement of the Corporation, including any agreement relating to its indebtedness, prohibits such authorization, payment or setting apart for payment or provides that such authorization, payment or setting apart for payment would constitute a breach thereof, or a default thereunder, or if such authorization or payment shall be restricted or prohibited by law.

(c) Notwithstanding anything to the contrary contained herein, dividends on the Series J Preferred Shares shall accumulate whether or not restrictions exist in respect thereof, whether or not there are funds legally available for the payment thereof and whether or not such dividends are declared or authorized. Accrued but unpaid dividends on the Series J Preferred Shares will accumulate as of the Dividend Payment Date on which they first become payable or on the date of redemption, as the case may be.

(d) If any Series J Preferred Shares are outstanding, no full dividends will be declared or paid or set apart for payment on any other equity securities of the Corporation of any other class or series ranking, as to distributions or upon voluntary or involuntary liquidation, dissolution or winding up of the Corporation, junior to or on a parity with the Series J Preferred Shares (including the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock, the Series E Preferred Stock, the Series F Preferred Stock, the Series G Preferred Stock, the Series H Preferred Stock and the Series I Preferred Stock) unless full cumulative dividends have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof irrevocably set apart in trust for such payment on the Series J Preferred Shares for all dividend periods. When dividends are not paid in full (or a sum sufficient for such full payment is not so set apart) upon the Series J Preferred Shares and any other equity securities ranking as to distributions on a parity with the Series J Preferred Shares (including the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock, the Series E Preferred Stock, the Series F Preferred Stock, the Series G Preferred Stock, the Series H Preferred Stock and the Series I Preferred Stock), all dividends declared upon the Series J Preferred Shares and any other equity securities of the Corporation ranking on a parity with the Series J Preferred Stock as to distributions and upon voluntary or involuntary liquidation, dissolution or winding up of the Corporation (including the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock, the Series E Preferred Stock, the Series F Preferred Stock, the Series G Preferred Stock, the Series H Preferred Stock and the Series I Preferred Stock) shall be declared pro rata so that the amount of dividends declared per Series J Preferred Share and each such other equity securities shall in all cases bear to each other the same ratio that accumulated dividends per Series J Preferred Share and such other equity securities (which shall not include any accumulation in respect of unpaid dividends for prior dividend periods if such other equity securities do not have a cumulative dividend) bear to each

other. No interest, or sum of money in lieu of interest, shall be payable in respect of any dividend payment or payments on Series J Preferred Shares which may be in arrears.

(e) Except as provided in the immediately preceding paragraph, unless full cumulative dividends on the Series J Preferred Shares have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof is irrevocably set apart in trust for payment for all dividend periods, no dividends (other than in Common Stock or other equity securities of the Corporation ranking junior to the Series J Preferred Shares as to distributions and upon voluntary or involuntary liquidation, dissolution and winding up of the Corporation) shall be declared or paid or set aside for payment nor shall any other dividend be declared or made upon the Common Stock or any other equity securities of the Corporation ranking as to distributions or upon voluntary or involuntary liquidation, dissolution or winding up of the Corporation junior to or on a parity with the Series J Preferred Stock (including the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock, the Series E Preferred

Stock, the Series F Preferred Stock, the Series G Preferred Stock, the Series H Preferred Stock and the Series I Preferred Stock), nor shall any Common Stock or any other equity securities of the Corporation ranking junior to or on a parity with the Series J Preferred Stock as to distributions or upon voluntary or involuntary liquidation, dissolution or winding up of the Corporation (including the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock, the Series E Preferred Stock, the Series F Preferred Stock, the Series G Preferred Stock, the Series H Preferred Stock and the Series I Preferred Stock) be redeemed, purchased or otherwise acquired for any consideration (or any monies be paid to or made available for a sinking fund for the redemption of any such securities) by the Corporation (except by conversion into or exchange for other equity securities of the Corporation ranking junior to the Series J Preferred Stock as to distributions and upon voluntary and involuntary liquidation, dissolution and winding up of the Corporation, and except pursuant to Section 7 of this Article Third to ensure the Corporation's continued status as a real estate investment trust (a "REIT") for Federal income tax purposes or comparable Charter provisions with respect to other classes or series of the Corporation's stock).

(f) Accumulated but unpaid dividends on the Series J Preferred Shares will not bear interest and holders of Series J Preferred Shares shall not be entitled to any dividend in excess of full cumulative dividends as described above. Any dividend payment made on the Series J Preferred Shares shall first be credited against the earliest accumulated but unpaid dividend due with respect to such shares which remains payable.

(g) If, for any taxable year, the Corporation elects to designate as a "capital gain dividend" (as defined in Section 857 of the Internal Revenue Code of 1986, as amended (the "Code")), any portion (the "Capital Gains Amount") of the dividends paid or made available for the year to holders of every class or series of stock of the Corporation, the portion of the Capital Gains Amount that shall be allocable to holders of the Series J Preferred Stock shall be the amount that the total dividends (as determined for Federal income tax purposes) paid or made available to the holders of the Series J Preferred Stock for the year bears to the aggregate amount of dividends (as determined for Federal income tax purposes) paid or made available to the holders of all classes or series of stock of the Corporation for such year.

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(4) LIQUIDATION PREFERENCE.

(a) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of Series J Preferred Shares then outstanding shall be entitled to receive out of the assets of the Corporation legally available for distribution to its stockholders remaining after payment or provision for payment of all debts and liabilities of the Corporation, a liquidation preference in cash of \$50.00 per share, plus an amount equal to any accumulated or accrued and unpaid dividends to the date of such payment, before any distribution of assets is made to holders of Common Stock or any other equity securities of the Corporation that rank junior to the Series J Preferred Shares as to liquidation rights.

(b) If, upon any such voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the assets of the Corporation are insufficient to make full payment to holders of Series J Preferred Shares and the corresponding amounts payable on all shares of other classes or series of equity securities of the Corporation ranking on a parity with the Series J Preferred Shares as to liquidation rights (including the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock, the Series E Preferred Stock, the Series F Preferred Stock, the Series G Preferred Stock, the Series H Preferred Stock and the Series I Preferred Stock), then the holders of the Series J Preferred Shares and all other such classes or series of equity securities shall share ratably in any such distribution of assets in proportion to the full liquidating distributions to which they would otherwise be respectively entitled.

(c) Written notice of any such liquidation, dissolution or winding up of the Corporation, stating the payment date or dates when, and the place or places where, the amounts distributable in such circumstances shall be payable, shall be given by first class mail, postage pre-paid, not less than 30 nor more than 60 days prior to the payment date stated therein, to each record holder of the Series J Preferred Shares at the respective addresses of such holders as the same shall appear on the stock transfer records of the Corporation.

(d) After payment of the full amount of the liquidating distributions to which they are entitled, the holders of Series J Preferred Shares will have no right or claim to any of the remaining assets of the Corporation.

(e) The consolidation or merger of the Corporation with or into any other entity, a merger of another entity with or into the Corporation, a statutory share exchange by the Corporation or a sale, lease, transfer or conveyance of all or substantially all of the property or business of the

Corporation shall not be deemed to constitute a liquidation, dissolution or winding up of the Corporation.

(f) In determining whether a distribution (other than upon voluntary or involuntary liquidation, dissolution or winding up of the Corporation) by dividend, redemption or other acquisition of shares of stock of the Corporation or otherwise is permitted under the MGCL, no effect shall be given to amounts that would be needed, if the Corporation were to be dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of holders of the

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Series J Preferred Shares whose preferential rights upon dissolution are superior to those receiving the distribution.

(5) OPTIONAL REDEMPTION.

(a) The Series J Preferred Shares are not redeemable prior to September 21, 2006. To ensure that the Corporation remains a qualified REIT for Federal income tax purposes, however, the Series J Preferred Shares shall be subject to the provisions of Section 7 of this Article Third pursuant to which Series J Preferred Shares owned by a stockholder in excess of the Ownership Limit (as defined in Section 7 of this Article Third) or certain other limitations shall automatically be transferred to a Trust for the benefit of a Charitable Beneficiary (as defined in Section 7 of this Article Third) and the Corporation shall have the right to purchase such shares, as provided in Section 7 of this Article Third. On and after September 21, 2006, the Corporation, at its option, upon giving notice as provided below, may redeem the Series J Preferred Shares, in whole or from time to time in part, for cash, at a redemption price of \$50.00 per share, plus all accumulated and unpaid dividends on such Series J Preferred Shares to the date fixed for redemption.

(b) The redemption price of the Series J Preferred Shares (other than any portion thereof consisting of accumulated and unpaid dividends) is payable solely from the sale proceeds of other equity securities of the Corporation, and not from any other source. For purposes of the preceding sentence, "equity securities" means any equity securities (including Common Stock and Preferred Stock (as defined in the Charter), depository shares in respect of any of the foregoing, interests, participations or other ownership interests (however designated) and any rights (other than debt securities convertible into or exchangeable for equity securities) or options to purchase any of the foregoing.

(c) If fewer than all of the outstanding Series J Preferred Shares are to be redeemed, the shares to be redeemed shall be selected pro rata (as nearly as practicable without creating fractional shares).

(d) Notwithstanding anything to the contrary contained herein, unless full cumulative dividends on all Series J Preferred Shares shall have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past dividend periods and the then current dividend period, no Series J Preferred Shares shall be redeemed unless all outstanding Series J Preferred Shares are simultaneously redeemed; provided, however, that the foregoing shall not prevent the purchase by the Corporation of Series J Preferred Shares pursuant to Section 7 of this Article Third or otherwise in order to ensure that the Corporation remains qualified as a REIT for Federal or state income tax purposes or the purchase or acquisition of Series J Preferred Shares pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding Series J Preferred Shares. In addition, unless full cumulative dividends on all outstanding Series J Preferred Shares have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof irrevocably set apart in trust for payment for all dividend periods, the Corporation shall not purchase or otherwise acquire directly or indirectly any Series J Preferred Shares or any

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equity securities of the Corporation ranking junior to or on a parity with the Series J Preferred Shares as to dividends or upon voluntary or involuntary liquidation, dissolution or winding up of the Corporation (including the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock, the Series E Preferred Stock, the Series F Preferred Stock, the Series G Preferred Stock, the Series H Preferred Stock and the Series I Preferred Stock) (except by conversion into or exchange for equity securities of the Corporation ranking junior to the Series J Preferred Shares as to dividends and upon voluntary or involuntary liquidation, dissolution or winding up of the Corporation and except pursuant to Section 7 of this Article Third or comparable Charter provisions with respect to other classes or series of the Corporation's stock).

(e) The holders of shares of Series J Preferred Stock at the close of

business on a Dividend Record Date will be entitled to receive the dividend payable with respect to the shares of Series J Preferred Stock held on the corresponding Dividend Payment Date notwithstanding the redemption thereof between such Dividend Record Date and the corresponding Dividend Payment Date or the Corporation's default in the payment of the dividend due. Except as provided herein, the Corporation will make no payment or allowance for unpaid dividends, whether or not in arrears, on Series J Preferred Shares to be redeemed.

(f) The following provisions set forth the procedures for Redemption:

(i) Notice of redemption will be given by publication in a newspaper of general circulation in the City of New York, such publication to be made once a week for two successive weeks commencing not less than 30 nor more than 60 days prior to the redemption date. A similar notice will be (i) faxed and (ii) mailed by the Corporation, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date, addressed to the respective holders of record of the Series J Preferred Shares to be redeemed at their respective addresses as they appear on the share records of the Corporation. No failure to give such notice or any defect therein or in the mailing thereof shall affect the validity of the proceedings for the redemption of any Series J Preferred Shares except as to the holder to whom notice was defective or not given.

(ii) In addition to any information required by law or by the applicable rules of any exchange upon which the Series J Preferred Shares may be listed or admitted to trading, such notice shall state: (A) the redemption date; (B) the redemption price; (C) the number of Series J Preferred Shares to be redeemed; (D) the place or places where the certificates evidencing shares of Series J Preferred Shares are to be surrendered for payment of the redemption price; and (E) that dividends on the Series J Preferred Shares to be redeemed will cease to accumulate on such redemption date. If fewer than all of the Series J Preferred Shares held by any holder are to be redeemed, the notice mailed to such holder shall also specify the number of Series J Preferred Shares to be redeemed from such holder.

(iii) On or after the redemption date, each holder of Series J Preferred Shares to be redeemed shall present and surrender the certificates representing such holder's Series J Preferred Shares to the Corporation at the place designated in the notice of redemption and shall be entitled to the redemption price and any accrued or accumulated and unpaid dividends payable

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upon such redemption upon such surrender and thereupon the redemption price of such shares (including all accumulated and unpaid dividends up to the redemption date) shall be paid to or on the order of the person whose name appears on such certificate representing Series J Preferred Shares as the owner thereof and each surrendered certificate shall be canceled. If fewer than all the shares represented by any such certificate representing Series J Preferred Shares are to be redeemed, a new certificate shall be issued representing the unredeemed shares.

(iv) If notice of redemption of any Series J Preferred Shares has been given and if the funds necessary for such redemption have been irrevocably set aside by the Corporation in trust for the benefit of the holders thereof, then from and after the redemption date all dividends on such Series J Preferred Shares shall cease to accumulate and any such Series J Preferred Shares will no longer be deemed outstanding and all rights of the holders thereof will terminate, except the right to receive the redemption price (including all accrued or accumulated and unpaid dividends up to the redemption date) and such shares shall not thereafter be transferred (except with the consent of the Corporation) on the Corporation's stock transfer records. At its election, the Corporation, prior to a redemption date, may irrevocably deposit the redemption price (including accumulated and unpaid dividends to the redemption date) of the Series J Preferred Shares so called for redemption in trust for the holders thereof with a bank or trust company, in which case the redemption notice to holders of the Series J Preferred Shares to be redeemed shall (A) state the date of such deposit, (B) specify the office of such bank or trust company as the place of payment of the redemption price and (C) require such holders to surrender the certificates representing such shares at such place on or about the date fixed in such redemption notice (which may not be later than the redemption date) against payment of the redemption price (including all accrued or accumulated and unpaid dividends to the redemption date). Any monies so deposited which remain unclaimed by the holders of the Series J Preferred Shares at the end of two years after the redemption date shall be returned by such bank or trust company to the Corporation.

(g) Any Series J Preferred Shares that shall at any time have been redeemed shall, after such redemption, have the status of authorized but unissued Preferred Stock, without further designation as to series or class until such shares are once more designated as part of a particular series or class by the Board.

(6) VOTING RIGHTS.

(a) Holders of the Series J Preferred Shares will not have any voting rights, except as set forth below.

(b) (i) Whenever dividends on any Series J Preferred Shares shall remain unpaid for six or more quarterly periods (whether or not consecutive) (a "Preferred Dividend Default"), the holders of such Series J Preferred Shares (voting as a single class with all other equity securities of the Corporation ranking on a parity with the Series J Preferred Shares as to dividends and upon voluntary or involuntary liquidation, dissolution or winding up of the Corporation upon which like voting rights have been conferred and are exercisable, including the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock, the Series D

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Preferred Stock, the Series E Preferred Stock, the Series F Preferred Stock, the Series G Preferred Stock, the Series H Preferred Stock and the Series I Preferred Stock ("Parity Preferred Stock")) will be entitled to vote for the election of two additional directors of the Corporation (the "Preferred Stock Directors"), who will be elected by a plurality of the votes cast in such election for a one-year term and until their successors are duly elected and shall qualify (or until such director's right to hold such office terminates as provided herein, whichever occurs earlier, subject to such director's earlier death, disqualification, resignation or removal), at a special meeting called by the holders of at least 20% of the outstanding Series J Preferred Shares or the holders of shares of any other class or series of Parity Preferred Stock with respect to which dividends are so unpaid (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of stockholders) or, if the request for a special meeting is received by the Corporation less than 90 days before the date fixed for the next annual or special meeting of stockholders, at the next annual or special meeting of stockholders, and at each subsequent annual meeting until all dividends accumulated on the Series J Preferred Shares for all past dividend periods and the dividend for the then current dividend period shall have been fully paid or declared and a sum sufficient for the payment thereof irrevocably set aside in trust for payment in full.

(ii) At any time when the voting rights described in Section 6(b)(i) above shall have vested, a proper officer of the Corporation shall call or cause to be called, a special meeting of the holders of Series J Preferred Stock and all the series of Parity Preferred Stock upon which like voting rights have been conferred and are exercisable (collectively, the "Parity Securities") by mailing or causing to be mailed to such holders a notice of such special meeting to be held not less than ten and not more than 45 days after the date such notice is given. The record date for determining holders of the Parity Securities entitled to notice of and to vote at such special meeting will be the close of business on the third business day preceding the day on which such notice is mailed. At any such special meeting, all of the holders of the Parity Securities, by plurality vote, voting together as a single class without regard to series will be entitled to elect two directors on the basis of one vote per \$25.00 of liquidation preference to which such Parity Securities are entitled by their terms (excluding amounts in respect of accumulated and unpaid dividends) and not cumulatively. Notice of all meetings at which holders of the Series J Preferred Shares shall be entitled to vote will be given to such holders at their addresses as they appear in the transfer records. If a Preferred Dividend Default shall terminate after the notice of a special meeting has been given but before such special meeting has been held, the Corporation shall, as soon as practicable after such termination, mail or cause to be mailed notice of such termination to holders of the Series J Preferred Shares that would have been entitled to vote at such special meeting.

(c) If and when all accumulated dividends and the dividend for the then current dividend period on the Series J Preferred Shares shall have been paid in full or declared by the Corporation and irrevocably set aside in trust for payment in full, the holders of Series J Preferred Shares shall be divested of the voting rights set forth in Section 6(b) of this Article Third (subject to revesting in the event of each and every Preferred Dividend Default) and, if all accumulated dividends have been paid in full or declared by the Corporation and irrevocably set aside in trust for payment in full on all other classes or series of Parity Preferred Stock upon

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which like voting rights have been conferred and are exercisable, the term of office of each Preferred Stock Director so elected shall forthwith terminate. Any Preferred Stock Director elected by the holders of Series J Preferred Shares and any other such Parity Preferred Shares may be removed at any time with or without cause by the vote of, and shall not be removed otherwise than by the vote of, the holders of a majority of the outstanding Series J Preferred Shares when they only have the voting rights set forth, or like those set forth, in

Section 6(b) of this Article Third, and by the majority vote of the Series J Preferred Shares and all other classes or series of Parity Preferred Stock upon which like voting rights have been conferred and are exercisable (voting as a single class) when the Series J Preferred Shares and such Parity Preferred Stock is entitled to vote thereon. So long as a Preferred Dividend Default shall continue, any vacancy in the office of a Preferred Stock Director so elected may be filled by written consent of the Preferred Stock Director so elected remaining in office or, if none remains in office, by a vote of the holders of a majority of the outstanding Series J Preferred Shares when they only have the voting rights set forth, or like those set forth, in Section 6(b) of this Article Third, and by the majority vote of the Series J Preferred Shares and other classes or series of Parity Preferred Stock upon which like voting rights have been conferred and are exercisable (voting as a single class) when the Series J Preferred Shares and such Parity Preferred Stock is entitled to vote thereon.

(d) So long as any Series J Preferred Stock remains outstanding, the Corporation shall not, without the affirmative vote of the holders of at least two-thirds of the Series J Preferred Stock outstanding at the time (i) authorize or create, or increase the authorized or issued amount of, any class or series of shares ranking senior to the Series J Preferred Stock with respect to payment of distributions or rights upon liquidation, dissolution or winding-up or reclassify any authorized shares of the Corporation into any such shares, or create, authorize or issue any obligations or security convertible into or evidencing the right to purchase any such shares, (ii) designate or create, or increase the authorized or issued amount of, any Parity Preferred Stock or reclassify any authorized shares of the Corporation into any such shares, or create, authorize or issue any obligations or security convertible into or evidencing the right to purchase any such shares, but only to the extent such Parity Preferred Stock is issued to an affiliate of the Corporation, or (iii) either (A) consolidate, merge into or with, or convey, transfer or lease its assets substantially as an entirety, to any corporation or other entity, or (B) amend, alter or repeal the provisions of the Corporation's Charter (including these Articles Supplementary) or Bylaws, whether by merger, consolidation or otherwise, in each case that would materially and adversely affect the powers, special rights, preferences, privileges or voting power of the Series J Preferred Stock or the holders thereof; provided, however, that with respect to the occurrence of any event set forth in (iii) above, so long as (a) the Corporation is the surviving entity and the Series J Preferred Stock remains outstanding with the terms thereof unchanged, or (b) the resulting, surviving or transferee entity is a corporation, a business trust or like entity organized under the laws of any state and substitutes for the Series J Preferred Stock other preferred stock or preferred shares having substantially the same terms and same rights as the Series J Preferred Stock, including with respect to distributions, voting rights and rights upon liquidation, dissolution or winding-up, then the occurrence of any such event shall not be deemed to materially and adversely affect such rights, privileges or voting powers of the holders of the Series J Preferred Stock and provided further that any increase in the amount of authorized Preferred Stock or the creation or issuance of any other class or series of Preferred Stock, or any

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increase in an amount of authorized shares of each class or series, in each case ranking either (a) junior to the Series J Preferred Stock with respect to payment of distributions and the distribution of assets upon liquidation, dissolution or winding-up, or (b) on a parity with the Series J Preferred Stock with respect to payment of distributions and the distribution of assets upon liquidation, dissolution or winding-up to the extent such Preferred Stock is not issued to an affiliate of the Corporation, shall not be deemed to materially and adversely affect such rights, preferences, privileges or voting powers.

(e) The foregoing voting provisions shall not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required shall be effected, all outstanding Series J Preferred Shares shall have been redeemed or called for redemption upon proper notice and sufficient funds shall have been irrevocably deposited in trust to effect such redemption.

(7) RESTRICTIONS ON OWNERSHIP AND TRANSFER TO PRESERVE TAX BENEFIT.

(a) Definitions. for the purposes of Section 7 of Article Third of these Articles Supplementary, the following terms shall have the following meanings:

"Beneficial Ownership" shall mean ownership of Series J Preferred Stock by a Person who is or would be treated as an owner of such Series J Preferred Stock either actually or constructively through the application of Section 544 of the Code, as modified by Section 856(h)(1)(B) of the Code. The terms "Beneficial Owner," "Beneficially Owns" and "Beneficially Owned" shall have the correlative meanings.

"Charitable Beneficiary" shall mean one or more beneficiaries of a Trust, as determined pursuant to Section

7(c)(vi) of these Articles Supplementary, each of which shall be an organization described in Sections 170(b)(1)(A), 170(c)(2) and 501(c)(3) of the Code.

"Code" shall mean the Internal Revenue Code of 1986, as amended. All section references to the Code shall include any successor provisions thereof as may be adopted from time to time.

"Constructive Ownership" shall mean ownership of Series J Preferred Stock by a Person who is or would be treated as an owner of such Series J Preferred Stock either actually or constructively through the application of Section 318 of the Code, as modified by Section 856(d)(5) of the Code. The terms "Constructive Owner," "Constructively Owns" and "Constructively Owned" shall have the correlative meanings.

"IRS" means the United States Internal Revenue Service.

"Market Price" shall mean the last reported sales price reported on the New York Stock Exchange of the Series J Preferred Stock on the trading day immediately preceding the relevant date, or if the Series J Preferred Stock is not

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then traded on the New York Stock Exchange, the last reported sales price of the Series J Preferred Stock on the trading day immediately preceding the relevant date as reported on any exchange or quotation system over which the Series J Preferred Stock may be traded, or if the Series J Preferred Stock is not then traded over any exchange or quotation system, then the market price of the Series J Preferred Stock on the relevant date as determined in good faith by the Board of Directors of the Corporation.

"MGCL" shall mean the Maryland General Corporation Law, as amended from time to time, and any successor statute hereafter enacted.

"Operating Partnership" shall mean AMB Property, L.P., a Delaware limited partnership.

"Ownership Limit" shall mean 9.8% (by value) of the outstanding shares of capital stock of the Corporation.

"Person" shall mean an individual, corporation, partnership, limited liability company, estate, trust (including a trust qualified under Section 401(a) or 501(c)(17) of the Code), a portion of a trust permanently set aside for or to be used exclusively for the purposes described in Section 642(c) of the Code, association, private foundation within the meaning of Section 509(a) of the Code, joint stock company or other entity; but does not include an underwriter acting in a capacity as such in a public offering of shares of Series J Preferred Stock provided that the ownership of such shares of Series J Preferred Stock by such underwriter would not result in the Corporation being "closely held" within the meaning of Section 856(h) of the Code, or otherwise result in the Corporation failing to qualify as a REIT.

"Purported Beneficial Transferee" shall mean, with respect to any purported Transfer (or other event) which results in a transfer to a Trust, as provided in Section 7(b)(ii) of these Articles Supplementary, the Purported Record Transferee, unless the Purported Record Transferee would have acquired or owned shares of Series J Preferred Stock for another Person who is the beneficial transferee or owner of such shares, in which case the Purported Beneficial Transferee shall be such Person.

"Purported Record Transferee" shall mean, with respect to any purported Transfer (or other event) which results in a transfer to a Trust, as provided in Section 7(b)(ii) of these Articles Supplementary, the record holder of the Series J Preferred Stock if such Transfer had been valid under Section 7(b)(i) of these Articles Supplementary.

"REIT" shall mean a real estate investment trust under Sections 856 through 860 of the Code and, for purposes of taxation of the Corporation under applicable state law, comparable provisions of the law of such state.

"Restriction Termination Date" shall mean the first day after the date hereof on which the Board of Directors of the Corporation determines that it is no longer in the best interests of the Corporation to attempt to, or continue to, qualify as a REIT.

"Partnership Agreement" shall mean the Fifth Amended and Restated Agreement of Limited Partnership of AMB Property, L.P., dated as of September 21, 2001, as such agreement may be amended from time to time.

"Transfer" shall mean any sale, transfer, gift, assignment, devise or other disposition of Series J Preferred Stock, including (i) the granting of any option or entering into any agreement for the sale, transfer or other disposition of Series J Preferred Stock or (ii) the sale, transfer, assignment or other disposition of any securities (or rights convertible into or exchangeable for Series J Preferred Stock), whether voluntary or involuntary, whether such transfer has occurred of record or beneficially or Beneficially or Constructively (including but not limited to transfers of interests in other entities which result in changes in Beneficial or Constructive Ownership of Series J Preferred Stock), and whether such transfer has occurred by operation of law or otherwise.

"Trust" shall mean each of the trusts provided for in Section 7(c) of these Articles Supplementary.

"Trustee" shall mean any Person unaffiliated with the Corporation, or a Purported Beneficial Transferee, or a Purported Record Transferee, that is appointed by the Corporation to serve as trustee of a Trust.

(b) Restriction on Ownership and Transfers.

(i) Prior to the Restriction Termination Date:

(A) except as provided in Section 7(i) of these Articles Supplementary, no Person shall Beneficially Own Series J Preferred Stock which, taking into account any other capital stock of the Corporation Beneficially Owned by such Person, would cause such ownership to exceed the Ownership Limit;

(B) except as provided in Section 7(i) of these Articles Supplementary, no Person shall Constructively Own Series J Preferred Stock which, taking into account any other capital stock of the Corporation Constructively Owned by such Person, would cause such ownership to exceed the Ownership Limit;

(C) no Person shall Beneficially or Constructively Own Series J Preferred Stock which, taking into account any other capital stock of the Corporation Beneficially or Constructively Owned by such Person, would result in the Corporation being "closely held" within the meaning of Section 856(h) of the Code, or otherwise failing to qualify as a REIT (including but not limited to Beneficial or Constructive Ownership that would result in

the Corporation owning (actually or Constructively) an interest in a tenant that is described in Section 856(d)(2)(B) of the Code if the income derived by the Corporation (either directly or indirectly through one or more partnerships or limited liability companies) from such tenant would cause the Corporation to fail to satisfy any of the gross income requirements of Section 856(c) of the Code or comparable provisions of state law).

(ii) If, prior to the Restriction Termination Date, any Transfer or other event occurs that, if effective, would result in any Person Beneficially or Constructively Owning Series J Preferred Stock in violation of Section 7(b)(i) of these Articles Supplementary, (1) then that number of shares of Series J Preferred Stock that otherwise would cause such Person to violate Section 7(b)(i) of these Articles Supplementary (rounded up to the nearest whole share) shall be automatically transferred to a Trust for the benefit of a Charitable Beneficiary, as described in Section 7(c), effective as of the close of business on the business day prior to the date of such Transfer or other event, and such Purported Beneficial Transferee shall thereafter have no rights in such shares or (2) if, for any reason, the transfer to the Trust described in clause (1) of this sentence is not automatically effective as provided therein to prevent any Person from Beneficially or Constructively Owning Series J Preferred Stock in violation of Section 7(b)(i) of these Articles Supplementary, then the Transfer of that number of shares of Series J Preferred Stock that otherwise would cause any Person to violate Section 7(b)(i) shall be void ab

initio, and the Purported Beneficial Transferee shall have no rights in such shares.

(iii) Subject to Section 7(n) of this Article Third and notwithstanding any other provisions contained herein, prior to the Restriction Termination Date, any Transfer of Series J Preferred Stock that, if effective, would result in the capital stock of the Corporation being beneficially owned by less than 100 Persons (determined without reference to any rules of attribution) shall be void ab initio, and the intended transferee shall acquire no rights in such Series J Preferred Stock.

It is expressly intended that the restrictions on ownership and Transfer described in this Section 7(b) shall apply to the exchange rights provided in Section 18.8 of the Partnership Agreement. Notwithstanding any of the provisions of the Partnership Agreement to the contrary, a partner of the Operating Partnership shall not be entitled to effect an exchange of an interest in the Operating Partnership for Series J Preferred Stock if the actual or beneficial or Beneficial or Constructive Ownership of Series J Preferred Stock would be prohibited under the provisions of this Section 7.

(c) Transfers of Series J Preferred Stock in Trust.

(i) Upon any purported Transfer or other event described in Section 7(b)(ii) of these Articles Supplementary, such Series J Preferred Stock shall be deemed to have been transferred to the Trustee in his capacity as trustee of a Trust for the exclusive benefit of one or more Charitable Beneficiaries. Such transfer to the Trustee shall be deemed to be effective as of the close of business on the business day prior to the purported Transfer or other event that results in a transfer to the Trust pursuant to Section 7(b)(ii). The Trustee shall be appointed by the Corporation and shall be a Person unaffiliated with the Corporation, any Purported Beneficial

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Transferee, or any Purported Record Transferee. Each Charitable Beneficiary shall be designated by the Corporation as provided in Section 7(c)(vi) of these Articles Supplementary.

(ii) Series J Preferred Stock held by the Trustee shall be issued and outstanding Series J Preferred Stock of the Corporation. The Purported Beneficial Transferee or Purported Record Transferee shall have no rights in the shares of Series J Preferred Stock held by the Trustee. The Purported Beneficial Transferee or Purported Record Transferee shall not benefit economically from ownership of any shares held in trust by the Trustee, shall have no rights to dividends and shall not possess any rights to vote or other rights attributable to the shares of Series J Preferred Stock held in the Trust.

(iii) The Trustee shall have all voting rights and rights to dividends with respect to Series J Preferred Stock held in the Trust, which rights shall be exercised for the exclusive benefit of the Charitable Beneficiary. Any dividend or distribution paid prior to the discovery by the Corporation that shares of Series J Preferred Stock have been transferred to the Trustee shall be paid to the Trustee upon demand, and any dividend or distribution declared but unpaid shall be paid when due to the Trustee with respect to such Series J Preferred Stock. Any dividends or distributions so paid over to the Trustee shall be held in trust for the Charitable Beneficiary.

The Purported Record Transferee and Purported Beneficial Transferee shall have no voting rights with respect to the Series J Preferred Stock held in the Trust and, subject to Maryland law, effective as of the date the Series J Preferred Stock has been transferred to the Trustee, the Trustee shall have the authority (at the Trustee's sole discretion) (i) to rescind as void any vote cast by a Purported Record Transferee with respect to such Series J Preferred Stock prior to the discovery by the Corporation that the Series J Preferred Stock has been transferred to the Trustee and (ii) to recast such vote in accordance with the desires of the Trustee acting for the benefit of the Charitable Beneficiary; provided, however, that if the Corporation has already taken irreversible corporate action, then the Trustee shall not have the authority to rescind and recast such vote. Notwithstanding any other provision of these Articles Supplementary to the contrary, until the Corporation has received notification that the Series J Preferred Stock has been transferred into a Trust, the Corporation shall be entitled to rely on its share transfer and other stockholder records for purposes of preparing lists of stockholders entitled to vote at meetings, determining the validity and authority of proxies and otherwise conducting votes of stockholders.

(iv) Within 20 days of receiving notice from the Corporation that shares of Series J Preferred Stock have been transferred to the Trust, the Trustee of the Trust shall sell the shares of Series J Preferred Stock held in the Trust to a Person, designated by the Trustee, whose ownership of the shares of Series J Preferred Stock will not violate the ownership limitations set forth in Section 7(b)(i). Upon such sale, the interest of the Charitable Beneficiary in the shares of Series J Preferred Stock sold shall terminate and the Trustee

shall distribute the net proceeds of the sale to the Purported Record Transferee and to the Charitable Beneficiary as provided in this Section 7(c)(iv). The Purported Record Transferee shall receive the lesser of (1) the price paid by the Purported Record Transferee for the shares of Series J Preferred Stock in the

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transaction that resulted in such transfer to the Trust (or, if the event which resulted in the transfer to the Trust did not involve a purchase of such shares of Series J Preferred Stock at Market Price, the Market Price of such shares of Series J Preferred Stock on the day of the event which resulted in the transfer of such shares of Series J Preferred Stock to the Trust) and (2) the price per share received by the Trustee (net of any commissions and other expenses of sale) from the sale or other disposition of the shares of Series J Preferred Stock held in the Trust. Any net sales proceeds in excess of the amount payable to the Purported Record Transferee shall be immediately paid to the Charitable Beneficiary together with any dividends or other distributions thereon. If, prior to the discovery by the Corporation that shares of such Series J Preferred Stock have been transferred to the Trustee, such shares of Series J Preferred Stock are sold by a Purported Record Transferee then (i) such shares of Series J Preferred Stock shall be deemed to have been sold on behalf of the Trust and (ii) to the extent that the Purported Record Transferee received an amount for such shares of Series J Preferred Stock that exceeds the amount that such Purported Record Transferee was entitled to receive pursuant to this Section 7(c)(iv), such excess shall be paid to the Trustee upon demand.

(v) Series J Preferred Stock transferred to the Trustee shall be deemed to have been offered for sale to the Corporation, or its designee, at a price per share equal to the lesser of (i) the price paid by the Purported Record Transferee for the shares of Series J Preferred Stock in the transaction that resulted in such transfer to the Trust (or, if the event which resulted in the transfer to the Trust did not involve a purchase of such shares of Series J Preferred Stock at Market Price, the Market Price of such shares of Series J Preferred Stock on the day of the event which resulted in the transfer of such shares of Series J Preferred Stock to the Trust) and (ii) the Market Price on the date the Corporation, or its designee, accepts such offer. The Corporation shall have the right to accept such offer until the Trustee has sold the shares of Series J Preferred Stock held in the Trust pursuant to Section 7(c)(iv). Upon such a sale to the Corporation, the interest of the Charitable Beneficiary in the shares of Series J Preferred Stock sold shall terminate and the Trustee shall distribute the net proceeds of the sale to the Purported Record Transferee and any dividends or other distributions held by the Trustee with respect to such Series J Preferred Stock shall thereupon be paid to the Charitable Beneficiary.

(vi) By written notice to the Trustee, the Corporation shall designate one or more nonprofit organizations to be the Charitable Beneficiary of the interest in the Trust such that the Series J Preferred Stock held in the Trust would not violate the restrictions set forth in Section 7(b)(i) in the hands of such Charitable Beneficiary.

(d) Remedies For Breach. If the Board of Directors or a committee thereof or other designees if permitted by the MGCL shall at any time determine in good faith that a Transfer or other event has taken place in violation of Section 7(b) of these Articles Supplementary or that a Person intends to acquire, has attempted to acquire or may acquire beneficial ownership (determined without reference to any rules of attribution), Beneficial Ownership or Constructive Ownership of any shares of Series J Preferred Stock of the Corporation in violation of Section 7(b) of these Articles Supplementary, the Board of Directors or a committee thereof or other designees if permitted by the MGCL shall take such action as it deems advisable to refuse to give effect or to prevent such Transfer, including, but not limited to, causing the Corporation to

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redeem shares of Series J Preferred Stock, refusing to give effect to such Transfer on the books of the Corporation or instituting proceedings to enjoin such Transfer; provided, however, that any Transfers (or, in the case of events other than a Transfer, ownership or Constructive Ownership or Beneficial Ownership) in violation of Section 7(b)(i) of these Articles Supplementary, shall automatically result in the transfer to a Trust as described in Section 7(b)(ii) and any Transfer in violation of Section 7(b)(iii) shall automatically be void ab initio irrespective of any action (or non-action) by the Board of Directors.

(e) Notice of Restricted Transfer. Any Person who acquires or attempts to acquire shares of Series J Preferred Stock in violation of Section 7(b) of these Articles Supplementary, or any Person who is a Purported Beneficial Transferee such that an automatic transfer to a Trust results under Section 7(b)(ii) of these Articles Supplementary, shall immediately give written notice

to the Corporation of such event and shall provide to the Corporation such other information as the Corporation may request in order to determine the effect, if any, of such Transfer or attempted Transfer on the Corporation's status as a REIT.

(f) Owners Required To Provide Information. Prior to the Restriction Termination Date each Person who is a beneficial owner or Beneficial Owner or Constructive Owner of Series J Preferred Stock and each Person (including the shareholder of record) who is holding Series J Preferred Stock for a beneficial owner or Beneficial Owner or Constructive Owner shall provide to the Corporation such information that the Corporation may request, in good faith, in order to determine the Corporation's status as a REIT.

(g) Remedies Not Limited. Nothing contained in these Articles Supplementary (but subject to Section 7(n) of these Articles Supplementary) shall limit the authority of the Board of Directors to take such other action as it deems necessary or advisable to protect the Corporation and the interests of its shareholders by preservation of the Corporation's status as a REIT.

(h) Ambiguity. In the case of an ambiguity in the application of any of the provisions of this Section 7 of these Articles Supplementary, including any definition contained in Section 7(a), the Board of Directors shall have the power to determine the application of the provisions of this Section 7 with respect to any situation based on the facts known to it (subject, however, to the provisions of Section 7(n) of these Articles Supplementary). In the event Section 7 requires an action by the Board of Directors and these Articles Supplementary fail to provide specific guidance with respect to such action, the Board of Directors shall have the power to determine the action to be taken so long as such action is not contrary to the provisions of Section 7. Absent a decision to the contrary by the Board of Directors (which the Board may make in its sole and absolute discretion), if a Person would have (but for the remedies set forth in Section 7(b)) acquired Beneficial or Constructive Ownership of Series J Preferred Stock in violation of Section 7(b)(i), such remedies (as applicable) shall apply first to the shares of Series J Preferred Stock which, but for such remedies, would have been actually owned by such Person, and second to shares of Series J Preferred Stock which, but for such remedies, would have been Beneficially Owned or Constructively Owned (but not actually owned) by such Person, pro rata among the Persons who actually own such shares of Series J Preferred Stock based upon the relative number of the shares of Series J Preferred Stock held by each such Person.

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(i) Exceptions.

(i) Subject to Section 7(b)(i)(C), the Board of Directors, in its sole discretion, may exempt a Person from the limitation on a Person Beneficially Owning shares of Series J Preferred Stock in violation of Section 7(b)(i)(A) if the Board of Directors obtains any representations and undertakings from such Person as are reasonably necessary in the opinion of the Board of Directors to ascertain that no individual's Beneficial Ownership of such shares of Series J Preferred Stock will violate Section 7(b)(i)(A) or that any such violation will not cause the Corporation to fail to qualify as a REIT under the Code, and that any violation of any representations or undertakings (or other action which is contrary to the restrictions contained in Section 7(b) of these Articles Supplementary) or attempted violation will result in such Series J Preferred Stock being transferred to a Trust in accordance with Section 7(b)(ii) of these Articles Supplementary.

(ii) Subject to Section 7(b)(i)(C), the Board of Directors, in its sole discretion, may exempt a Person from the limitation on a Person Constructively Owning Series J Preferred Stock in violation of Section 7(b)(i)(B), if the Corporation obtains such representations and undertakings from such Person as are reasonably necessary in the opinion of the Board of Directors to ascertain that such Person does not and will not own, actually or Constructively, an interest in a tenant of the Corporation (or a tenant of any entity owned in whole or in part by the Corporation) that would cause the Corporation to own, actually or Constructively, more than a 9.8% interest (as set forth in Section 856(d)(2)(B) of the Code) in such tenant and that any violation or attempted violation will result in such Series J Preferred Stock being transferred to a Trust in accordance with Section 7(b)(ii) of these Articles Supplementary. Notwithstanding the foregoing, the inability of a Person to make the certification described in this Section 7(i)(ii) shall not prevent the Board of Directors, in its sole discretion, from exempting such Person from the limitation on a Person Constructively Owning Series J Preferred Stock in violation of Section 7(b)(i)(B) if the Board of Directors determines that the resulting application of Section 856(d)(2)(B) of the Code would affect the characterization of less than 0.5% of the gross income (as such term is used in Section 856(c)(2) of the Code) of the Corporation in any taxable year, after taking into account the effect of this sentence with respect to all other capital stock of the Corporation to which this sentence applies.

(iii) Prior to granting any exception pursuant to Section

7(i) (i) or (ii) of these Articles Supplementary, the Board of Directors may require a ruling from the Internal Revenue Service, or an opinion of counsel, in either case in form and substance satisfactory to the Board of Directors in its sole discretion, as it may deem necessary or advisable in order to determine or ensure the Corporation's status as a REIT.

(j) Legends. Each certificate for Series J Preferred Stock shall bear substantially the following legends in addition to any legends required to comply with federal and state securities laws:

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CLASSES OF STOCK

"THE CORPORATION IS AUTHORIZED TO ISSUE CAPITAL STOCK OF MORE THAN ONE CLASS, CONSISTING OF COMMON STOCK AND ONE OR MORE CLASSES OF PREFERRED STOCK. THE BOARD OF DIRECTORS IS AUTHORIZED TO DETERMINE THE PREFERENCES, LIMITATIONS AND RELATIVE RIGHTS OF ANY CLASS OF PREFERRED STOCK BEFORE THE ISSUANCE OF SHARES OF SUCH CLASS OF PREFERRED STOCK. THE CORPORATION WILL FURNISH, WITHOUT CHARGE, TO ANY STOCKHOLDER MAKING A WRITTEN REQUEST THEREFOR, A COPY OF THE CORPORATION'S CHARTER AND A WRITTEN STATEMENT OF THE DESIGNATIONS, RELATIVE RIGHTS, PREFERENCES, CONVERSION OR OTHER RIGHTS, VOTING POWERS, RESTRICTIONS, LIMITATIONS AS TO DIVIDENDS AND OTHER DISTRIBUTIONS, QUALIFICATIONS AND TERMS AND CONDITIONS OF REDEMPTION OF THE STOCK OF EACH CLASS WHICH THE CORPORATION HAS THE AUTHORITY TO ISSUE AND, IF THE CORPORATION IS AUTHORIZED TO ISSUE ANY PREFERRED OR SPECIAL CLASS IN SERIES, (i) THE DIFFERENCES IN THE RELATIVE RIGHTS AND PREFERENCES BETWEEN THE SHARES OF EACH SERIES TO THE EXTENT SET, AND (ii) THE AUTHORITY OF THE BOARD OF DIRECTORS TO SET SUCH RIGHTS AND PREFERENCES OF SUBSEQUENT SERIES. REQUESTS FOR SUCH WRITTEN STATEMENT MAY BE DIRECTED TO THE SECRETARY OF THE CORPORATION AT ITS PRINCIPAL OFFICE."

RESTRICTION ON OWNERSHIP AND TRANSFER

"THE SHARES OF SERIES J PREFERRED STOCK REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON BENEFICIAL AND CONSTRUCTIVE OWNERSHIP AND TRANSFER FOR THE PURPOSE OF THE CORPORATION'S MAINTENANCE OF ITS STATUS AS A REAL ESTATE INVESTMENT TRUST UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"). SUBJECT TO CERTAIN FURTHER RESTRICTIONS AND EXCEPT AS EXPRESSLY PROVIDED IN THE ARTICLES SUPPLEMENTARY FOR THE SERIES J PREFERRED STOCK, (i) NO PERSON MAY BENEFICIALLY OWN SHARES OF THE CORPORATION'S SERIES J PREFERRED STOCK WHICH, TAKING INTO ACCOUNT ANY OTHER CAPITAL STOCK OF THE CORPORATION BENEFICIALLY OWNED BY SUCH PERSON, WOULD CAUSE SUCH OWNERSHIP TO EXCEED THE OWNERSHIP LIMIT OF 9.8%; (ii) NO PERSON MAY CONSTRUCTIVELY OWN SHARES OF THE CORPORATION'S SERIES J PREFERRED STOCK WHICH, TAKING INTO ACCOUNT ANY OTHER CAPITAL STOCK OF THE CORPORATION CONSTRUCTIVELY OWNED BY SUCH PERSON, WOULD CAUSE SUCH

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OWNERSHIP TO EXCEED THE OWNERSHIP LIMIT OF 9.8%; (iii) NO PERSON MAY BENEFICIALLY OR CONSTRUCTIVELY OWN SHARES OF THE CORPORATION'S SERIES J PREFERRED STOCK THAT, TAKING INTO ACCOUNT ANY OTHER CAPITAL STOCK OF THE CORPORATION BENEFICIALLY OR CONSTRUCTIVELY OWNED BY SUCH PERSON, WOULD RESULT IN THE CORPORATION BEING "CLOSELY HELD" UNDER SECTION 856(h) OF THE CODE OR OTHERWISE CAUSE THE CORPORATION TO FAIL TO QUALIFY AS A REIT; AND (iv) NO PERSON MAY TRANSFER SHARES OF SERIES J PREFERRED STOCK IF SUCH TRANSFER WOULD RESULT IN THE CAPITAL STOCK OF THE CORPORATION BEING OWNED BY FEWER THAN 100 PERSONS. ANY PERSON WHO BENEFICIALLY OR CONSTRUCTIVELY OWNS OR ATTEMPTS TO BENEFICIALLY OR CONSTRUCTIVELY OWN SERIES J PREFERRED STOCK WHICH CAUSES OR WILL CAUSE A PERSON TO BENEFICIALLY OR CONSTRUCTIVELY OWN SERIES J PREFERRED STOCK IN EXCESS OF THE ABOVE LIMITATIONS MUST IMMEDIATELY NOTIFY THE CORPORATION. IF ANY OF THE RESTRICTIONS ON TRANSFER OR OWNERSHIP ARE VIOLATED, THE SERIES J PREFERRED STOCK REPRESENTED HEREBY WILL BE AUTOMATICALLY TRANSFERRED TO THE TRUSTEE OF A TRUST FOR THE BENEFIT OF ONE OR MORE CHARITABLE BENEFICIARIES. IN ADDITION, THE CORPORATION MAY REDEEM SHARES UPON THE TERMS AND CONDITIONS SPECIFIED BY THE BOARD OF DIRECTORS IN ITS SOLE DISCRETION IF THE BOARD OF DIRECTORS DETERMINES THAT OWNERSHIP OR A TRANSFER OR OTHER EVENT MAY VIOLATE THE RESTRICTIONS DESCRIBED ABOVE. FURTHERMORE, UPON THE OCCURRENCE OF CERTAIN EVENTS, ATTEMPTED TRANSFERS IN VIOLATION OF THE RESTRICTIONS DESCRIBED ABOVE MAY BE VOID AB INITIO. ALL TERMS IN THIS LEGEND WHICH ARE DEFINED IN THE ARTICLES SUPPLEMENTARY FOR THE SERIES J PREFERRED STOCK SHALL HAVE THE MEANINGS ASCRIBED TO THEM IN SUCH ARTICLES SUPPLEMENTARY, AS THE SAME MAY BE AMENDED FROM TIME TO TIME, A COPY OF WHICH, INCLUDING THE RESTRICTIONS ON TRANSFER AND OWNERSHIP, WILL BE FURNISHED TO EACH HOLDER OF SERIES J PREFERRED STOCK ON REQUEST AND WITHOUT CHARGE. REQUESTS FOR SUCH A COPY MAY BE DIRECTED TO THE SECRETARY OF THE CORPORATION AT ITS PRINCIPAL OFFICE."

(k) Exchange of Series J Preferred Units. The Corporation is hereby

expressly vested with authority (subject to the restrictions on ownership, transfer and redemption of Series J Preferred Stock set forth in this Section 7) to issue, and so long as the Corporation remains the general partner of the Operating Partnership, the Corporation shall issue to the extent provided in the Partnership Agreement, Series J Preferred Stock in exchange for Series J Preferred Units (as defined in the Partnership Agreement).

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(l) Reservation of Shares. Pursuant to the obligations of the Corporation under the Partnership Agreement to issue Series J Preferred Stock in exchange for Series J Preferred Units, the Board of Directors is hereby required to reserve and authorize for issuance a number of authorized but unissued shares of Series J Preferred Stock not less than the number of Series J Preferred Units issued to permit the Corporation to issue Series J Preferred Stock in exchange for Series J Preferred Units that may be exchanged for or converted into Series J Preferred Stock as provided in the Partnership Agreement.

(m) Severability. If any provision of this Section 7 or any application of any such provision is determined to be invalid by any Federal or state court having jurisdiction over the issues, the validity of the remaining provisions shall not be affected and other applications of such provision shall be affected only to the extent necessary to comply with the determination of such court.

(n) New York Stock Exchange. Nothing in this Section 7 shall preclude the settlement of any transaction entered into through the facilities of the New York Stock Exchange. The shares of Series J Preferred Stock that are the subject of such transaction shall continue to be subject to the provisions of this Section 7 after such settlement.

(o) Applicability of Section 7. The provisions set forth in this Section 7 shall apply to the Series J Preferred Stock notwithstanding any contrary provisions of the Series J Preferred Stock provided for elsewhere in these Articles Supplementary.

(8) CONVERSION. The Series J Preferred Stock is not convertible into or exchangeable for any other property or securities of the Corporation.

(9) NO SINKING FUND. No sinking fund shall be established for the retirement or redemption of Series J Preferred Stock.

(10) NO PREEMPTIVE RIGHTS. No holder of the Series J Preferred Stock of the Corporation shall, as such holder, have any preemptive rights to purchase or subscribe for additional shares of stock of the Corporation or any other security of the Corporation which it may issue or sell.

FOURTH: The Series J Preferred Stock has been classified and designated by the Board under the authority contained in the Charter.

FIFTH: These Articles Supplementary have been approved by the Board in the manner and by the vote required by law.

SIXTH: These Articles Supplementary shall be effective at the time the State Department of Assessments and Taxation of Maryland accepts these Articles Supplementary for record.

SEVENTH: The undersigned President of the Corporation acknowledges these Articles Supplementary to be the act of the Corporation and, as to all matters or facts required to be

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verified under oath, the undersigned President acknowledges that to the best of his knowledge, information and belief, these matters and facts are true in all material respects and that this statement is made under the penalties for perjury.

(Signature Page Follows)

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IN WITNESS WHEREOF, the Corporation has caused these Articles Supplementary to be executed under seal in its name and on its behalf by its Executive Vice President and attested to by its Secretary on this 21st day of September, 2001.

AMB PROPERTY CORPORATION

By: /s/ Michael A. Coke

Michael A. Coke
Executive Vice President and
Chief Financial Officer

[SEAL]

ATTEST:

/s/ Tamra D. Browne

Tamra D. Browne
Vice President, General Counsel and Secretary

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT, dated as of September 21, 2001 (this "Agreement"), is entered into by and among AMB Property Corporation, a Maryland corporation (the "Company"), AMB Property, L.P., a Delaware limited partnership (the "Operating Partnership"), and the unit holders whose names are set forth on the signature pages hereto (each, a "Unit Holder" and collectively, the "Unit Holders").

RECITALS

WHEREAS, in connection with the offering of 7.95% Series J Cumulative Redeemable Preferred Units of the Operating Partnership (the "OP Units"), GSEP 2001 Realty Corp., a Delaware corporation (the "Contributor"), desires to contribute to the Operating Partnership cash in return for the OP Units on the terms and conditions set forth in the Contribution Agreement, dated September 21, 2001 (the "Contribution Agreement"), by and among the Company, the Operating Partnership, Goldman Sachs 2001 Exchange Place Fund, L.P., a Delaware limited partnership, and the Contributor;

WHEREAS, the Unit Holders will receive the OP Units in exchange for cash to the Contributor;

WHEREAS, pursuant to the Partnership Agreement (as defined below), the OP Units owned by the Unit Holders will be redeemable for cash or exchangeable for shares of the Company's 7.95% Series J Cumulative Redeemable Preferred Stock (the "Preferred Stock") upon the terms and subject to the conditions contained therein; and

WHEREAS, in order to induce the Contributor to enter into the Contribution Agreement, the Company and the Operating Partnership have agreed to provide registration rights set forth herein to the Contributor and any subsequent holder or holders of the OP Units.

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.1 Definitions. In addition to the definitions set forth above, the following terms, as used herein, have the following meanings:

"Affiliate" of any Person means any other Person directly or indirectly controlling or controlled by or under common control with such Person. For the purposes of this definition, "control" when used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person,

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whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Agreement" has the meaning given to such term in the preamble hereto.

"Articles Supplementary" means the Articles Supplementary of the Company, filed with the Maryland State Department of Assessments and Taxation on September 24, 2001, designating the Preferred Stock.

"Business Day" means any day except a Saturday, Sunday or other day on which commercial banks in New York, New York or San Francisco, California are authorized by law to close.

"Commission" means the Securities and Exchange Commission.

"Company" has the meaning set forth in the preamble to this Agreement.

"Contribution Agreement" means the Contribution Agreement, dated September 21, 2001, by and among the Company, the Operating Partnership, Goldman Sachs 2001 Exchange Place Fund, L.P. and the Contributor.

"Contributor" means GSEP 2001 Realty Corp., a Delaware corporation.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Exchangeable OP Units" means OP Units which may be redeemable for cash pursuant to Section 18.5 of the Partnership Agreement or exchangeable for Preferred Stock or redeemable for cash pursuant to Section 18.8 of the Partnership Agreement.

"Holder" means any Person who is the record or beneficial owner of any Registrable Security or any assignee or transferee of such Registrable Security (including assignments or transfers of Registrable Securities to such assignees or transferees as a result of the foreclosure on any loans secured by such Registrable Securities) unless such Registrable Security is acquired in a public distribution pursuant to a registration statement under the Securities Act or pursuant to transactions exempt from registration under the Securities Act, in each such case where securities sold in such transaction may be resold without subsequent registration under the Securities Act.

"Incapacitated" shall have the meaning set forth in the Partnership Agreement.

"OP Units" means 7.95% Series J Cumulative Redeemable Preferred Units of the Operating Partnership.

"Ownership Limit Provisions" mean the various provisions of the Articles Supplementary

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set forth in Section 7 of Article Third thereof restricting the ownership of Preferred Stock by certain Persons to specified percentages of the outstanding Preferred Stock.

"Partnership Agreement" means the Fifth Amended and Restated Agreement of Limited Partnership of the Operating Partnership, dated as of September 21, 2001, as the same may be amended, modified or restated from time to time.

"Person" means an individual or a corporation, partnership, limited liability company, association, trust, or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"Preferred Stock" means the Company's 7.95% Series J Cumulative Redeemable Preferred Stock.

"Registrable Securities" means shares of Preferred Stock of the Company at any time owned, either of record or beneficially, by any Holder issued upon exchange of Exchangeable OP Units and any securities issued or issuable with respect to the Preferred Stock by way of a stock split or stock dividend or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization until (i) a registration statement covering such securities has been declared effective by the Commission and such shares have been sold or transferred pursuant to such effective registration statement, (ii) such shares are sold under circumstances in which all of the applicable conditions of Rule 144 are met or under which such shares may be sold pursuant to Rule 144(k) under the Securities Act or (iii) such shares have been otherwise transferred in a transaction that would constitute a sale thereof under the Securities Act, the Company has delivered a new certificate or other evidence of ownership for such shares not bearing the Securities Act restricted stock legend and such shares may be resold without subsequent registration under the Securities Act.

"Rule 144" means Rule 144 promulgated under the Securities Act, as such rule may be amended from time to time, or any similar rule (other than Rule 144A) or regulation hereafter adopted by the Commission providing for offers and sales of securities made in compliance therewith resulting in offers and sales by subsequent holders that are not affiliates of the Company of such securities being free of the registration and prospectus delivery requirements of the Securities Act.

"Securities Act" means the Securities Act of 1933, as amended.

"Selling Holder" means a Holder who is selling Registrable Securities pursuant to a registration statement under the Securities Act pursuant to this Agreement.

"Underwriter" means a securities dealer who purchases any Registrable Securities as principal and not as part of such dealer's market-making activities.

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SECTION 2.1 Shelf Registration. The Company shall prepare and file with the Commission a "shelf" registration statement on any form for which the Company then qualifies or which counsel for the Company shall deem appropriate and which form shall be available for the resale of the Registrable Securities by the Holders for an offering to be made on a continuous or delayed basis pursuant to Rule 415 under the Securities Act (the "Shelf Registration Statement") as soon as practicable but in any event not later than 60 days after the date the OP Units are exchanged for shares of Preferred Stock and shall use its best efforts to cause the Shelf Registration Statement to be declared effective within 120 days after the date of such exchange. The Company shall use its best efforts to keep such Shelf Registration Statement continuously effective until the earliest of (A) 24 months following the effective date of the Shelf Registration Statement, (B) such time as all of the Registrable Securities have been sold pursuant to the Shelf Registration Statement or Rule 144 and (C) the date on which the Registrable Securities may be sold without volume restrictions in accordance with Rule 144.

SECTION 2.2 Registration Procedures; Filings; Information. In connection with any Shelf Registration Statement, the Company will use its best efforts to effect the registration and the sale of such Registrable Securities in accordance with the Selling Holders' intended method of disposition thereof as quickly as practicable, and in connection therewith:

(a) The Company will, if requested, prior to filing a registration statement or prospectus or any amendment or supplement thereto, furnish to each Selling Holder and each Underwriter, if any, of the Registrable Securities covered by such registration statement or prospectus copies of such registration statement or prospectus or any amendment or supplement thereto as proposed to be filed, and thereafter furnish to such Selling Holder and Underwriter, if any, one conformed copy of such registration statement, each amendment thereof and supplement thereto (in each case including all exhibits thereto and documents incorporated by reference therein; provided, that each such exhibit need only be provided once), and such number of copies of the prospectus included in such registration statement (including each preliminary prospectus) and such other documents as such Selling Holder or Underwriter may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such Selling Holder; subject to the limitations and provisions contained herein, the Company consents to the use of any such prospectus, including each preliminary prospectus, by such Selling Holder in connection with the offering and sale of the Registrable Securities covered by such prospectus.

(b) After the filing of the registration statement, the Company will promptly notify each Selling Holder of Registrable Securities covered by such registration statement (i) when a registration statement has become effective and when any post-effective amendments and supplements thereto become effective, and (ii) of any stop order issued or threatened by the Commission, and the Company will take all reasonable actions required to prevent the entry of such stop order or to remove it if entered; in the event the Company shall give notice of any

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issued stop order under Section 2.2(b)(ii) hereof, the Company shall extend the period during which such registration statement shall be maintained effective (including the period referred to in Section 2.1 hereof) by the number of days during the period from and including the date of giving of notice pursuant to Section 2.2(b)(ii) hereof to the date the Company shall give notice to the Selling Holders of the removal of such stop order.

(c) The Company will use its best efforts to (i) register or qualify the Registrable Securities under such other state securities or blue sky laws of such jurisdictions in the United States (where an exemption is not available) as any Selling Holder or managing Underwriter or Underwriters, if any, reasonably (in light of such Selling Holder's intended plan of distribution) requests and (ii) cause such Registrable Securities to be registered with or approved by such other governmental agencies or authorities as may be necessary by virtue of the business and operations of the Company and do any and all other acts and things that may be reasonably necessary or advisable to enable such Selling Holder to consummate the disposition of the Registrable Securities owned by such Selling Holder; provided that the Company will not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this paragraph (c), (B) subject itself to taxation in any such jurisdiction or (C) consent to general service of process in any such jurisdiction.

(d) The Company will promptly notify each Selling Holder of such Registrable Securities, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the occurrence of an event requiring the preparation of a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make

the statements therein, in light of the circumstances then existing, not misleading and promptly make available to each Selling Holder a reasonable number of copies of any such supplement or amendment.

(e) The Company will enter into customary agreements (including an underwriting agreement, if any, in customary form) and take such other actions as are reasonably required in order to expedite or facilitate the disposition of such Registrable Securities.

(f) The Company will make available for inspection by any Selling Holder of such Registrable Securities, any Underwriter participating in any disposition pursuant to such registration statement and any attorney, accountant or other professional retained by any such Selling Holder or Underwriter (collectively, the "Inspectors"), all financial and other records, pertinent corporate documents and properties of the Company (collectively, the "Records") as shall be reasonably necessary to enable them to exercise their due diligence responsibility, and cause the Company's officers, directors and employees to supply all information reasonably requested by any Inspectors in connection with such registration statement. Records which the Company determines, in good faith, to be confidential and which it notifies the Inspectors are confidential shall not be disclosed by the Inspectors unless (i) the disclosure of such Records is necessary to avoid or correct a misstatement or omission in such registration statement, (ii) the

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release of such Records is ordered pursuant to a subpoena or other order from a court of competent jurisdiction or (iii) such Records have been generally made available to the public. Each Selling Holder of such Registrable Securities agrees that information obtained by it as a result of such inspections shall be deemed confidential and shall not be used by it as the basis for any market transactions in the securities of the Company or its Affiliates or otherwise disclosed by it unless and until such is made generally available to the public. Each Selling Holder of such Registrable Securities further agrees that it will, upon learning that disclosure of such Records is sought in a court of competent jurisdiction, give notice to the Company and allow the Company, at its expense, to undertake appropriate action to prevent disclosure of the Records deemed confidential.

(g) The Company will otherwise use its best efforts to comply with all applicable rules and regulations of the Commission, and make available to its securityholders, as soon as reasonably practicable, an earnings statement covering a period of twelve (12) months, beginning within three (3) months after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 of the Commission promulgated thereunder (or any successor rule or regulation hereafter adopted by the Commission).

(h) The Company will use its best efforts to cause all such Registrable Securities to be listed (i) on each securities exchange on which similar securities issued by the Company are then listed or (ii) if similar securities issued by the Company are not at the time listed on any securities exchange, on the securities exchange on which the Company's common shares are then listed.

(i) The Company will use its best efforts to obtain CUSIP numbers for the Preferred Stock not later than the effective date of the Shelf Registration Statement and will provide and cause to be maintained a transfer agent for all Registrable Securities covered by any registration statement from and after a date not later than the effective date of such registration statement.

The Company may require, as a condition precedent to the obligations of the Company under the Agreement, each Selling Holder of Registrable Securities to promptly furnish in writing to the Company such information regarding such Selling Holder, the Registrable Securities held by it and the intended method of distribution of the Registrable Securities as the Company may from time to time reasonably request and such other information as may be legally required in connection with such registration.

Each Selling Holder agrees that, upon receipt of any notice from the Company of, or such Selling Holder obtains knowledge of, the happening of any event of the kind described in Section 2.2(d) hereof, such Selling Holder will forthwith discontinue disposition of Registrable Securities pursuant to the registration statement and prospectus covering such Registrable Securities until such Selling Holder's receipt of the copies of the supplemented or amended prospectus contemplated by Section 2.2(d) hereof, and, if so directed by the Company, such Selling Holder will deliver to the Company all copies, other than permanent file copies then in

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such Selling Holder's possession, of the most recent prospectus and each

amendment thereof and supplement thereto covering such Registrable Securities at the time of receipt of such notice. Each Selling Holder of Registrable Securities agrees that it will immediately notify the Company at any time when a prospectus relating to the registration of such Registrable Securities is required to be delivered under the Securities Act of the happening of an event known to such Selling Holder as a result of which information previously furnished by such Selling Holder to the Company in writing for inclusion in such prospectus contains an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading. In the event the Company shall give such notice, the Company shall extend the period during which such registration statement shall be maintained effective (including the period referred to in Section 2.1 hereof) by the number of days during the period from and including the date of the giving of notice pursuant to Section 2.2(d) hereof to the date when the Company shall make available to the Selling Holders of Registrable Securities covered by such registration statement a prospectus supplemented or amended to conform with the requirements of Section 2.2(d) hereof.

SECTION 2.3 Registration Expenses. In connection with any registration statement required to be filed hereunder, the Company shall pay the following registration expenses incurred in connection with the registration hereunder (the "Registration Expenses"): (i) all registration and filing fees, (ii) fees and expenses of compliance with state securities or blue sky laws (including reasonable fees and disbursements of counsel in connection with blue sky qualifications of the Registrable Securities), (iii) printing expenses, (iv) internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), (v) the fees and expenses incurred in connection with the listing of the Registrable Securities on each securities exchange on which similar securities issued by the Company are then listed, (vi) reasonable fees and disbursements of counsel for the Company and customary fees and expenses for independent certified public accountants retained by the Company, (vii) the reasonable fees and expenses of any special experts retained by the Company in connection with such registration; and (viii) the reasonable fees and expenses of one counsel (who shall be reasonably acceptable to the Company) for the Selling Holders. Except as expressly set forth in the preceding sentence, the Company shall have no obligation to pay any underwriting fees, discounts or commissions attributable to the sale of Registrable Securities, or any out-of-pocket expenses of the Holders (or the agents who manage their accounts) or any transfer taxes relating to the registration or sale of the Registrable Securities.

SECTION 2.4 Indemnification by the Company. The Company agrees to indemnify and hold harmless each Selling Holder of Registrable Securities, its officers, directors and agents, and each Person, if any, who controls such Selling Holder within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act from and against any and all losses, claims, damages and liabilities caused by any untrue statement or alleged untrue statement of a material fact contained in any registration statement or prospectus relating to the Registrable Securities (as amended or supplemented if the Company shall have furnished any amendments or supplements thereto) or any preliminary prospectus, or caused by any omission or alleged

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omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission of material fact so made in reliance upon and in conformity with information furnished in writing to the Company by such Selling Holder or on such Selling Holder's behalf expressly for inclusion therein. The Company also agrees to indemnify any Underwriters of the Registrable Securities, their officers and directors and each Person who controls such Underwriters within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act on substantially the same basis as that of the indemnification of the Selling Holders provided in this Section 2.4, provided that the foregoing indemnity with respect to any preliminary prospectus shall not inure to the benefit of any Underwriter of the Registrable Securities from whom the person asserting any such losses, claims, damages or liabilities purchased the Registrable Securities which are the subject thereof if such person did not receive a copy of the prospectus (or the prospectus as supplemented) at or prior to the confirmation of the sale of such Registrable Securities to such person in any case where such delivery is required by the Securities Act and the untrue statement or omission of a material fact contained in such preliminary prospectus was corrected in the prospectus (or the prospectus as supplemented).

SECTION 2.5 Indemnification by Holders of Registrable Securities. Each Selling Holder agrees, severally but not jointly, to indemnify and hold harmless the Company, its officers, directors and agents and each Person, if any, who controls the Company within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the foregoing indemnity from the Company to such Selling Holder, but only with respect to

information relating to such Selling Holder furnished in writing by such Selling Holder or with such Selling Holder's authorization or on such Selling Holder's behalf expressly for use in any registration statement or prospectus relating to the Registrable Securities, or any amendment or supplement thereto, or any preliminary prospectus. In case any action or proceeding shall be brought against the Company or its officers, directors or agents or any such controlling person, in respect of which indemnity may be sought against such Selling Holder, such Selling Holder shall have the rights and duties given to the Company, and the Company or its officers, directors or agents or such controlling person shall have the rights and duties given to such Selling Holder, by Section 2.4 hereof. Each Selling Holder also agrees to indemnify and hold harmless Underwriters of the Registrable Securities, their officers and directors and each Person who controls such Underwriters within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act on substantially the same basis as that of the indemnification of the Company provided in this Section 2.5.

SECTION 2.6 Conduct of Indemnification Proceedings. In case any proceeding (including any governmental investigation) shall be instituted involving any person in respect of which indemnity may be sought pursuant to Sections 2.4 or 2.5 hereof, such person (an "Indemnified Party") shall promptly notify the person against whom such indemnity may be sought (an "Indemnifying Party") in writing and the Indemnifying Party shall assume the defense

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thereof, including the employment of counsel reasonably satisfactory to such Indemnified Party, and shall assume the payment of all fees and expenses. In any such proceeding, any Indemnified Party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (i) the Indemnifying Party and the Indemnified Party shall have mutually agreed to the retention of such counsel, (ii) the Indemnifying Party has not employed counsel to assume the defense of such proceeding within a reasonable time after receiving notice of the commencement of the proceeding, or (iii) the named parties to any such proceeding (including any impleaded parties) include both the Indemnified Party and the Indemnifying Party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the Indemnifying Party shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees and expenses of more than one separate firm of attorneys (in addition to any local counsel) at any time for all such Indemnified Parties, and that all such fees and expenses shall be reimbursed as they are incurred. In the case of any such separate firm for the Indemnified Parties, such firm shall be designated in writing by (i) in the case of Persons indemnified pursuant to Section 2.4 hereof, by the Selling Holders which owned a majority of the Registrable Securities sold under the applicable registration statement and (ii) in the case of Persons indemnified pursuant to Section 2.5 hereof, the Company. The Indemnifying Party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent, or if there be a final judgment for the plaintiff, the Indemnifying Party shall indemnify and hold harmless such Indemnified Parties from and against any loss or liability (to the extent stated above) by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an Indemnified Party shall have requested an Indemnifying Party to reimburse the Indemnified Party for fees and expenses of counsel as contemplated by the third sentence of this paragraph, the Indemnifying Party agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than thirty (30) Business Days after receipt by such Indemnifying Party of the aforesaid request and (ii) such Indemnifying Party shall not have reimbursed the Indemnified Party in accordance with such request prior to the date of such settlement. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending or threatened proceeding in which any Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement includes an unconditional release of such Indemnified Party from all liability arising out of such proceeding.

SECTION 2.7 Contribution. If the indemnification provided for in Sections 2.4 or 2.5 hereof is unavailable to an Indemnified Party or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each such Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such losses, claims, damages or liabilities (i) as between the Company and the Selling Holders on the one hand and the Underwriters on the other, in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Holders on the one hand and the Underwriters on the other from the offering of the

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securities, or if such allocation is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits but also the relative fault of the Company and the Selling Holders on the one hand and of the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations and (ii) as between the Company on the one hand and each Selling Holder on the other, in such proportion as is appropriate to reflect the relative fault of the Company and of each Selling Holder in connection with such statements or omissions which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Holders on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total proceeds from the offering (net of underwriting discounts and commissions but before deducting expenses) received by the Company and the Selling Holders bear to the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover page of the prospectus. The relative fault of the Company and the Selling Holders on the one hand and of the Underwriters on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company and the Selling Holders or by the Underwriters. The relative fault of the Company on the one hand and of each Selling Holder on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or such Selling Holder, and the Company's and the Selling Holder's relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Selling Holders agree that it would not be just and equitable if contribution pursuant to this Section 2.7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by an Indemnified Party as a result of the losses, claims, damages or liabilities referred to in Sections 2.4 and 2.5 hereof shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 2.7, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission, and no Selling Holder shall be required to contribute any amount in excess of the amount by which the total price at which the securities of such Selling Holder were offered to the public exceeds the amount of any damages which such Selling Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to

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contribution from any person who was not guilty of such fraudulent misrepresentation. The Selling Holders' obligations to contribute pursuant to this Section 2.7 are several in the proportion that the proceeds of the offering received by such Selling Holder bears to the total proceeds of the offering received by all the Selling Holders and not joint.

SECTION 2.8 Participation in Underwritten Registrations. No Person may participate in any underwritten registration hereunder unless such Person (a) agrees to sell such Person's securities on the basis provided in the applicable underwriting arrangements and (b) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents in customary form and reasonably required under the terms of such underwriting arrangements and these registration rights provided for in this Article II.

SECTION 2.9 Rule 144. The Company covenants that it will file any reports required to be filed by it under the Securities Act and the Exchange Act and that it will take such further action as any Holder may reasonably request, all to the extent required from time to time to enable Holders to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (a) Rule 144 or (b) any similar rule or regulation hereafter adopted by the Commission. Upon the request of any Holder, the Company will deliver to such Holder a written statement as to whether it has complied with such requirements.

SECTION 2.10 Holdback Agreements.

(a) If the Company determines in its good faith judgment that the filing of the Shelf Registration Statement or the use of any related prospectus would

require the disclosure of non-public material information that the Company has a bona fide business purpose for preserving as confidential or the disclosure of which would impede the Company's ability to consummate a material action, and that the Company is not otherwise required by applicable securities laws or regulations to disclose, upon written notice of such determination by the Company, the rights of the Holders to offer, sell or distribute any Registrable Securities pursuant to the Shelf Registration Statement or to require the Company to take action with respect to the registration or sale of any Registrable Securities pursuant to the Shelf Registration Statement (which, for purposes of clarification only, includes but is not limited to the filing and declaration of effectiveness of the Shelf Registration Statement pursuant to Sections 2.1 and 2.2 hereof) shall be suspended until the earlier of (i) the date upon which the Company notifies the Holders in writing that suspension of such rights for the grounds set forth in this Section 2.10(a) is no longer necessary and (ii) 120 days following the notice of determination that the filing of the Shelf Registration Statement or use of any related prospectus would require the disclosure of such non-public material information. The Company agrees to give such notice as promptly as practicable following the date that such suspension of rights is no longer necessary. The Company agrees to grant to the Holders any rights granted after the date of this Agreement to holders of shares of another class or series of the Company's preferred stock which limit the Company's ability to suspend the rights of such holders under the registration rights agreement applicable to such

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shares which are more favorable than the rights granted to the Holders pursuant to this Section 2.10(a).

(b) If all reports required to be filed by the Company pursuant to the Exchange Act have not been filed by the required date without regard to any extension, or if the consummation of any business combination by the Company has occurred or is probable for purposes of Rule 3-05, Rule 3-14 or Article 11 of Regulation S-X under the Act, upon written notice thereof by the Company to the Holders, the rights of the Holders to offer, sell or distribute any Registrable Securities pursuant to the Shelf Registration Statement or to require the Company to take action with respect to the registration or sale of any Registrable Securities pursuant to the Shelf Registration Statement shall be suspended until the date on which the Company has filed such reports or obtained and filed the financial information required by Rule 3-05, Rule 3-14 or Article 11 of Regulation S-X under the Act to be included or incorporated by reference, as applicable, in the Shelf Registration Statement, and the Company shall notify the Holders as promptly as practicable when such suspension is no longer required.

(c) If, pursuant to Section 2.10(a) or section 2.10(b) hereof, the Company suspends the Holders rights under this Agreement, the Company shall extend the period during which the registration statement shall be maintained effective pursuant to this Agreement by the number of days during the period from the date of such suspension to and including the date when the Holders shall have received notice from the Company that such suspension of rights is no longer necessary.

ARTICLE III MISCELLANEOUS

SECTION 3.1 Remedies. In addition to being entitled to exercise all rights provided herein and granted by law, including recovery of damages, the Holders shall be entitled to specific performance of the rights under this Agreement. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Agreement and hereby agrees to waive the defense in any action for specific performance that a remedy at law would be adequate.

SECTION 3.2 Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given without the prior written consent of the Company and the Holders or any such Holder's representative if any such Holder is Incapacitated. No failure or delay by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon any breach thereof shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

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SECTION 3.3 Notices. All notices and other communications in connection with this Agreement shall be made in writing by hand delivery, registered first-class mail, telex, telecopier, or air courier guaranteeing overnight delivery:

(1) if to any Unit Holder:

GSEP 2001 Realty Corp.
c/o Goldman, Sachs & Co.
One New York Plaza, 41st Floor
New York, NY 10004
Attn: Eric Lane
Facsimile Number: (212) 357-9429

with a copy to:

Fried, Frank, Harris, Shriver & Jacobson
One New York Plaza
New York, New York 10004
Attention: Lawrence N. Barshay
Fax: (212) 859-4000

(2) if to the Company, initially at Pier 1, Bay 1, San Francisco, California 94111 (Attention: President and Chief Executive Officer), or to such other address as the Company may hereafter specify in writing.

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; when received if deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if telecopied; and on the next business day, if timely delivered to an air courier guaranteeing overnight delivery.

SECTION 3.4 Successors and Assigns. Except as expressly provided in this Agreement, the rights and obligations of the Holders under this Agreement shall not be assignable by any Holder to any Person that is not a Holder. This Agreement shall be binding upon the parties hereto and their respective successors and assigns.

SECTION 3.5 Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Each party shall become bound by this Agreement immediately upon affixing its signature hereto. Counterparts hereof containing facsimile copy signatures shall have the same force and effect as original signed counterparts.

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SECTION 3.6 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without regard to the choice of law provisions thereof.

SECTION 3.7 Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

SECTION 3.8 Entire Agreement. This Agreement is intended by the parties as a final expression of their agreement and intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein with respect to the registration rights granted by the Company with respect to the Registrable Securities. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

SECTION 3.9 Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

SECTION 3.10 No Third Party Beneficiaries. Nothing express or implied herein is intended or shall be construed to confer upon any person or entity, other than the parties hereto and their respective successors and assigns, any rights, remedies or other benefits under or by reason of this Agreement.

(Signature Page Follows)

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

AMB PROPERTY CORPORATION,
a Maryland corporation

By: /s/ Michael A. Coke

Michael A. Coke
Executive Vice President and Chief
Financial Officer

AMB PROPERTY, L.P.,
a Delaware limited partnership

By: AMB Property Corporation,
its general partner

By: /s/ Michael A. Coke

Michael A. Coke
Executive Vice President and Chief
Financial Officer

Signature Page to Registration Rights Agreement

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UNIT HOLDERS

GSEP 2001 Realty Corp.

By: /s/ Eric Lane

Name: Eric Lane
Title: President and CEO

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FIFTH AMENDED AND RESTATED
 AGREEMENT OF LIMITED PARTNERSHIP
 OF
 AMB PROPERTY, L.P.

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 OF
 AMB PROPERTY, L.P.

THIS FIFTH AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP, dated as of September 21, 2001, is entered into by and among AMB Property Corporation, a Maryland corporation (the "Company"), as the General Partner, and the Persons whose names are set forth on Exhibit A attached hereto, as the Limited Partners (the "Existing Limited Partners"), together with any other Persons who become Partners in the Partnership as provided herein.

WHEREAS, pursuant to Sections 7.3D(ii) and (iii), the Partnership Agreement may be amended by the General Partner to reflect the issuance of additional Partnership Interests pursuant to Sections 4.3.C, 4.3.F and 4.4 and to set forth the designations, rights, powers, duties and preferences of the holders of any additional Partnership Interests issued pursuant to Article 4; and

WHEREAS, the General Partner and the Partnership believe it is desirable and in the best interest of the Partnership to amend and restate the Partnership Agreement as set forth herein.

NOW, THEREFORE, pursuant to Sections 2.4 and 7.3D(ii) and (iii) of the Partnership Agreement, the General Partner, on its own behalf and as attorney-in-fact for the Limited Partners, hereby amends and restates the Partnership Agreement as follows:

ARTICLE 1.
 DEFINED TERMS AND RULES OF CONSTRUCTION

Section 1.1 Definitions

The following definitions shall be for all purposes, unless otherwise clearly indicated to the contrary, applied to the terms used in this Agreement.

"Act" means the Delaware Revised Uniform Limited Partnership Act, as it may be amended from time to time, and any successor to such statute.

"Additional Funds" shall have the meaning set forth in Section 4.3.A.

"Additional Limited Partner" means a Person admitted to the Partnership as a Limited Partner pursuant to Section 12.2 and who is shown as such on the books and records of the Partnership.

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

- (i) decrease such deficit by any amounts which such Partner is obligated to restore pursuant to this Agreement or is deemed to be obligated to restore pursuant to Regulations Section 1.704-1(b)(2)(ii)(c) or the penultimate sentence of each of Regulations Sections 1.704-2(i)(5) and 1.704-2(g); and
- (ii) increase such deficit by the items described in Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"Adjustment Date" shall have the meaning set forth in Section 4.3.E.

"Affiliate" means, with respect to any Person, any Person directly or indirectly controlling, controlled by or under common control with such Person.

"Agreed Value" means (i) in the case of any Contributed Property set forth in Exhibit A and as of the time of its contribution to the Partnership, the Agreed Value of such property as set forth in Exhibit A; (ii) in the case of any Contributed Property not set forth in Exhibit A and as of the time of its contribution to the Partnership, the fair market value of such property or other consideration as determined by the General Partner, reduced by any liabilities either assumed by the Partnership upon such contribution or to which such property is subject when contributed; and (iii) in the case of any property distributed to a Partner by the Partnership, the fair market value of such property as determined by the General Partner at the time such property is distributed, reduced by any indebtedness either assumed by such Partner upon such distribution or to which such property is subject at the time of the distribution as determined under Section 752 of the Code and the Regulations thereunder.

"Agreement" means this Fifth Amended and Restated Agreement of Limited Partnership, as it may be amended, modified, supplemented or restated from time to time.

"Appraisal" means with respect to any assets, the opinion of an independent third party experienced in the valuation of similar assets, selected by the General Partner in good faith; such opinion may be in the form of an opinion by such independent third party that the value for such asset as set by the General Partner is fair, from a financial point of view, to the Partnership.

"Assignee" means a Person to whom one or more Partnership Units have been transferred in a manner permitted under this Agreement, but who has not become a Substituted Limited Partner, and who has the rights set forth in Section 11.5.

"Available Cash" means, with respect to any period for which such calculation is being made, (i) the sum of:

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(a) the Partnership's Net Income or Net Loss (as the case may be) for such period,

(b) Depreciation and all other noncash charges deducted in determining Net Income or Net Loss for such period,

(c) the amount of any reduction in reserves of the Partnership referred to in clause (ii)(f) below (including, without limitation, reductions resulting because the General Partner determines such amounts are no longer necessary),

(d) the excess of the net proceeds from the sale, exchange, disposition, or refinancing of Partnership property for such period over the gain (or loss, as the case may be) recognized from any such sale, exchange, disposition, or refinancing during such period (excluding Terminating Capital Transactions), and

(e) all other cash received by the Partnership for such period that was not included in determining Net Income or Net Loss for such period;

(ii) less the sum of:

(a) all principal debt payments made during such period by the Partnership,

(b) capital expenditures made by the Partnership during such period,

(c) investments in any entity (including loans made thereto) to the extent that such investments are not otherwise described in clauses (ii)(a) or (b),

(d) all other expenditures and payments not deducted in determining Net Income or Net Loss for such period,

(e) any amount included in determining Net Income or Net Loss for such period that was not received by the Partnership during such period,

(f) the amount of any increase in reserves established during such period which the General Partner determines are necessary or appropriate in its sole and absolute discretion, and

(g) the amount of any working capital accounts and other cash or similar balances which the General Partner determines to be necessary or appropriate in its sole and absolute discretion.

Notwithstanding the foregoing, Available Cash shall not include any cash received or reductions in reserves, or take into account any disbursements made or reserves established, after commencement of the dissolution and liquidation of the Partnership.

"Board of Directors" means the Board of Directors of the General Partner.

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"Business Day" means each day, other than a Saturday or a Sunday, which is not a day on which banking institutions in Los Angeles, California or New York, New York are authorized or required by law, regulation or executive order to close.

"Capital Account" means, with respect to any Partner, the Capital Account maintained for such Partner in accordance with the following provisions:

(i) To each Partner's Capital Account there shall be added such Partner's Capital Contributions, such Partner's share of Net Income and any items in the nature of income or gain which are specially allocated pursuant to Section 6.3, and the amount of any Partnership liabilities assumed by such Partner or which are secured by any property distributed to such Partner.

(ii) From each Partner's Capital Account there shall be subtracted the amount of cash and the Gross Asset Value of any property distributed to such Partner pursuant to any provision of this Agreement, such Partner's distributive share of Net Losses and any items in the nature of expenses or losses which are specially allocated pursuant to Section 6.3 hereof, and the amount of any liabilities of such Partner assumed by the Partnership or which are secured by any property contributed by such Partner to the Partnership.

(iii) In the event any interest in the Partnership is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

(iv) In determining the amount of any liability for purposes of subsections (i) and (ii) hereof, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

(v) The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Sections 1.704-1(b) and 1.704-2, and shall be interpreted and applied in a manner consistent with such Regulations. In the event the General Partner shall determine that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto (including, without limitation, debits or credits relating to liabilities which are secured by contributed or distributed property or which are assumed by the Partnership, the General Partner, or the Limited Partners) are computed in order to comply with such Regulations, the General Partner may make such modification; provided that, it is not likely to have a material effect on the amounts distributable to any Person pursuant to Article 13 of this Agreement upon the dissolution of the Partnership. The General Partner also shall (a) make any adjustments that are necessary or appropriate to maintain equality between the Capital Accounts of the Partners and the amount of Partnership capital reflected on the Partnership's balance sheet, as computed for book purposes, in accordance with Regulations Section 1.704-1(b) (2) (iv) (q) and (b) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Regulations Section 1.704-1(b) or Section 1.704-2.

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"Capital Contribution" means, with respect to any Partner, the amount of money and the initial Gross Asset Value of any property (other than money) contributed to the Partnership by such Partner.

"Cash Amount" means, with respect to any Partnership Units subject to a Redemption, an amount of cash equal to the Deemed Partnership Interest Value attributable to such Partnership Units.

"Certificate" means the Certificate of Limited Partnership relating

to the Partnership filed in the office of the Secretary of State of Delaware, as amended from time to time in accordance with the terms hereof and the Act.

"Charter" means the Company's Articles of Incorporation as of November 24, 1997, as amended by the Articles Supplementary filed with the Maryland Department of Assessments and Taxation on July 23, 1998, as further amended by the Articles Supplementary filed with the Maryland Department of Assessments and Taxation on November 12, 1998, as further amended by the Articles Supplementary filed by the Corporation on November 25, 1998, as further amended by the Certificate of Correction filed by the Corporation on March 18, 1999, as further amended by the Articles Supplementary filed with the Maryland Department of Assessments and Taxation on May 5, 1999, as further amended by the Articles Supplementary filed with the Maryland Department of Assessments and Taxation on August 31, 1999, as further amended by the Articles Supplementary filed with the Maryland Department of Assessments and Taxation on March 23, 2000, as further amended by the Articles Supplementary with the Maryland Department of Assessments and Taxation on August 30, 2000, as further amended by the Articles Supplementary filed with the Maryland Department of Assessments and Taxation on September 1, 2000, as further amended by the Articles Supplementary filed with the Maryland Department of Assessments and Taxation on March 21, 2001, as further amended by the Articles Supplementary filed with the Maryland Department of Assessments and Taxation on September 24, 2001 and as further amended or restated from time to time.

"Code" means the Internal Revenue Code of 1986, as amended from time to time or any successor statute thereto, as interpreted by the applicable regulations thereunder. Any reference herein to a specific section or sections of the Code shall be deemed to include a reference to any corresponding provision of future law.

"Common Unit" means each Partnership Unit that is not entitled to any preference with respect to any other Partnership Unit as to distribution or voluntary or involuntary liquidation, dissolution or winding up of the Partnership.

"Consent" means the consent to, approval of, or vote on a proposed action by a Partner given in accordance with Article 14 hereof.

"Consent of the Limited Partners" means the Consent of a Majority in Interest of the Limited Partners, other than the Preferred Limited Partners, which Consent shall be obtained prior to the taking of any action for which it is required by this Agreement and may be given or withheld by a Majority in Interest of the Limited Partners, unless otherwise expressly provided herein, in their sole and absolute discretion.

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"Consent of the Partners" means the Consent of Partners, other than the Preferred Limited Partners, holding Percentage Interests that in the aggregate are equal to or greater than a majority of the aggregate Percentage Interests of all Partners, other than the Preferred Limited Partners, which Consent shall be obtained prior to the taking of any action for which it is required by this Agreement and may be given or withheld by such Partners, in their sole and absolute discretion.

"Constructively Own" means ownership under the constructive ownership rules described in Exhibit C.

"Contributed Property" means each property or other asset, in such form as may be permitted by the Act, but excluding cash, contributed or deemed contributed to the Partnership (or, to the extent provided in applicable regulations, deemed contributed by the Partnership on termination and reconstitution thereof pursuant to Section 708 of the Code).

"Debt" means, as to any Person, as of any date of determination: (i) all indebtedness of such Person for borrowed money or for the deferred purchase price of property or services; (ii) all amounts owed by such Person to banks or other Persons in respect of reimbursement obligations under letters of credit, surety bonds and other similar instruments guaranteeing payment or other performance of obligations by such Person; (iii) all indebtedness for borrowed money or for the deferred purchase price of property or services secured by any lien on any property owned by such Person, to the extent attributable to such Person's interest in such property, even though such Person has not assumed or become liable for the payment thereof; and (iv) lease obligations of such Person which, in accordance with generally accepted accounting principles, should be capitalized.

"Deemed Partnership Interest Value" means, as of any date with respect to any class of Partnership Interests, the Deemed Value of the Partnership Interests of such class multiplied by the applicable Partner's Percentage Interest of such class.

"Deemed Value of the Partnership Interests" means, as of any date

with respect to any class or series of Partnership Interests, (i) the total number of Partnership Units of the General Partner in such class or series of Partnership Interests (as provided for in Sections 4.1 and 4.3.C) issued and outstanding as of the close of business on such date multiplied by the Fair Market Value determined as of such date of a share of capital stock of the General Partner which corresponds to such class or series of Partnership Interests, as adjusted pursuant to Section 7.5 (in the event the General Partner acquires material assets, other than on behalf of the Partnership) and for stock dividends and distributions, stock splits and subdivisions, reverse stock splits and combinations, distribution of warrants or options and distributions of evidences of indebtedness or assets not received by the General Partner pursuant to a pro rata distribution by the Partnership; (ii) divided by the Percentage Interest of the General Partner in such class or series of Partnership Interests on such date; provided, that if no outstanding shares of capital stock of the General Partner correspond to a class or series of Partnership Interests, the Deemed Value of the Partnership Interests with respect to such class or series shall be equal to an amount reasonably determined by the General Partner.

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"Depreciation" means, for each fiscal year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such year or other period, except that if the Gross Asset Value of an asset differs from its adjusted basis for Federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the Federal income tax depreciation, amortization or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis; provided, however, that if the Federal income tax depreciation, amortization or other cost recovery deduction for such year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the General Partner.

"Effective Date" means the date of closing of the initial public offering of REIT Shares upon which date contributions set forth on Exhibit A shall become effective.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Escrow Agreements" means one or more of the agreements between the Company, the Partnership and one or more of the Performance Investors, dated as of the closing of the date of the initial public offering of the common stock of the General Partner, pursuant to which the Performance Investors have deposited their Performance Shares in escrow for possible transfer to the General Partner or the Partnership (as applicable).

"Excess Performance Capital" means, with respect to a Performance Partner, an amount equal to the number of Partnership Units held by such Performance Partner, multiplied by the excess of (i) the Capital Account per Partnership Unit for such Performance Partner; over (ii) the Capital Account per Partnership Unit for a Limited Partner which is not a PLP or a Performance Partner. For purposes of (ii) above, it shall be assumed that the Limited Partner has no special arrangements with the Partnership, other than as set forth in this Agreement, which would cause its Capital Account per Partnership Unit to be different from the Capital Account per Partnership Unit of other Limited Partners who are not Performance Partners or PLPs. If the Partner described in (ii) above does not exist, the amount used for purposes of (ii) shall be the projected Capital Account balance per Partnership Unit for such Partner, determined in the reasonable discretion of the General Partner. For purposes of this definition, to the extent the Capital Account of a Partner which owns both Common Units and Preference Units is being considered, such Capital Account shall be equal to such Partner's Capital Account determined without regard to the adjustments arising from or as a result of the acquisition or ownership of Preference Units by such Partner.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Securities and Exchange Commission promulgated thereunder.

"Fair Market Value" means, with respect to any share of capital stock of the General Partner, the average of the daily market price for the ten (10) consecutive trading days immediately preceding the date with respect to which "Fair Market Value" must be determined hereunder or, if such date is not a Business Day, the immediately preceding Business Day. The market price for each such trading day shall be (i) if such shares are listed or admitted to trading

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on any securities exchange or the Nasdaq National Market, the closing price, regular way, on such day, or if no such sale takes place on such day, the average of the closing bid and asked prices on such day, (ii) if such shares are

not listed or admitted to trading on any securities exchange or the Nasdaq National Market, the last reported sale price on such day or, if no sale takes place on such day, the average of the closing bid and asked prices on such day, as reported by a reliable quotation source designated by the General Partner or (iii) if such shares are not listed or admitted to trading on any securities exchange or the Nasdaq National Market and no such last reported sale price or closing bid and asked prices are available, the average of the reported high bid and low asked prices on such day, as reported by a reliable quotation source designated by the General Partner, or if there shall be no bid and asked prices on such day, the average of the high bid and low asked prices, as so reported, on the most recent day (not more than ten (10) days prior to the date in question) for which prices have been so reported; provided, that if there are no bid and asked prices reported during the ten (10) days prior to the date in question, the Fair Market Value of such shares shall be determined by the General Partner acting in good faith on the basis of such quotations and other information as it considers, in its reasonable judgment, appropriate. In the event the REIT Shares Amount for such shares includes rights that a holder of such shares would be entitled to receive, then the Fair Market Value of such rights shall be determined by the General Partner acting in good faith on the basis of such quotations and other information as it considers, in its reasonable judgment, appropriate; provided, that in connection with determining the Deemed Value of the Partnership Interests for purposes of determining the number of additional Partnership Units issuable upon a Capital Contribution funded by an underwritten public offering of shares of capital stock of the General Partner, the Fair Market Value of such shares shall be the public offering price per share of such class of capital stock sold. Notwithstanding the foregoing, the General Partner in its reasonable discretion may use a different "Fair Market Value" for purposes of making the determinations under subparagraph (ii) of the definition of "Gross Asset Value" and Section 4.3.E. in connection with the contribution of Property to the Partnership by a third-party, provided such value shall be based upon the value per REIT Share (or per Partnership Unit) agreed upon by the General Partner and such third-party for purposes of such contribution.

"Funding Debt" means the incurrence of any Debt by or on behalf of the General Partner for the purpose of providing funds to the Partnership.

"General Partner" means the Company or its successors as general partner of the Partnership.

"General Partner Interest" means a Partnership Interest held by the General Partner. A General Partner Interest may be expressed as a number of Partnership Units.

"General Partner Loan" shall have the meaning set forth in Section 4.3.B.

"General Partner Payment" shall have the meaning set forth in Section 15.11.

"Gross Asset Value" means, with respect to any asset, the asset's adjusted basis for Federal income tax purposes, except as follows:

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(i) The initial Gross Asset Value of any asset contributed by a Partner to the Partnership shall be the gross fair market value of such asset, as determined by the contributing Partner and the General Partner (as set forth on Exhibit A attached hereto, as such Exhibit may be amended from time to time); provided, that if the contributing Partner is the General Partner then, except with respect to the General Partner's initial Capital Contribution which shall be determined as set forth on Exhibit A, or capital contributions of cash, REIT Shares or other shares of capital stock of the General Partner, the determination of the fair market value of the contributed asset shall be determined by (a) the price paid by the General Partner if the asset is acquired by the General Partner contemporaneously with its contribution to the Partnership or (b) by Appraisal if otherwise acquired by the General Partner.

(ii) Immediately prior to the times listed below, the Gross Asset Values of all Partnership assets shall be adjusted to equal their respective gross fair market values, as determined by the General Partner using such reasonable method of valuation as it may adopt; provided, however, that for such purpose, the net value of all of the Partnership assets, in the aggregate, shall be equal to the Deemed Value of the Partnership Interests of all classes of Partnership Interests then outstanding, regardless of the method of valuation adopted by the General Partner:

- (a) the acquisition of an additional interest in the Partnership by a new or existing Partner in exchange for more than a de minimis Capital Contribution, if the General Partner reasonably determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership;

- (b) the distribution by the Partnership to a Partner of more than a de minimis amount of Partnership property as consideration for an interest in the Partnership if the General Partner reasonably determines that such adjustment is necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership; the Partners agree that such an adjustment is appropriate when the Partnership effects a Redemption;
- (c) the liquidation of the Partnership within the meaning of Regulations Section 1.704-1(b) (2) (ii) (g);
- (d) the issuance of Performance Units; and
- (e) at such other times as the General Partner shall reasonably determine necessary or advisable in order to comply with Regulations Sections 1.704-1(b) and 1.704-2.

(iii) The Gross Asset Value of any Partnership asset distributed to a Partner shall be the gross fair market value of such asset on the date of distribution as determined by the distributee and the General Partner; provided, that if the distributee is the General Partner, or if the distributee and the General Partner cannot agree on such a determination, by Appraisal.

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

(v) If the Gross Asset Value of a Partnership asset has been determined or adjusted pursuant to subparagraph (i), (ii) or (iv), such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Net Income and Net Losses.

"Holder" means either the Partner or Assignee owning a Partnership Unit.

"Immediate Family" means, with respect to any natural Person, such natural Person's estate or heirs or current spouse or former spouse, parents, parents-in-law, children, siblings and grandchildren and any trust or estate, all of the beneficiaries of which consist of such Person or such Person's spouse, former spouse, parents, parents-in-law, children, siblings or grandchildren.

"IMS" means AMB Investment Management, Inc., a Maryland corporation, and any of its direct or indirect subsidiaries.

"Incapacity" or "Incapacitated" means: (i) as to any individual Partner, death, total physical disability or entry by a court of competent jurisdiction adjudicating him or her incompetent to manage his or her Person or his or her estate; (ii) as to any corporation which is a Partner, the filing of a certificate of dissolution, or its equivalent, for the corporation or the revocation of its charter; (iii) as to any partnership which is a Partner, the dissolution and commencement of winding up of the partnership; (iv) as to any estate which is a Partner, the distribution by the fiduciary of the estate's entire interest in the Partnership; (v) as to any trustee of a trust which is a Partner, the termination of the trust (but not the substitution of a new trustee); or (vi) as to any Partner, the bankruptcy of such Partner. For purposes of this definition, bankruptcy of a Partner shall be deemed to have occurred when (a) the Partner commences a voluntary proceeding seeking liquidation, reorganization or other relief under any bankruptcy, insolvency or other similar law now or hereafter in effect, (b) the Partner is adjudged as bankrupt or insolvent, or a final and nonappealable order for relief under any bankruptcy, insolvency or similar law now or hereafter in effect has been entered against the Partner, (c) the Partner executes and delivers a general assignment for the benefit of the Partner's creditors, (d) the Partner files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against the Partner in any proceeding of the nature described in clause (b) above, (e) the Partner seeks, consents to or acquiesces in the appointment of a trustee, receiver or liquidator for the Partner or for all or any substantial part of the Partner's properties, (f) any proceeding seeking liquidation, reorganization or other relief under any bankruptcy, insolvency or other similar law now or hereafter in effect has not been dismissed within one hundred and

twenty (120) days after the commencement thereof, (g) the appointment without the Partner's consent or acquiescence of a trustee, receiver or liquidator has not been vacated or stayed within ninety (90) days of such appointment or (h) an appointment referred to in clause (g) is not vacated within ninety (90) days after the expiration of any such stay.

"Indemnatee" means (i) any Person subject to a claim or demand or made or threatened to be made a party to, or involved or threatened to be involved in, an action, suit or proceeding by reason of his or her status as (a) the General Partner or (b) a director, officer, employee or agent of the Partnership or the General Partner and (ii) such other Persons (including Affiliates of the General Partner or the Partnership) as the General Partner may designate from time to time, in its sole and absolute discretion.

"IRS" means the Internal Revenue Service, which administers the internal revenue laws of the United States.

"Junior Units" means Partnership Units representing any class or series of Partnership Interest ranking, as to distributions or voluntary or involuntary liquidation, dissolution or winding up of the Partnership, junior to the Series A Preferred Units, the Series B Preferred Units and the Series J Preferred Units.

"Limited Partner" means any Person (including any PLP) named as a Limited Partner in Exhibit A attached hereto, as such Exhibit may be amended from time to time, any Substituted Limited Partner or Additional Limited Partner, in such Person's capacity as a Limited Partner in the Partnership.

"Limited Partnership Interest" means a Partnership Interest of a Limited Partner representing a fractional part of the Partnership Interests of all Limited Partners and includes any and all benefits to which the holder of such a Partnership Interest may be entitled as provided in this Agreement, together with all obligations of such Person to comply with the terms and provisions of this Agreement. A Limited Partnership Interest may be expressed as a number of Partnership Units.

"Liquidating Events" shall have the meaning set forth in Section 13.1.

"Liquidator" shall have the meaning set forth in Section 13.2.A.

"Majority in Interest of the Limited Partners" means Limited Partners (other than the General Partner and any Limited Partner fifty percent (50%) or more of whose equity is owned, directly or indirectly, by the General Partner, and any Preferred Limited Partner) holding Percentage Interests that in the aggregate are greater than fifty percent (50%) of the aggregate Percentage Interests of all Limited Partners (other than the General Partner and any Limited Partner fifty percent (50%) or more of whose equity is owned, directly or indirectly, by the General Partner and any Preferred Limited Partner).

"Majority in Interest of Partners" means Partners (other than Preferred Limited Partners) holding Percentage Interests that are greater than fifty percent (50%) of the aggregate Percentage Interests of all Partners (other than Preferred Limited Partners).

"Net Income" or "Net Loss" means for each fiscal year of the Partnership, an amount equal to the Partnership's taxable income or loss for such fiscal year, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(i) Any income of the Partnership that is exempt from Federal income tax and not otherwise taken into account in computing Net Income or Net Loss pursuant to this definition of Net Income or Net Loss shall be added to such taxable income or loss;

(ii) Any expenditures of the Partnership described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Net Income or Net Loss pursuant to this definition of Net Income or Net Loss shall be subtracted from such taxable income or loss;

(iii) In the event the Gross Asset Value of any Partnership asset is adjusted pursuant to subparagraph (ii) or (iii) of the definition of Gross Asset Value, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Net Income or Net

Loss; in the event the Gross Asset Value of any Partnership asset is adjusted pursuant to subparagraph (ii) of the definition of Gross Asset Value, the amount of such adjustment shall be taken into account as gain or loss from the disposition of all Partnership assets in a Terminating Capital Transaction for purposes of computing Net Income or Net Loss as set forth in Article 6;

(iv) Gain or loss resulting from any disposition of property with respect to which gain or loss is recognized for Federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(v) In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such fiscal year;

(vi) To the extent an adjustment to the adjusted tax basis of any Partnership asset pursuant to Code Section 734(b) or Code Section 743(b) is required pursuant to Regulations Section 1.704-1(b)(2)(iv)(m)(4) to be taken into account in determining Capital Accounts as a result of a distribution other than in liquidation of a Partner's interest in the Partnership, the amount of such adjustment shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) from the disposition of the asset and shall be taken into account for purposes of computing Net Income or Net Loss; and

(vii) Notwithstanding any other provision of this definition of Net Income or Net Loss, any items which are specially allocated pursuant to Section 6.3 shall not be taken into account in computing Net Income or Net Loss. The amounts of the items of Partnership income, gain, loss, or deduction available to be specially allocated pursuant to Section 6.3 shall be

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determined by applying rules analogous to those set forth in this definition of Net Income or Net Loss.

"New Securities" means (i) any rights, options, warrants or convertible or exchangeable securities having the right to subscribe for or purchase REIT Shares or other shares of capital stock of the General Partner, excluding grants under any Stock Incentive Plan or (ii) any Debt issued by the General Partner that provides any of the rights described in clause (i).

"Nonrecourse Deductions" shall have the meaning set forth in Regulations Section 1.704-2(b)(1), and the amount of Nonrecourse Deductions for a Partnership Year shall be determined in accordance with the rules of Regulations Section 1.704-2(c).

"Nonrecourse Liability" shall have the meaning set forth in Regulations Section 1.752-1(a)(2).

"Notice of Redemption" means the Notice of Redemption substantially in the form of Exhibit B to this Agreement.

"Offering Costs" means the aggregate amounts expended by the General Partner which related to the organization of the Partnership and the General Partner, or to the initial public offering or subsequent offerings of REIT Shares or other shares of capital stock of the General Partner, the net proceeds of which were used to make a contribution to the Partnership, in each case to the extent such expenses of the General Partner were not reimbursed by the Partnership.

"Parity Preferred Unit" means any class or series of Partnership Interests of the Partnership now or hereafter authorized, issued or outstanding expressly designated by the Partnership to rank on a parity with the Series A Preferred Units, the Series B Preferred Units and the Series J Preferred Units with respect to distributions or rights upon voluntary or involuntary liquidation, winding up or dissolution of the Partnership, or both, as the context may require.

"Partner" means a General Partner or a Limited Partner, and "Partners" means the General Partner and the Limited Partners.

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

"Partner Nonrecourse Debt" shall have the meaning set forth in Regulations Section 1.704-2(b)(4).

"Partner Nonrecourse Deductions" shall have the meaning set forth in Regulations Section 1.704-2(i)(2), and the amount of Partner Nonrecourse

Deductions with respect to a Partner Nonrecourse Debt for a Partnership Year shall be determined in accordance with the rules of Regulations Section 1.704-2(i)(2).

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"Partnership" means the limited partnership formed under the Act and pursuant to this Agreement, and any successor thereto.

"Partnership Interest" means an ownership interest in the Partnership of either a Limited Partner or the General Partner and includes any and all benefits to which the holder of such a Partnership Interest may be entitled as provided in this Agreement, together with all obligations of such Person to comply with the terms and provisions of this Agreement. There may be one or more classes of Partnership Interests as provided in Section 4.3. A Partnership Interest may be expressed as a number of Partnership Units. Unless otherwise expressly provided for by the General Partner at the time of the original issuance of any Partnership Interests, all Partnership Interests (whether of a Limited Partner or a General Partner) shall be of the same class. The Partnership Interests represented by the Common Units (including Performance Units), the Series A Preferred Units, the Series B Preferred Units and the Series J Preferred Units are the only Partnership Interests and each such type of unit is a separate class of Partnership Interest for all purposes of this Agreement.

"Partnership Minimum Gain" shall have the meaning set forth in Regulations Section 1.704-2(b)(2), and the amount of Partnership Minimum Gain, as well as any net increase or decrease in Partnership Minimum Gain, for a Partnership Year shall be determined in accordance with the rules of Regulations Section 1.704-2(d).

"Partnership Record Date" means the record date established by the General Partner for the distribution of Available Cash with respect to Common Units pursuant to Section 5.1 which record date shall be the same as the record date established by the General Partner for a distribution to its stockholders of some or all of its portion of such distribution.

"Partnership Unit" means, with respect to any class of Partnership Interest, a fractional, undivided share of such class of Partnership Interest issued pursuant to Sections 4.1 and 4.3 (including Performance Units). The ownership of Partnership Units may be evidenced by a certificate for units substantially in the form of Exhibit D-1 or D-2 hereto or as the General Partner may determine with respect to any class of Partnership Units issued from time to time under Sections 4.1 and 4.3.

"Partnership Year" means the fiscal year of the Partnership, which shall be the calendar year.

"Percentage Interest" means, as to a Partner holding a class of Partnership Interests, its interest in the Partnership as determined by dividing the Partnership Units of such class owned by such Partner by the total number of Partnership Units of such class then outstanding as specified in Exhibit A attached hereto, as such Exhibit may be amended from time to time. If the Partnership issues more than one class of Partnership Interest, the interest in the Partnership among the classes of Partnership Interests shall be determined as set forth in the amendment to the Partnership Agreement setting forth the rights and privileges of such additional classes of Partnership Interest, if any, as contemplated by Section 4.3.C.

"Performance Amount" means, with respect to a PLP on a specified date, (i) in the case of a Redemption, a number of Performance Units equal to (a) the amount of such PLP's

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Capital Account balance immediately following the revaluation of the Partnership's assets as of such date pursuant to the definitions of "Gross Asset Value" (paragraph (ii) therein) and "Net Income" (paragraph (iii) therein), divided by (b) the Fair Market Value of a REIT Share; and (ii) in the case of an exchange of Performance Units for the REIT Shares Amount, the same number of Performance Units as determined pursuant to subparagraph (i) above.

"Performance Investors" means shareholders of the General Partner and Limited Partners who are parties to one or more of the Escrow Agreements.

"Performance Partners" means Partners which had the number of their Partnership Units reduced pursuant to Section 4.3.F.

"Performance Shares" means a portion of the REIT Shares or Partnership Units issued to the Performance Investors which were escrowed pursuant to the Escrow Agreements for possible transfer to the General Partner

or the Partnership (as applicable), the applicable number of which for each Performance Investor is described in the applicable Escrow Agreement.

"Performance Units" means those Partnership Units issued pursuant to Section 4.3.F.

"Permitted Reason" means a termination of employment by reason of death, disability, termination by the employer without "cause," or termination by a Person of their employment for "good reason." For purposes of this definition, "cause" shall mean (i) gross negligence or willful misconduct, (ii) breach by the Person of the covenant not to compete provided in their employment agreement during the one year period following the closing of the initial public offering of common stock of the General Partner, (iii) fraud or other conduct against the material best interests of the General Partner, the Partnership or their subsidiaries, or (iv) conviction of a felony if such conviction has a material adverse effect on the General Partner, the Partnership or their subsidiaries. For purposes of this definition, "good reason" means (a) a substantial adverse change in the nature or scope of a Person's responsibilities or authority under the Person's employment agreement, or (b) an uncured breach by the employer of any of its material obligations under such employment agreement.

"Person" means an individual or a corporation, partnership, limited liability company, trust, unincorporated organization, association or other entity.

"Plan Asset Regulation" means the regulations promulgated by the United States Department of Labor in Title 29, Code of Federal Regulations, Part 2510, Section 101-3, and any successor regulations thereto.

"Pledge" shall have the meaning set forth in Section 11.3.A.

"PLP" means at any time, any Person who then owns one or more Performance Units, including Performance Units which have not vested.

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"Preferred Distribution Shortfall" shall have the meaning given to such term in Section 5.1 hereof.

"Preferred Limited Partner" means any Person holding a Preferred Unit, and named as a Preferred Limited Partner in Exhibit A attached hereto, as such Exhibit may be amended from time to time, or any Substitute Limited Partner or Additional Limited Partner, in such Person's capacity as a Preferred Limited Partner in the Partnership.

"Preferred Share" means a share of the General Partner's preferred stock, par value \$.01 per share, with such rights, priorities and preferences as shall be designated by the Board of Directors in accordance with the Charter.

"Preferred Unit" means a Partnership Unit representing a Partnership Interest, with such rights, priorities and preferences as shall be designated by the General Partner pursuant to Section 4.3.C hereof, including without limitation, the Series A Preferred Units, the Series B Preferred Units and the Series J Preferred Units.

"Priority Return" means with respect to (i) the Series A Preferred Units, the Series A Priority Return, (ii) the Series B Preferred Units, the Series B Priority Return and (iii) the Series J Preferred Units, the Series J Priority Return.

"Properties" means such interests in real property and personal property including without limitation, fee interests, interests in ground leases, interests in joint ventures, interests in mortgages, and Debt instruments as the Partnership may hold from time to time.

"Qualified REIT Subsidiary" means any Subsidiary of the General Partner that is a "qualified REIT subsidiary" within the meaning of Section 856(i) of the Code.

"Qualified Transferee" means an "Accredited Investor" as defined in Rule 501 promulgated under the Securities Act.

"Redemption" shall have the meaning set forth in Section 8.6.A.

"Regulations" means the Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

"Regulatory Allocations" shall have the meaning set forth in Section 6.3.A(viii).

"REIT" means a real estate investment trust under Sections 856 through 860 of the Code.

"REIT Requirements" shall have the meaning set forth in Section 5.1.

"REIT Share" means a share of common stock, par value \$.01 per share, of the General Partner.

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"REIT Shares Amount" means, as of any date, an aggregate number of REIT Shares equal to the number of Tendered Units, or in the case of Section 11.2.B, all Units, as adjusted pursuant to Section 7.5 (in the event the General Partner acquires material assets, other than on behalf of the Partnership) and for stock dividends and distributions, stock splits and subdivisions, reverse stock splits and combinations, distributions of rights, warrants or options, and distributions of evidences of indebtedness or assets relating to assets not received by the General Partner pursuant to a pro rata distribution by the Partnership.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations of the Securities and Exchange Commission promulgated thereunder.

"Series A Articles Supplementary" means the Articles Supplementary of the General Partner in connection with its Series A Preferred Shares, as filed with the Maryland Department of Revenue and Taxation on July 23, 1998.

"Series A Preferred Capital" means a Capital Account balance equal to the product of (i) the number of Series A Preferred Units then held by the Partner multiplied by (ii) the sum of \$25 and any Preferred Distribution Shortfall per Series A Preferred Unit.

"Series A Preferred Share" means a share of 8 1/2% Series A Cumulative Redeemable Preferred Stock, par value \$.01 per share, liquidation preference \$25 per share, of the General Partner.

"Series A Preferred Units" means the Partnership's 8 1/2% Series A Cumulative Redeemable Partnership Units.

"Series A Preferred Unit Distribution Payment Date" shall have the meaning set forth in Section 16.3.A hereof.

"Series A Priority Return" shall mean an amount equal to 8 1/2% per annum on an amount equal to \$25 per Series A Preferred Unit then outstanding (equivalent to \$2.125 per annum). Such amount shall be determined on a daily basis computed on the basis of a 360-day year of twelve 30-day months (or actual days for any month which is shorter than a full monthly period), cumulative from July 27, 1998 to the extent not distributed for any given distribution period pursuant to Sections 5.1 and 16.3 hereof. Notwithstanding the foregoing, distributions on the Series A Preferred Units will accrue whether or not the terms and provisions of any agreement of the Partnership at any time prohibit the current payment of distributions, whether or not the Partnership has earnings, whether or not there are funds legally available for the payment of such distributions and whether or not such distributions are authorized. Accrued but unpaid distributions on the Series A Preferred Units will accumulate as of the Preferred Unit Distribution Payment Date on which they first become payable.

"Series B Articles Supplementary" means the Articles Supplementary of the General Partner in connection with its Series B Preferred Shares, as filed with the Maryland Department of Revenue and Taxation on November 12, 1998.

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"Series B Limited Partner" means any Person holding Series B Preferred Units and named as a Series B Limited Partner in Exhibit A attached hereto, as such Exhibit may be amended from time to time, or any Substitute Limited Partner, in such Person's capacity as a Limited Partner in the Partnership.

"Series B Preferred Capital" means a Capital Account balance equal to the product of (i) the number of Series B Preferred Units then held by the Partner multiplied by (ii) the sum of \$50 and any Preferred Distribution Shortfall per Series B Preferred Unit.

"Series B Preferred Share" means a share of 8S% Series B Cumulative Redeemable Preferred Stock, par value \$.01 per share, liquidation preference \$50 per share, of the General Partner.

"Series B Preferred Units" means the Partnership's 8S% Series B Cumulative Redeemable Partnership Units.

"Series B Preferred Unit Distribution Payment Date" shall have the meaning set forth in Section 17.3.A hereof.

"Series B Priority Return" shall mean an amount equal to 8S% per annum on an amount equal to \$50 per Series B Preferred Unit then outstanding (equivalent to \$4.3125 per annum). Such amount shall be determined on a daily basis computed on the basis of a 360-day year of twelve 30-day months (or actual days for any month which is shorter than a full monthly period), cumulative from November 12, 1998 to the extent not distributed for any given distribution period pursuant to Sections 5.1 and 17.3 hereof. Notwithstanding the foregoing, distributions on the Series B Preferred Units will accrue whether or not the terms and provisions of any agreement of the Partnership at any time prohibit the current payment of distributions, whether or not the Partnership has earnings, whether or not there are funds legally available for the payment of such distributions and whether or not such distributions are authorized. Accrued but unpaid distributions on the Series B Preferred Units will accumulate as of the Preferred Unit Distribution Payment Date on which they first become payable.

"Series J Articles Supplementary" means the Articles Supplementary of the General Partner in connection with its Series J Preferred Shares, as filed with the Maryland Department of Revenue and Taxation on September 24, 2001.

"Series J Limited Partner" means any Person holding Series J Preferred Units and named as a Series J Limited Partner in Exhibit A attached hereto, as such Exhibit may be amended from time to time, or any Substitute Limited Partner, in such Person's capacity as a Limited Partner in the Partnership.

"Series J Preferred Capital" means a Capital Account balance equal to the product of (i) the number of Series J Preferred Units then held by the Partner multiplied by (ii) the sum of \$50 and any Preferred Distribution Shortfall per Series J Preferred Unit.

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"Series J Preferred Share" means a share of 7.95% Series J Cumulative Redeemable Preferred Stock, par value \$.01 per share, liquidation preference \$50 per share, of the General Partner.

"Series J Preferred Units" means the Partnership's 7.95% Series J Cumulative Redeemable Partnership Units.

"Series J Preferred Unit Distribution Payment Date" shall have the meaning set forth in Section 18.3.A hereof.

"Series J Priority Return" shall mean an amount equal to 7.95% per annum on an amount equal to \$50 per Series J Preferred Unit then outstanding (equivalent to \$3.975 per annum). Such amount shall be determined on a daily basis computed on the basis of a 360-day year of twelve 30-day months (or actual days for any month which is shorter than a full monthly period), cumulative from September 21, 2001 to the extent not distributed for any given distribution period pursuant to Sections 5.1 and 18.3 hereof. Notwithstanding the foregoing, distributions on the Series J Preferred Units will accrue whether or not the terms and provisions of any agreement of the Partnership at any time prohibit the current payment of distributions, whether or not the Partnership has earnings, whether or not there are funds legally available for the payment of such distributions and whether or not such distributions are authorized. Accrued but unpaid distributions on the Series J Preferred Units will accumulate as of the Preferred Unit Distribution Payment Date on which they first become payable.

"Specified Redemption Date" means the day of receipt by the General Partner of a Notice of Redemption.

"Stock Incentive Plan" means any stock incentive plan of the General Partner.

"Subsidiary" shall mean, with respect to any person, any corporation, partnership, limited liability company, joint venture or other entity of which a majority of (i) the voting power of the voting equity securities or (ii) the outstanding equity interests, is owned, directly or indirectly, by such person.

"Subsidiary Partnership" means any partnership or limited liability company that is a Subsidiary of the Partnership.

"Substituted Limited Partner" means a Person who is admitted as a Limited Partner to the Partnership pursuant to Section 11.4.

"Surviving Partnership" shall have the meaning set forth in Section 11.2.C.

"Tax Items" shall have the meaning set forth in Section 6.4.A.

"Tenant" means any tenant from which the General Partner derives rent

either directly or indirectly through partnerships, including the Partnership.

"Tendered Units" shall have the meaning set forth in Section 8.6.A.

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"Tendering Partner" shall have the meaning set forth in Section 8.6.A.

"Terminating Capital Transaction" means any sale or other disposition of all or substantially all of the assets of the Partnership or a related series of transactions that, taken together, result in the sale or other disposition of all or substantially all of the assets of the Partnership.

"Termination Transaction" shall have the meaning set forth in Section 11.2.B.

Section 1.2 Rules of Construction

Unless otherwise indicated, all references herein to "REIT," "REIT Requirements," "REIT Shares" and "REIT Shares Amount" with respect to the General Partner shall apply only with reference to the Company.

ARTICLE 2. ORGANIZATIONAL MATTERS

Section 2.1 Organization

The Partnership is a limited partnership formed pursuant to the provisions of the Act and upon the terms and conditions set forth in this Agreement. Except as expressly provided herein, the rights and obligations of the Partners and the administration and termination of the Partnership shall be governed by the Act. The Partnership Interest of each Partner shall be personal property for all purposes.

Section 2.2 Name

The name of the Partnership is AMB Property, L.P. The Partnership's business may be conducted under any other name or names deemed advisable by the General Partner, including the name of the General Partner or any Affiliate thereof. The words "Limited Partnership," "L.P.," "Ltd." or similar words or letters shall be included in the Partnership's name where necessary for the purposes of complying with the laws of any jurisdiction that so requires. The General Partner in its sole and absolute discretion may change the name of the Partnership at any time and from time to time and shall notify the Limited Partners of such change in the next regular communication to the Limited Partners.

Section 2.3 Resident Agent; Principal Office

The name and address of the resident agent of the Partnership in the State of Delaware is The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801. The address of the principal office of the Partnership in the State of Delaware is The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801 at such address. The principal office of the Partnership is located at Pier 1, Bay 1, San Francisco, California 94111, or such other place as the General Partner may from time to time designate by notice to the Limited Partners. The Partnership may maintain offices at such other place or places within or outside the State of Delaware as the General Partner deems advisable.

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Section 2.4 Power of Attorney

A. Each Limited Partner and each Assignee constitutes and appoints the General Partner, any Liquidator, and authorized officers and attorneys-in-fact of each, and each of those acting singly, in each case with full power of substitution, as its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead to:

- (i) execute, swear to, acknowledge, deliver, file and record in the appropriate public offices: (a) all certificates, documents and other instruments (including, without limitation, this Agreement and the Certificate and all amendments or restatements thereof) that the General Partner or the Liquidator deems appropriate or necessary to form, qualify or continue the existence or qualification of the Partnership as a limited partnership (or a partnership in which the Limited Partners have limited liability) in the State of Delaware and in all other jurisdictions in which the

Partnership may conduct business or own property; (b) all instruments that the General Partner or any Liquidator deems appropriate or necessary to reflect any amendment, change, modification or restatement of this Agreement in accordance with its terms; (c) all conveyances and other instruments or documents that the General Partner or any Liquidator deems appropriate or necessary to reflect the dissolution and liquidation of the Partnership pursuant to the terms of this Agreement, including, without limitation, a certificate of cancellation; (d) all instruments relating to the admission, withdrawal, removal or substitution of any Partner pursuant to, or other events described in, Articles 11, 12 and 13 or the Capital Contribution of any Partner; and (e) all certificates, documents and other instruments relating to the determination of the rights, preferences and privileges of Partnership Interests; and

- (ii) execute, swear to, acknowledge and file all ballots, consents, approvals, waivers, certificates and other instruments appropriate or necessary, in the sole and absolute discretion of the General Partner or any Liquidator, to make, evidence, give, confirm or ratify any vote, consent, approval, agreement or other action which is made or given by the Partners hereunder or is consistent with the terms of this Agreement or appropriate or necessary, in the sole discretion of the General Partner or any Liquidator, to effectuate the terms or intent of this Agreement.

Nothing contained herein shall be construed as authorizing the General Partner or any Liquidator to amend this Agreement except in accordance with Article 14 or as may be otherwise expressly provided for in this Agreement.

B. The foregoing power of attorney is hereby declared to be irrevocable and a power coupled with an interest, in recognition of the fact that each of the Partners will be relying upon the power of the General Partner and any Liquidator to act as contemplated by this Agreement in any filing or other action by it on behalf of the Partnership, and it shall survive and

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not be affected by the subsequent Incapacity of any Limited Partner or Assignee and the transfer of all or any portion of such Limited Partner's or Assignee's Partnership Units and shall extend to such Limited Partner's or Assignee's heirs, successors, assigns and personal representatives. Each such Limited Partner or Assignee hereby agrees to be bound by any representation made by the General Partner or any Liquidator, acting in good faith pursuant to such power of attorney; and each such Limited Partner or Assignee hereby waives any and all defenses which may be available to contest, negate or disaffirm the action of the General Partner or any Liquidator, taken in good faith under such power of attorney. Each Limited Partner or Assignee shall execute and deliver to the General Partner or any Liquidator, within fifteen (15) days after receipt of the General Partner's or Liquidator's request therefor, such further designation, powers of attorney and other instruments as the General Partner or the Liquidator, as the case may be, deems necessary to effectuate this Agreement and the purposes of the Partnership.

Section 2.5 Term

The term of the Partnership commenced on October 15, 1997 and shall continue until December 31, 2096 unless it is dissolved sooner pursuant to the provisions of Article 13 or as otherwise provided by law.

Section 2.6 Number of Partners

Without the consent of the General Partner which may be given or withheld in its sole discretion, the Partnership shall not at any time have more than one hundred (100) partners (including as partners those persons indirectly owning an interest in the Partnership through a partnership, limited liability company, S corporation or grantor trust (such entity, a "flow through entity"), but only if substantially all of the value of such person's interest in the flow through entity is attributable to the flow through entity's interest (direct or indirect) in the Partnership).

ARTICLE 3. PURPOSE

Section 3.1 Purpose and Business

The purpose and nature of the business to be conducted by the Partnership is (i) to conduct any business that may be lawfully conducted by a limited partnership organized pursuant to the Act; provided, however, that such business shall be limited to and conducted in such a manner as to permit the General Partner at all times to be classified as a REIT for Federal income tax

purposes, unless the General Partner ceases to qualify as a REIT for reasons other than the conduct of the business of the Partnership, (ii) to enter into any partnership, joint venture or other similar arrangement to engage in any of the foregoing or to own interests in any entity engaged, directly or indirectly, in any of the foregoing and (iii) to do anything necessary or incidental to the foregoing. In connection with the foregoing, and without limiting the General Partner's right in its sole discretion to cease qualifying as a REIT, the Partners acknowledge that the General Partner's current status as a REIT inures to the benefit of all the Partners and not solely the General Partner.

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Section 3.2 Powers

The Partnership is empowered to do any and all acts and things necessary, appropriate, proper, advisable, incidental to or convenient for the furtherance and accomplishment of the purposes and business described herein and for the protection and benefit of the Partnership, including, without limitation, full power and authority, directly or through its ownership interest in other entities, to enter into, perform and carry out contracts of any kind, borrow money and issue evidences of indebtedness, whether or not secured by mortgage, deed of trust, pledge or other lien, acquire and develop real property, and manage, lease, sell, transfer and dispose of real property; provided, however, not withstanding anything to the contrary in this Agreement, the Partnership shall not take, or refrain from taking, any action which, in the judgment of the General Partner, in its sole and absolute discretion, (i) could adversely affect the ability of the General Partner to continue to qualify as a REIT, (ii) absent the consent of the General Partner, which may be given or withheld in its sole and absolute discretion, and except with respect to the distribution of Available Cash to the Series B Limited Partners in accordance with Section 17.3 and the Series J Limited Partners in accordance with Section 18.3, could subject the General Partner to any taxes under Section 857 or Section 4981 of the Code, or (iii) could violate any law or regulation of any governmental body or agency having jurisdiction over the General Partner or its securities, unless any such action (or inaction) under the foregoing clauses (i), (ii) or (iii) shall have been specifically consented to by the General Partner in writing.

Section 3.3 Partnership Only for Purposes Specified

The Partnership shall be a partnership only for the purposes specified in Section 3.1, and this Agreement shall not be deemed to create a partnership among the Partners with respect to any activities whatsoever other than the activities within the purposes of the Partnership as specified in Section 3.1. Except as otherwise provided in this Agreement, no Partner shall have any authority to act for, bind, commit or assume any obligation or responsibility on behalf of the Partnership, its properties or any other Partner. No Partner, in its capacity as a Partner under this Agreement, shall be responsible or liable for any indebtedness or obligation of another Partner, nor shall the Partnership be responsible or liable for any indebtedness or obligation of any Partner, incurred either before or after the execution and delivery of this Agreement by such Partner, except as to those responsibilities, liabilities, indebtedness or obligations incurred pursuant to and as limited by the terms of this Agreement and the Act.

Section 3.4 Representations and Warranties by the Parties

A. Each Partner that is an individual represents and warrants to each other Partner that (i) such Partner has in the case of any Person other than an individual, the power and authority, and in the case of an individual, the legal capacity, to enter into this Agreement and perform such Partner's obligations hereunder, (ii) the consummation of the transactions contemplated by this Agreement to be performed by such Partner will not result in a breach or violation of, or a default under, any agreement by which such Partner or any of such Partner's property is or are bound, or any statute, regulation, order or other law to which such Partner is subject, (iii) such Partner is neither a "foreign person" within the meaning of Section 1445(f) of

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the Code nor a "foreign partner" within the meaning of Section 1446(e) of the Code and (iv) this Agreement has been duly executed and delivered by such Partner and is binding upon, and enforceable against, such Partner in accordance with its terms.

B. Each Partner that is not an individual represents and warrants to each other Partner that (i) its execution and delivery of this Agreement and all transactions contemplated by this Agreement to be performed by it have been duly authorized by all necessary action, including without limitation, that of its general partner(s), committee(s), trustee(s), beneficiaries, directors and/or stockholder(s), as the case may be, as required, (ii) the consummation of such

transactions shall not result in a breach or violation of, or a default under, its certificate of limited partnership, partnership agreement, trust agreement, limited liability company operating agreement, charter or by-laws, as the case may be, any agreement by which such Partner or any of such Partner's properties or any of its partners, beneficiaries, trustees or stockholders, as the case may be, is or are bound, or any statute, regulation, order or other law to which such Partner or any of its partners, trustees, beneficiaries or stockholders, as the case may be, is or are subject, (iii) such Partner is neither a "foreign person" within the meaning of Section 1445(f) of the Code nor a "foreign partner" within the meaning of Section 1446(e) of the Code and (iv) this Agreement has been duly executed and delivered by such Partner and is binding upon, and enforceable against, such Partner in accordance with its terms.

C. Each Partner represents, warrants and agrees that it has acquired and continues to hold its interest in the Partnership for its own account for investment only and not for the purpose of, or with a view toward, the resale or distribution of all or any part thereof, nor with a view toward selling or otherwise distributing such interest or any part thereof at any particular time or under any predetermined circumstances. Each Partner further represents and warrants that it is a sophisticated investor, able and accustomed to handling sophisticated financial matters for itself, particularly real estate investments, and that it has a sufficiently high net worth that it does not anticipate a need for the funds it has invested in the Partnership in what it understands to be a highly speculative and illiquid investment.

D. Each Partner further represents, warrants and agrees as follows:

(i) Except as provided in Exhibit E, at any time such Partner actually or Constructively Owns a 25% or greater capital interest or profits interest in the Partnership, it does not and will not, without the prior written consent of the General Partner, actually own or Constructively Own (a) with respect to any Tenant that is a corporation, any stock of such Tenant and (b) with respect to any Tenant that is not a corporation, any interests in either the assets or net profits of such Tenant.

(ii) Except as provided in Exhibit F, at any time such Partner actually or Constructively Owns a 25% or greater capital interest or profits interest in the Partnership, it does not, and agrees that it will not without the prior written consent of the General Partner, actually own or Constructively Own, any stock in the General Partner, other than any REIT Shares or other shares of capital stock of the General Partner such Partner may acquire (a) as a result of an exchange of Tendered Units pursuant to Section 8.6 or (b) upon the exercise of options granted or delivery of REIT Shares pursuant to any

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Stock Incentive Plan, in each case subject to the ownership limitations set forth in the General Partner's Charter.

(iii) Upon request of the General Partner, it will disclose to the General Partner the amount of REIT Shares or other shares of capital stock of the General Partner that it actually owns or Constructively Owns.

(iv) It understands that if, for any reason, (a) the representations, warranties or agreements set forth in Section 3.4.D(i) or (ii) are violated or (b) the Partnership's actual or Constructive Ownership of the REIT Shares or other shares of capital stock of the General Partner violates the limitations set forth in the Charter, then (x) some or all of the Redemption rights or rights of the Limited Partners to exchange Partnership Interests for Series B Preferred Shares or for Series J Preferred Shares may become non-exercisable, and (y) some or all of such shares owned by the Partners and/or some or all of the Partnership Interests owned by the Limited Partners may be automatically transferred to a trust for the benefit of a charitable beneficiary, as provided in the Charter and Exhibit J of this Agreement, respectively.

E. The representations and warranties contained in Sections 3.4.A, 3.4.B, 3.4.C and 3.4.D shall survive the execution and delivery of this Agreement by each Partner and the dissolution and winding up of the Partnership.

F. Each Partner hereby acknowledges that no representations as to potential profit, cash flows, funds from operations or yield, if any, in respect of the Partnership or the General Partner have been made by any Partner or any employee or representative or Affiliate of any Partner, and that projections and any other information, including, without limitation, financial and descriptive information and documentation, which may have been in any manner submitted to such Partner shall not constitute any representation or warranty of any kind or nature, express or implied.

Section 3.5 Certain ERISA Matters

Each Partner acknowledges that the Partnership is intended to qualify as a "real estate operating company" (as such term is defined in the Plan Asset Regulation). The General Partner will use its reasonable best efforts to structure the investments in, relationships with and conduct with respect to Properties and any other assets of the Partnership so that the Partnership will be a "real estate operating company" (as such term is defined in the Plan Asset Regulation).

ARTICLE 4. CAPITAL CONTRIBUTIONS

Section 4.1 Capital Contributions of the Partners

At the time of their respective execution of this Agreement, the Partners shall make or shall have made Capital Contributions as set forth in Exhibit A to this Agreement. The Partners shall own Partnership Units of the class and in the amounts set forth in Exhibit A and shall have a Percentage Interest in the Partnership as set forth in Exhibit A, which Percentage

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Interest shall be adjusted in Exhibit A from time to time by the General Partner to the extent necessary to accurately reflect exchanges, redemptions, Capital Contributions, the issuance of additional Partnership Units (including the issuance of Performance Units pursuant to Section 4.3.F) or similar events having an effect on a Partner's Percentage Interest. Except as required by law or as otherwise provided in Sections 4.3, 4.4 and 10.5, no Partner shall be required or permitted to make any additional Capital Contributions or loans to the Partnership. Unless otherwise specified by the General Partner at the time of the creation of any class of Partnership Interests, the corresponding class of capital stock for any Partnership Units issued shall be REIT Shares.

Section 4.2 Loans by Third Parties

Subject to Section 4.3, the Partnership may incur Debt, or enter into other similar credit, guarantee, financing or refinancing arrangements for any purpose (including, without limitation, in connection with any further acquisition of Properties) with any Person that is not the General Partner upon such terms as the General Partner determines appropriate; provided, that the Partnership shall not incur any Debt that is recourse to the General Partner, except to the extent otherwise agreed to by the General Partner in its sole discretion.

Section 4.3 Additional Funding and Capital Contributions

A. General. The General Partner may, at any time and from time to time, determine that the Partnership requires additional funds ("Additional Funds") for the acquisition of additional Properties or for such other Partnership purposes as the General Partner may determine. Additional Funds may be raised by the Partnership, at the election of the General Partner, in any manner provided in, and in accordance with, the terms of this Section 4.3. No Person shall have any preemptive, preferential or similar right or rights to subscribe for or acquire any Partnership Interest, except as set forth in this Section 4.3.

B. General Partner Loans. The General Partner may enter into a Funding Debt, including, without limitation, Funding Debt that is convertible into REIT Shares, and lend the Additional Funds to the Partnership (a "General Partner Loan"); provided, however, that the General Partner shall not be obligated to lend the net proceeds of any Funding Debt to the Partnership in a manner that would be inconsistent with the General Partner's ability to remain qualified as a REIT. If the General Partner enters into such a Funding Debt, the General Partner Loan will consist of the net proceeds from such Funding Debt and will be on comparable terms and conditions, including interest rate, repayment schedule and costs and expenses, as shall be applicable with respect to or incurred in connection with such Funding Debt.

C. Issuance of Additional Partnership Interests. The General Partner may raise all or any portion of the Additional Funds by accepting additional Capital Contributions of cash. The General Partner may also accept additional Capital Contributions of real property or other non-cash assets. In connection with any such additional Capital Contributions (of cash or property), and subject to Sections 17.6 and 18.6 hereof, the General Partner is hereby authorized to cause the Partnership from time to time to issue to Partners (including the General Partner) or other Persons (including, without limitation, in connection with the contribution of property to the Partnership) additional Partnership Units or other Partnership Interests in one or more classes,

or one or more series of any of such classes, with such designations, preferences and relative, participating, optional or other special rights, powers, and duties, including rights, powers, and duties senior to then existing Limited Partnership Interests, all as shall be determined by the General Partner in its sole and absolute discretion subject to Delaware law, and as set forth by amendment to this Agreement, including without limitation: (i) the allocations of items of Partnership income, gain, loss, deduction, and credit to such class or series of Partnership Interests; (ii) the right of each such class or series of Partnership Interests to share in Partnership distributions; (iii) the rights of each such class or series of Partnership Interests upon dissolution and liquidation of the Partnership; and (iv) the right to vote, including, without limitation, the limited partner approval rights set forth in Section 11.2.A; provided, that no such additional Partnership Units or other Partnership Interests shall be issued to the General Partner unless either (a) the additional Partnership Interests are issued in connection with the grant, award, or issuance of shares of the General Partner pursuant to Section 4.3.D below, which shares have designations, preferences, and other rights (except voting rights) such that the economic interests attributable to such shares are substantially similar to the designations, preferences and other rights of the additional Partnership Interests issued to the General Partner in accordance with this Section 4.3.C or (b) the additional Partnership Interests are issued to all Partners holding Partnership Interests in the same class in proportion to their respective Percentage Interests in such class. In the event that the Partnership issues additional Partnership Interests pursuant to this Section 4.3.C, the General Partner shall make such revisions to this Agreement (including but not limited to the revisions described in Sections 5.4, 6.2.C, and 8.6) as it determines are necessary to reflect the issuance of such additional Partnership Interests.

D. Issuance of REIT Shares or Other Securities by the General Partner. The General Partner shall not issue any additional REIT Shares (other than REIT Shares issued pursuant to Section 8.6 or pursuant to a dividend or distribution (including any stock split) of REIT Shares to all of its stockholders or all of its stockholders who hold a class of stock of the General Partner), other shares of capital stock of the General Partner (other than in connection with the acquisition of Partnership Interests in exchange for capital stock of the General Partner which corresponds in ranking to the Partnership's Partnership Interests being acquired) or New Securities unless the General Partner shall make a Capital Contribution of the net proceeds (including, without limitation, cash and Properties) from the issuance of such additional REIT Shares, other shares of capital stock or New Securities, as the case may be, and from the exercise of the rights contained in such additional New Securities, as the case may be. The General Partner's Capital Account shall be increased by the amount of cash or the value of Properties so contributed.

E. Percentage Interest Adjustments in the Case of Capital Contributions for Partnership Units. Upon the acceptance of additional Capital Contributions in exchange for any class or series of Partnership Units, the Percentage Interest related thereto shall be equal to a fraction, the numerator of which is equal to the amount of cash and the Agreed Value of the Properties contributed as of the Business Day immediately preceding the date on which the additional Capital Contributions are made (an "Adjustment Date") and the denominator of which is equal to the sum of (i) the Deemed Value of the Partnership Interests of such class or series (computed as of the Business Day immediately preceding the Adjustment Date) plus (ii) the aggregate amount of cash and the Agreed Value of the Property contributed to the Partnership on

such Adjustment Date in respect of such class or series of Partnership Interests. The Percentage Interest of each other Partner holding Partnership Interests of such class or series not making a full pro rata Capital Contribution shall be adjusted to equal a fraction, the numerator of which is equal to the sum of (i) the Deemed Partnership Interest Value of such Limited Partner in respect of such class or series (computed as of the Business Day immediately preceding the Adjustment Date) plus (ii) the amount of cash and the Agreed Value of the Property contributed by such Partner to the Partnership in respect of such class or series as of such Adjustment Date, and the denominator of which is equal to the sum of (a) the Deemed Value of the Partnership Interests of such class (computed as of the Business Day immediately preceding the Adjustment Date), plus (b) the aggregate amount of cash and the Agreed Value of the Property contributed to the Partnership on such Adjustment Date in respect of such class or series. Notwithstanding the foregoing, solely for purposes of calculating a Partner's Percentage Interest pursuant to this Section 4.3.E, (i) in the case of cash Capital Contributions by the General Partner, such Capital Contributions will be deemed to equal the cash contributed by the General Partner plus, in the case of cash contributions funded by an offering of REIT Shares or other shares of capital stock of the General Partner, the offering costs attributable to the cash contributed to the Partnership, and (ii) in the case of the contribution of Properties (or any portion thereof) by the General Partner which were acquired by the General Partner in exchange for REIT

Shares immediately prior to such contribution, the General Partner shall be issued a number of Partnership Units equal to the number of REIT Shares issued by the General Partner in exchange for such Properties, the Partnership Units held by the other Partners shall not be adjusted, and the Partners' Percentage Interests shall be adjusted accordingly. The General Partner shall promptly give each Partner written notice of its Percentage Interest, as adjusted.

F. Issuance of Performance Units to the PLPs. Pursuant to the terms of the Escrow Agreements, Performance Investors have transferred all or a portion of their Performance Shares to the General Partner or the Partnership (as applicable). To the extent Performance Shares (i.e., REIT Shares) were transferred by Performance Investors to the General Partner pursuant to the Escrow Agreements, the number of Partnership Units held by the General Partner were automatically reduced by such amount on such date. To the extent Performance Shares (i.e., Partnership Units) were transferred by Performance Investors to the Partnership pursuant to the Escrow Agreements, the number of Partnership Units held by each such Performance Investor were automatically reduced by such amount on such date. To the extent the Partnership Units held by the General Partner or Performance Investors were reduced as set forth in the preceding two sentences, the Partnership immediately issued an equal number of Performance Units to the Persons listed on Schedule G-1 and Schedule G-2 to Exhibit G in accordance with the allocations set forth on Exhibit G. The adjustments in the number of Partnership Units held by the Performance Partners and the PLPs set forth above did not effect each such Partners' Capital Account in the Partnership (except with respect to subsequent allocations of items of Partnership income, gain, loss, deduction, and credit made to such Partners and possibly with respect to the reissuance of a Performance Unit subsequent to its forfeiture by a PLP) and no PLP was obligated to make a contribution to the capital of the Partnership in connection with the issuance of Performance Units.

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Section 4.4 Stock Incentive Plan

If at any time or from time to time the General Partner sells or issues REIT Shares pursuant to any Stock Incentive Plan, the General Partner shall contribute any proceeds therefrom to the Partnership as an additional Capital Contribution and shall receive an amount of additional Partnership Units equal to the number of REIT Shares so sold or issued. The General Partner's Capital Account shall be increased by the amount of cash so contributed.

Section 4.5 No Preemptive Rights

Except to the extent expressly granted by the Partnership pursuant to another agreement, no Person shall have any preemptive, preferential or other similar right with respect to (i) additional Capital Contributions or loans to the Partnership or (ii) issuance or sale of any Partnership Units or other Partnership Interests.

Section 4.6 Other Contribution Provisions

In the event that any Partner is admitted to the Partnership and is given (or is treated as having received) a Capital Account in exchange for services rendered to the Partnership, such transaction shall be treated by the Partnership and the affected Partner as if the Partnership had compensated such Partner in cash, and the Partner had contributed such cash to the capital of the Partnership. In addition, with the consent of the General Partner, in its sole discretion, one or more Limited Partners may enter into contribution agreements with the Partnership which have the effect of providing a guarantee of certain obligations of the Partnership.

ARTICLE 5. DISTRIBUTIONS

Section 5.1 Requirement and Characterization of Distributions

The General Partner shall cause the Partnership to distribute all, or such portion as the General Partner may in its discretion determine, Available Cash generated by the Partnership (i) first, to the extent that the amount of cash distributed with respect to any Partnership Interests that are entitled to any preference in distribution for any prior distribution period was less than the required distribution for such outstanding Partnership Interests for such prior distribution period, and to the extent such deficiency has not been subsequently distributed pursuant to this Section 5.1 (a "Preferred Distribution Shortfall"), in accordance with the rights of such class of Partnership Interests (and within such class, pro rata in proportion to the respective Percentage Interests on the applicable record date) and to the Partners who are Partners on the applicable record date with respect to such distribution, (ii) second, with respect to any Partnership Interests that are entitled to any preference in distribution, in accordance with the rights of such class of Partnership Interests (and within such class, pro rata in

proportion to the respective Percentage Interests on the applicable record date) and (iii) third, with respect to Partnership Interests that are not entitled to any preference in distribution, pro rata to each such class on a quarterly basis and in accordance with the terms of such class to Partners who are Partners of such class on the Partnership Record Date with respect to such distribution (and within each such class, pro rata in proportion with the respective Percentage Interests on such Partnership Record Date). Except as expressly provided for in Article 16 with respect to the Series A Preferred Units, Article 17 with respect to the Series B Preferred Units, Article 18 with respect to the Series J Preferred Units and in an agreement, if any, entered into in connection with the creation of a new class of Partnership Interests in accordance with Article 4, no Partnership Interest shall be entitled to a distribution in preference to any other Partnership Interest. The General Partner shall take such reasonable efforts, as determined by it in its sole and absolute discretion and consistent with its qualification as a REIT, to cause the Partnership to distribute sufficient amounts to enable the General Partner, for so long as the General Partner has determined to qualify as a REIT, to pay stockholder dividends that will (a) satisfy the requirements for qualifying as a REIT under the Code and Regulations ("REIT Requirements") and (b) except to the extent otherwise determined by the General Partner, avoid any Federal income or excise tax liability of the General Partner, except to the extent that a distribution pursuant to clause (b) would prevent the Partnership from making a distribution to the holders of Series B Preferred Units in accordance with Section 17.3 and the holders of Series J Preferred Units in accordance with Section 18.3.

Section 5.2 Distributions in Kind

Except as expressly provided herein, no right is given to any Partner to demand and receive property other than cash. The General Partner may determine, in its sole and absolute discretion, to make a distribution in kind to the Partners of Partnership assets, and such assets shall be distributed in such a fashion as to ensure that the fair market value is distributed and allocated in accordance with Articles 5, 6 and 10; provided, however, that, in such case, the General Partner shall distribute only cash to the Series B Limited Partners and the Series J Limited Partners.

Section 5.3 Distributions Upon Liquidation

Notwithstanding Section 5.1, proceeds from a Liquidating Event shall be distributed to the Partners in accordance with Section 13.2.

Section 5.4 Distributions to Reflect Issuance of Additional Partnership Interests

In the event that the Partnership issues additional Partnership Interests (other than Performance Units, which shall receive distributions as set forth in Section 5.1) to the General Partner or any Additional Limited Partner pursuant to Section 4.3.C or 4.4, the General Partner shall make such revisions to this Article 5 as it determines are necessary to reflect the issuance of such additional Partnership Interests. In the absence of any agreement to the contrary, an Additional Limited Partner shall be entitled to the distributions set forth in Section 5.1 (without regard to this Section 5.4) with respect to the quarter during which the closing of its contribution to the Partnership occurs, multiplied by a fraction the numerator of which is the number of days from and after the date of such closing through the end of the applicable quarter, and the denominator of which is the total number of days in such quarter.

Section 5.5 Character of PLP Distributions

Distributions to each PLP pursuant to this Agreement shall be advances or drawings of money or property against such Partner's distributive share of Net Income (or items thereof) as described in Treasury Regulation Section 1.731-1(a)(1)(ii).

ARTICLE 6. ALLOCATIONS

Section 6.1 Timing and Amount of Allocations of Net Income and Net Loss Net Income and Net Loss of the Partnership shall be determined and allocated with respect to each fiscal year of the Partnership as of the end of each such year. Subject to the other provisions of this Article 6, an allocation to a Partner of a share of Net Income or Net Loss shall be treated as an allocation of the same share of each item of income, gain, loss or deduction that is taken into account in computing Net Income or Net Loss.

Section 6.2 General Allocations

A. In General. Except as otherwise provided in this Article 6, Net Income and Net Loss allocable with respect to a class of Partnership Interests, shall be allocated to each of the Partners holding such class of Partnership Interests in accordance with their respective Percentage Interest of such class.

B.1. Net Income. Except as provided in Sections 6.2.B.3 and 6.3, Net Income for any Partnership Year shall be allocated in the following manner and order of priority:

- (a) First, 100% to the General Partner in an amount equal to the remainder, if any, of the cumulative Net Losses allocated to the General Partner pursuant to Section 6.2.B.2(d) for all prior Partnership Years minus the cumulative Net Income allocated to the General Partner pursuant to this Section 6.2.B.1(a) for all prior Partnership Years;
- (b) Second, 100% to each Limited Partner in an amount equal to the remainder, if any, of the cumulative Net Losses allocated to each such Limited Partner pursuant to Section 6.2.B.2(c) for all prior Partnership Years minus the cumulative Net Income allocated to such Limited Partner pursuant to this Section 6.2.B.1(b) for all prior Partnership Years;
- (c) Third, 100% to the General Partner and any Preferred Limited Partners in an amount equal to the remainder, if any, of the cumulative Net Losses allocated to such Partners pursuant to Section 6.2.B.2(b) for all prior Partnership Years minus the cumulative Net Income allocated to such Partners pursuant to this Section 6.2.B.1(c) for all prior Partnership Years;

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- (d) Fourth, 100% to the General Partner and the Limited Partners in an amount equal to the remainder, if any, of the cumulative Net Losses allocated to each such Partner pursuant to Section 6.2.B.2(a) for all prior Partnership Years minus the cumulative Net Income allocated to each Partner pursuant to this Section 6.2.B.1(d) for all prior Partnership Years;
- (e) Fifth, 100% to the General Partner and any Preferred Limited Partners in an amount equal to the excess of (i) the cumulative Priority Return on such Partner's Preferred Units to the last day of the current Partnership Year or to the date of redemption of such Preferred Units, to the extent such Preferred Units are redeemed during such year, over (ii) the cumulative Net Income allocated to the General Partner or such Preferred Limited Partner, as applicable, pursuant to this Section 6.2.B.1(e) for all prior Partnership Years; and
- (f) Sixth, 100% to the General Partner and the Limited Partners in accordance with their respective Percentage Interests in the Common Units.

To the extent the allocations of Net Income set forth above in any paragraph of this Section 6.2.B.1 are not sufficient to entirely satisfy the allocation set forth in such paragraph, such allocation shall be made in proration to the total amount that would have been allocated pursuant to such paragraph without regard to such shortfall.

B.2. Net Losses. Except as provided in Sections 6.2.B.3 and 6.3, Net Losses for any Partnership Year shall be allocated in the following manner and order of priority:

- (a) First, 100% to the General Partner and the Limited Partners in accordance with their respective Percentage Interests in the Common Units (to the extent consistent with this Section 6.2.B.2(a)) until the Adjusted Capital Account (ignoring for this purpose any amounts a Partner is obligated to contribute to the capital of the Partnership or is deemed obligated to contribute pursuant to Regulations Section 1.704-1(b)(2)(ii)(c)(2) and ignoring the Partner's Series A Preferred Capital, Series B Preferred Capital and Series J Preferred Capital) of each such Partner is zero;
- (b) Second, 100% to the General Partner and any Preferred Limited Partners, pro rata to each such Partner's Adjusted Capital Account (ignoring for this purpose any amounts a Partner is obligated to contribute to the capital of the Partnership or is deemed obligated to contribute pursuant to Regulations Section 1.704-1(b)(2)(ii)(c)(2)), until the Adjusted Capital Account (as so modified) of each such Partner is zero;
- (c) Third, 100% to the Limited Partners to the extent of, and in

proportion to, the positive balance (if any) in their Adjusted Capital Accounts; and

- (d) Fourth, 100% to the General Partner.

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B.3. Terminating Capital Transactions.

- (e) If no Performance Units are outstanding at the time of a Terminating Capital Transaction, any Net Income attributable to such Terminating Capital Transaction shall first be allocated to the General Partner in an amount equal to the Offering Costs, to the extent the General Partner's Capital Account has not previously been adjusted to account for such amounts.
- (f) If Performance Units are outstanding at the time of a Terminating Capital Transaction
- (1) any Net Income attributable to such Terminating Capital Transaction shall be allocated as follows: such Net Income shall first be tentatively allocated solely as an interim step in calculating final allocations pursuant to this Section 6.2.B.3(b)(1), among the Partners in accordance with Section 6.2.B.3(a), Section 6.2.A and Section 6.2.B.1. Then the amount so tentatively allocated to each Performance Partner, to the extent of each such Performance Partner's Excess Performance Capital, shall instead be allocated to the PLPs, pro rata to the number of Performance Units held by each PLP.
- (2) any Net Loss attributable to such Terminating Capital Transaction shall be allocated as follows: such Net Loss shall first be tentatively allocated, solely as an interim step in calculating final allocations pursuant to this Section 6.2.B.3(b)(2), among the Partners in accordance with Section 6.2.A and Section 6.2.B.2. Then the amount so tentatively allocated to the PLPs shall instead be allocated to the Performance Partners to the extent of the aggregate Excess Performance Capital of the Performance Partners. Any amounts so allocated away from the PLPs shall be done on a basis which is proportionate to each PLP's Performance Units. Any amounts so allocated to the Performance Partners shall be done on a basis which is proportionate to each Performance Partner's Excess Performance Capital.

C. Allocations to Reflect Issuance of Additional Partnership Interests. In the event that the Partnership issues additional Partnership Interests to the General Partner or any Additional Limited Partner pursuant to Section 4.3 or 4.4, the General Partner shall make such revisions to this Section 6.2 or to Section 12.2.B as it determines are necessary to reflect the terms of the issuance of such additional Partnership Interests, including making preferential allocations to certain classes of Partnership Interests, subject to the terms of the Series A Preferred Units, the Series B Preferred Units and Series J Preferred Units. In addition, for any quarter in which Performance Units were issued, Net Income and Net Loss relating to such units shall be allocated among (i) the PLPs who received such units and (ii) the Performance Partners

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who returned the corresponding Partnership Units to the Partnership, in accordance with any method selected by the General Partner which is permitted under Section 706 of the Code.

Section 6.3 Additional Allocation Provisions

Notwithstanding the foregoing provisions of this Article 6:

A. Regulatory Allocations.

- (i) Minimum Gain Chargeback. Except as otherwise provided in Regulations Section 1.704-2(f), notwithstanding the provisions of Section

6.2, or any other provision of this Article 6, if there is a net decrease in Partnership Minimum Gain during any fiscal year, each Partner shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Partner's share of the net decrease in Partnership Minimum Gain, as determined under Regulations Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be allocated shall be determined in accordance with Regulations Sections 1.704-2(f) (6) and 1.704-2(j) (2). This Section 6.3.A(i) is intended to qualify as a "minimum gain chargeback" within the meaning of Regulation Section 1.704-2(f) which shall be controlling in the event of a conflict between such Regulation and this Section 6.3.A(i).

(ii) Partner Minimum Gain Chargeback. Except as otherwise provided in Regulations Section 1.704-2(i) (4), and notwithstanding the provisions of Section 6.2, or any other provision of this Article 6 (except Section 6.3.A(i)), if there is a net decrease in Partner Minimum Gain attributable to a Partner Nonrecourse Debt during any fiscal year, each Partner who has a share of the Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i) (5), shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Partner's share of the net decrease in Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i) (4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each General Partner and Limited Partner pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations Sections 1.704-2(i) (4) and 1.704-2(j) (2). This Section 6.3.A(ii) is intended to qualify as a "chargeback of partner nonrecourse debt minimum gain" within the meaning of Regulation Section 1.704-2(i) which shall be controlling in the event of a conflict between such Regulation and this Section 6.3.A(ii).

(iii) Nonrecourse Deductions and Partner Nonrecourse Deductions. Any Nonrecourse Deductions for any fiscal year shall be specially allocated to the Partners in accordance with their respective Percentage Interest in Common Units. Any Partner Nonrecourse Deductions for any fiscal year shall be specially allocated to the Partner(s) who bears the economic risk of loss with respect to the Partner Nonrecourse

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Debt to which such Partner Nonrecourse Deductions are attributable, in accordance with Regulations Sections 1.704-2(b) (4) and 1.704-2(i).

(iv) Qualified Income Offset. If any Partner unexpectedly receives an adjustment, allocation or distribution described in Regulations Section 1.704-1(b) (2) (ii) (d) (4), (5) or (6), items of Partnership income and gain shall be allocated, in accordance with Regulations Section 1.704-1(b) (2) (ii) (d), to the Partner in an amount and manner sufficient to eliminate, to the extent required by such Regulations, the Adjusted Capital Account Deficit of the Partner as quickly as possible provided that an allocation pursuant to this Section 6.3.A(iv) shall be made if and only to the extent that such Partner would have an Adjusted Capital Account Deficit after all other allocations provided in this Article 6 have been tentatively made as if this Section 6.3.A(iv) were not in the Agreement. It is intended that this Section 6.3.A(iv) qualify and be construed as a "qualified income offset" within the meaning of Regulations 1.704-1(b) (2) (ii) (d), which shall be controlling in the event of a conflict between such Regulations and this Section 6.3.A(iv).

(v) Gross Income Allocation. In the event any Partner has a deficit Capital Account at the end of any fiscal year which is in excess of the sum of (a) the amount (if any) such Partner is obligated to restore to the Partnership and (b) the amount such Partner is deemed to be obligated to restore pursuant to Regulations Section 1.704-1(b) (2) (ii) (c) or the penultimate sentences of Regulations Sections 1.704-2(g) (1) and 1.704-2(i) (5), each such Partner shall be specially allocated items of Partnership income and gain in the amount of such excess as quickly as possible; provided, that an allocation pursuant to this Section 6.3.A(v) shall be made if and only to the extent that such Partner would have a deficit Capital Account in excess of such sum after all other allocations provided in this Article 6 have been tentatively made as if this Section 6.3.A(v) and Section 6.3.A(iv) were not in the Agreement.

(vi) Limitation on Allocation of Net Loss. To the extent any allocation of Net Loss would cause or increase an Adjusted Capital Account Deficit as to any Partner, such allocation of Net Loss shall be reallocated among the other Partners in accordance with their respective

Percentage Interests in Common Units, subject to the limitations of this Section 6.3.A(vi).

(vii) Section 754 Adjustment. To the extent an adjustment to the adjusted tax basis of any Partnership asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m)(2) or Regulations Section 1.704-1(b)(2)(iv)(m)(4), to be taken into account in determining Capital Accounts as the result of a distribution to a Partner in complete liquidation of his interest in the Partnership, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Partners in accordance with their interests in the Partnership in the event that Regulations Section 1.704-1(b)(2)(iv)(m)(2) applies, or to the Partners to whom such distribution was made in the event that Regulations Section 1.704-1(b)(2)(iv)(m)(4) applies.

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(viii) Curative Allocation. The allocations set forth in Sections 6.3.A(i), (ii), (iii), (iv), (v), (vi), and (vii) (the "Regulatory Allocations") are intended to comply with certain regulatory requirements, including the requirements of Regulations Sections 1.704-1(b) and 1.704-2. Notwithstanding the provisions of Sections 6.1 and 6.2, the Regulatory Allocations shall be taken into account in allocating other items of income, gain, loss and deduction among the Partners so that, to the extent possible, the net amount of such allocations of other items and the Regulatory Allocations to each Partner shall be equal to the net amount that would have been allocated to each such Partner if the Regulatory Allocations had not occurred.

B. For purposes of determining a Partner's proportional share of the "excess nonrecourse liabilities" of the Partnership within the meaning of Regulations Section 1.752-3(a)(3), each Partner's interest in Partnership profits shall be such Partner's Percentage Interest in Common Units.

Section 6.4 Tax Allocations

A. In General. Except as otherwise provided in this Section 6.4, for income tax purposes each item of income, gain, loss and deduction (collectively, "Tax Items") shall be allocated among the Partners in the same manner as its correlative item of "book" income, gain, loss or deduction is allocated pursuant to Sections 6.2 and 6.3.

B. Allocations Respecting Section 704(c) Revaluations.

Notwithstanding Section 6.4.A, Tax Items with respect to Partnership property that is contributed to the Partnership by a Partner shall be shared among the Partners for income tax purposes pursuant to Regulations promulgated under Section 704(c) of the Code, so as to take into account the variation, if any, between the basis of the property to the Partnership and its initial Gross Asset Value. With respect to Partnership property that is initially contributed to the Partnership upon its formation pursuant to Section 4.1, such variation between basis and initial Gross Asset Value shall be taken into account under the "traditional method" as described in Regulations Section 1.704-3(b). With respect to properties subsequently contributed to the Partnership, the Partnership shall account for such variation under any method approved under Section 704(c) of the Code and the applicable regulations as chosen by the General Partner. In the event the Gross Asset Value of any Partnership asset is adjusted pursuant to subparagraph (ii) of the definition of Gross Asset Value (provided in Article 1), subsequent allocations of Tax Items with respect to such asset shall take account of the variation, if any, between the adjusted basis of such asset and its Gross Asset Value in the same manner as under Section 704(c) of the Code and the applicable regulations consistent with the requirements of Regulations Section 1.704-1(b)(2)(iv)(g) using any method approved under 704(c) of the Code and the applicable regulations as chosen by the General Partner.

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ARTICLE 7. MANAGEMENT AND OPERATIONS OF BUSINESS

Section 7.1 Management

A. Except as otherwise expressly provided in this Agreement, all management powers over the business and affairs of the Partnership are exclusively vested in the General Partner, and no Limited Partner shall have any right to participate in or exercise control or management power over the

business and affairs of the Partnership. The General Partner may not be removed by the Limited Partners with or without cause, except with the consent of the General Partner. In addition to the powers now or hereafter granted a general partner of a limited partnership under the Act and other applicable law or which are granted to the General Partner under any other provision of this Agreement, the General Partner, subject to the other provisions hereof including Section 7.3, shall have full power and authority to do all things deemed necessary or desirable by it to conduct the business of the Partnership, to exercise all powers set forth in Section 3.2 and to effectuate the purposes set forth in Section 3.1, including, without limitation:

- (i) the making of any expenditures, the lending or borrowing of money (including, without limitation, making prepayments on loans and borrowing money to permit the Partnership to make distributions to its Partners in such amounts as will permit the General Partner (for so long as the General Partner has determined to qualify as a REIT) to avoid the payment of any Federal income tax (including, for this purpose, any excise tax pursuant to Section 4981 of the Code) and to make distributions to its stockholders sufficient to permit the General Partner to maintain REIT status), the assumption or guarantee of, or other contracting for, indebtedness and other liabilities, the issuance of evidences of indebtedness (including the securing of same by mortgage, deed of trust or other lien or encumbrance on all or any of the Partnership's assets) and the incurring of any obligations it deems necessary for the conduct of the activities of the Partnership;
- (ii) the making of tax, regulatory and other filings, or rendering of periodic or other reports to governmental or other agencies having jurisdiction over the business or assets of the Partnership;
- (iii) subject to the provisions of Section 7.3.D, the acquisition, disposition, mortgage, pledge, encumbrance, hypothecation or exchange of any assets of the Partnership or the merger or other combination of the Partnership with or into another entity;
- (iv) the mortgage, pledge, encumbrance or hypothecation of all or any assets of the Partnership, and the use of the assets of the Partnership (including, without limitation, cash on hand) for any purpose consistent with the terms

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- of this Agreement and on any terms it sees fit, including, without limitation, the financing of the conduct or the operations of the General Partner or the Partnership, the lending of funds to other Persons (including, without limitation, the General Partner (if necessary to permit the financing or capitalization of a subsidiary of the General Partner or the Partnership) and any Subsidiaries of the Partnership) and the repayment of obligations of the Partnership, any of its Subsidiaries and any other Person in which it has an equity investment;
- (v) the negotiation, execution, and performance of any contracts, leases, conveyances or other instruments that the General Partner considers useful or necessary to the conduct of the Partnership's operations or the implementation of the General Partner's powers under this Agreement;
 - (vi) the distribution of Partnership cash or other Partnership assets in accordance with this Agreement;
 - (vii) the selection and dismissal of employees of the Partnership (including, without limitation, employees having titles such as "president," "vice president," "secretary" and "treasurer"), and agents, outside attorneys, accountants, consultants and contractors of the Partnership, the determination of their compensation and other terms of employment or hiring, including waivers of conflicts of interest and the payment of their expenses and compensation out of the Partnership's assets;
 - (viii) the maintenance of such insurance for the benefit of the Partnership and the Partners as it deems necessary or appropriate;
 - (ix) the formation of, or acquisition of an interest in, and the contribution of property to, any further limited or general

partnerships, joint ventures or other relationships that it deems desirable (including, without limitation, the acquisition of interests in, and the contributions of property to any Subsidiary and any other Person in which it has an equity investment from time to time); provided that, as long as the General Partner has determined to continue to qualify as a REIT, the Partnership may not engage in any such formation, acquisition or contribution that would cause the General Partner to fail to qualify as a REIT;

- (x) the control of any matters affecting the rights and obligations of the Partnership, including the conduct of litigation and the incurring of legal expense and the settlement of claims and litigation, and the indemnification of any Person against liabilities and contingencies to the extent permitted by law;
- (xi) the undertaking of any action in connection with the Partnership's direct or indirect investment in any Person (including, without limitation,

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contributing or loaning Partnership funds to, incurring indebtedness on behalf of, or guarantying the obligations of any such Persons);

- (xii) subject to the other provisions in this Agreement, the determination of the fair market value of any Partnership property distributed in kind using such reasonable method of valuation as it may adopt; provided that, such methods are otherwise consistent with requirements of this Agreement;
- (xiii) the management, operation, leasing, landscaping, repair, alteration, demolition or improvement of any real property or improvements owned by the Partnership or any Subsidiary of the Partnership or any Person in which the Partnership has made a direct or indirect equity investment;
- (xiv) holding, managing, investing and reinvesting cash and other assets of the Partnership;
- (xv) the collection and receipt of revenues and income of the Partnership;
- (xvi) the exercise, directly or indirectly through any attorney-in-fact acting under a general or limited power of attorney, of any right, including the right to vote, appurtenant to any asset or investment held by the Partnership;
- (xvii) the exercise of any of the powers of the General Partner enumerated in this Agreement on behalf of or in connection with any Subsidiary of the Partnership or any other Person in which the Partnership has a direct or indirect interest, or jointly with any such Subsidiary or other Person;
- (xviii) the exercise of any of the powers of the General Partner enumerated in this Agreement on behalf of any Person in which the Partnership does not have an interest, pursuant to contractual or other arrangements with such Person; and
- (xix) the making, execution and delivery of any and all deeds, leases, notes, deeds to secure debt, mortgages, deeds of trust, security agreements, conveyances, contracts, guarantees, warranties, indemnities, waivers, releases or legal instruments or other agreements in writing necessary or appropriate in the judgment of the General Partner for the accomplishment of any of the powers of the General Partner enumerated in this Agreement.

B. Each of the Limited Partners agrees that the General Partner is authorized to execute, deliver and perform the above-mentioned agreements and transactions on behalf of the Partnership without any further act, approval or vote of the partners, notwithstanding any other provisions of this Agreement (except as provided in Section 7.3), the Act or any applicable law, rule or regulation. The execution, delivery or performance by the General Partner or the Partnership of any agreement authorized or permitted under this Agreement shall not constitute a breach by the General Partner of any duty that the General Partner may owe the Partnership or

the Limited Partners or any other Persons under this Agreement or of any duty stated or implied by law or equity.

C. At all times from and after the date hereof, the General Partner may cause the Partnership to obtain and maintain (i) casualty, liability and other insurance (including, without limitation, earthquake insurance) on the properties of the Partnership and (ii) liability insurance for the Indemnities hereunder.

D. At all times from and after the date hereof, the General Partner may cause the Partnership to establish and maintain working capital and other reserves in such amounts as the General Partner, in its sole and absolute discretion, deems appropriate and reasonable from time to time.

E. In exercising its authority under this Agreement, the General Partner may, but other than as set forth in the following sentence and as expressly set forth in the agreements listed on Exhibit I hereto, shall be under no obligation to, take into account the tax consequences to any Partner (including the General Partner) of any action taken by the General Partner. The General Partner, on behalf of the Partnership, shall use commercially reasonable efforts to cooperate with the Limited Partners to minimize any taxes payable in connection with any sale, exchange or any other disposition of assets of the Partnership. The General Partner and the Partnership shall not have liability to a Limited Partner under any circumstances as a result of an income tax liability incurred by such Limited Partner as a result of an action (or inaction) by the General Partner pursuant to its authority under this Agreement.

F. Except as otherwise provided herein, to the extent the duties of the General Partner require expenditures of funds to be paid to third parties, the General Partner shall not have any obligations hereunder except to the extent that Partnership funds are reasonably available to it for the performance of such duties, and nothing herein contained shall be deemed to authorize or require the General Partner, in its capacity as such, to expend its individual funds for payment to third parties or to undertake any individual liability or obligation on behalf of the Partnership.

Section 7.2 Certificate of Limited Partnership

To the extent that such action is determined by the General Partner to be reasonable and necessary or appropriate, the General Partner shall file amendments to and restatements of the Certificate and do all the things to maintain the Partnership as a limited partnership (or a partnership in which the limited partners have limited liability) under the laws of the State of Delaware and to maintain the Partnership's qualification to do business as a foreign limited partnership in each other state, the District of Columbia or other jurisdiction, in which the Partnership may elect to do business or own property. Subject to the terms of Section 8.5.A(iv), the General Partner shall not be required, before or after filing, to deliver or mail a copy of the Certificate or any amendment thereto to any Limited Partner. The General Partner shall use all reasonable efforts to cause to be filed such other certificates or documents as may be reasonable and necessary or appropriate for the formation, continuation, qualification and operation of a limited partnership (or a partnership in which the limited partners have limited

liability) in the State of Delaware, and any other state, or the District of Columbia or other jurisdiction, in which the Partnership may elect to do business or own property.

Section 7.3 Restrictions on General Partner's Authority

A. The General Partner may not take any action in contravention of this Agreement, including, without limitation:

- (i) take any action that would make it impossible to carry on the ordinary business of the Partnership, except as otherwise provided in this Agreement;
- (ii) possess Partnership property, or assign any rights in specific Partnership property, for other than a Partnership purpose except as otherwise provided in this Agreement;
- (iii) admit a Person as a Partner, except as otherwise provided in this Agreement (including with respect to the PLPs, who shall become Partners upon their receipt of Performance Units);
- (iv) perform any act that would subject a Limited Partner to liability as a general partner in any jurisdiction or any other liability except as provided herein or under the Act;

or

- (v) enter into any contract, mortgage, loan or other agreement that prohibits or restricts, or has the effect of prohibiting or restricting, the ability of a Limited Partner to exercise its rights to a Redemption in full, except with the written consent of such Limited Partner.

B. The General Partner shall not, without the prior Consent of the Partners (in addition to any Consent of the Limited Partners required by any other provision hereof), undertake, on behalf of the Partnership, any of the following actions or enter into any transaction which would have the effect of such transactions:

- (i) except as provided in Section 7.3.D below, amend, modify or terminate this Agreement other than to reflect the admission, substitution, termination or withdrawal of partners pursuant to Article 12;
- (ii) make a general assignment for the benefit of creditors or appoint or acquiesce in the appointment of a custodian, receiver or trustee for all or any part of the assets of the Partnership;
- (iii) institute any proceeding for bankruptcy on behalf of the Partnership;
- (iv) confess a judgment against the Partnership; or
- (v) enter into a merger (including a triangular merger), consolidation or other combination of the Partnership with or into another entity.

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C. Except in the case of a Liquidating Event pursuant to Section 13.1 (other than Section 13.1.F), the General Partner shall not, without the prior Consent of the Limited Partners, undertake, on behalf of the Partnership, any actions or enter into any transaction which would have the effect of a dissolution of the Partnership, including a sale, exchange, transfer or other disposition of all or substantially all of the Partnership's assets in a single transaction or a series of related transactions.

D. Notwithstanding Sections 7.3.B and 7.3.C, but subject to Section 7.3.E, the General Partner shall have the power, without the Consent of the Partners, to amend this Agreement as may be required to facilitate or implement any of the following purposes:

- (i) to add to the obligations of the General Partner or surrender any right or power granted to the General Partner or any Affiliate of the General Partner for the benefit of the Limited Partners;
- (ii) to reflect the issuance of additional Partnership Interests pursuant to Sections 4.3.C, 4.3.F and 4.4, or the admission, substitution, termination, reduction in Partnership Units or withdrawal of Partners in accordance with this Agreement (which may be effected through the replacement of Exhibit A with an amended Exhibit A);
- (iii) to set forth or amend the designations, rights, powers, duties, and preferences of the holders of any additional Partnership Interests issued pursuant to Article 4;
- (iv) to reflect a change that is of an inconsequential nature and does not adversely affect the Limited Partners in any material respect, or to cure any ambiguity in, correct or supplement any provision, or make other changes with respect to matters arising under, this Agreement that will not be inconsistent with law or with the provisions of this Agreement;
- (v) to satisfy any requirements, conditions, or guidelines contained in any order, directive, opinion, ruling or regulation of a Federal, state or local agency or contained in Federal, state or local law.
- (vi) to reflect such changes as are reasonably necessary for the General Partner to maintain its status as a REIT, including changes which may be necessitated due to a change in applicable law (or an authoritative interpretation thereof) or a ruling of the IRS; and

- (vii) to modify, as set forth in the definition of "Capital Account," the manner in which Capital Accounts are computed.

The General Partner will provide notice to the Limited Partners when any action under this Section 7.3.D is taken.

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E. Notwithstanding Sections 7.3.B, 7.3.C and 7.3.D, this Agreement shall not be amended, and no action may be taken by the General Partner, including in either case through merger or sale of assets of the Partnership or otherwise, without the Consent of each Common Limited Partner or Preferred Limited Partner adversely affected if such amendment or action would (i) convert a Limited Partner's interest in the Partnership into a general partner's interest (except as the result of the General Partner acquiring such interest), (ii) modify the limited liability of a Limited Partner, (iii) alter rights of the Partner to receive distributions pursuant to Article 5, Section 13.2.A(4), Article 16, Article 17 or Article 18 or the allocations specified in Article 6 (except as permitted pursuant to Section 4.3 and Section 7.3.D), (iv) alter or modify the rights to a Redemption or the REIT Shares Amount as set forth in Section 8.6, and related definitions hereof, (v) alter the redemption or exchange rights as set forth in Sections 17.5, 17.8, 18.5 and 18.8 hereof, respectively, or (vi) amend this Section 7.3.E. Further, no amendment may alter the restrictions on the General Partner's authority set forth elsewhere in this Section 7.3 without the Consent specified in such section. In addition, (a) Section 11.2 of this Agreement shall not be amended, and no action in contravention of Section 11.2 shall be taken, including in either case through merger or sale of assets of the Partnership or otherwise, without the Consent of the Limited Partners and (b) this Agreement shall not be amended, and no action shall be taken, including in either case through merger or sale of assets of the Partnership or otherwise, which would adversely affect the rights of the Persons set forth in Exhibit G to receive Performance Units as described herein.

F. Other than incident to a transaction pursuant to Sections 11.2.B or 11.2.C, the General Partner shall not undertake to dispose of any Partnership Property specified in the agreements listed in Exhibit H in a taxable sale or taxable exchange prior to the dates specified in such agreements without the prior consent of each Limited Partner which contributed all or any portion of an interest in such Property to the Partnership, as set forth in such agreements.

Section 7.4 Reimbursement of the General Partner

A. Except as provided in this Section 7.4 and elsewhere in this Agreement (including the provisions of Articles 5 and 6 regarding distributions, payments and allocations to which it may be entitled), the General Partner shall not be compensated for its services as general partner of the Partnership.

B. Subject to Section 15.11, the General Partner shall be reimbursed on a monthly basis, or such other basis as the General Partner may determine in its sole and absolute discretion, for all expenses it incurs relating to the ownership of interests in and operation of, or for the benefit of, the Partnership. The Limited Partners acknowledge that the General Partner's sole business is the ownership of interests in and operation of the Partnership and that such expenses are incurred for the benefit of the Partnership; provided that, the General Partner shall not be reimbursed for expenses it incurs relating to the organization of the Partnership and the General Partner, or the initial public offering or subsequent offerings of REIT Shares, other shares of capital stock or Funding Debt by the General Partner, but shall be reimbursed for expenses it incurs with respect to any other issuance of additional Partnership Interests pursuant to the provisions hereof. Such reimbursements shall be in addition to any reimbursement to the General Partner as a result of indemnification pursuant to Section 7.7.

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C. If and to the extent any reimbursements to the General Partner pursuant to this Section 7.4 constitute gross income of the General Partner (as opposed to the repayment of advances made by the General Partner on behalf of the Partnership), such amounts shall constitute guaranteed payments within the meaning of Section 707(c) of the Code, shall be treated consistently therewith by the Partnership and all Partners, and shall not be treated as distributions for purposes of computing the Partners' Capital Accounts.

Section 7.5 Outside Activities of the General Partner

A. Except in connection with a transaction authorized in Section 11.2, without the Consent of the Limited Partners, the General Partner shall not, directly or indirectly, enter into or conduct any business, other than in connection with the ownership, acquisition and disposition of Partnership Interests as a General Partner and the management of the business of the Partnership, its operation as a public reporting company with a class (or

classes) of securities registered under the Exchange Act, its operation as a REIT and such activities as are incidental to the same. Without the Consent of the Limited Partners, the General Partner shall not, directly or indirectly, participate in or otherwise acquire any interest in any real or personal property, except its General Partner Interest, its interest in any Subsidiary Partnership(s) (held directly or indirectly through a Qualified REIT Subsidiary) that the General Partner holds in order to maintain such Subsidiary Partnership's status as a partnership, and such bank accounts, similar instruments or other short-term investments as it deems necessary to carry out its responsibilities contemplated under this Agreement and the Charter. In the event the General Partner desires to contribute cash to any Subsidiary Partnership to acquire or maintain an interest of 1% or less in the capital of such partnership, the General Partner may acquire such cash from the Partnership in exchange for a reduction in the General Partner's Units, in an amount equal to the amount of such cash divided by the Fair Market Value of a REIT Share on the day such cash is received by the General Partner. Notwithstanding the foregoing, the General Partner may acquire Properties in exchange for REIT Shares, to the extent such Properties are immediately contributed by the General Partner to the Partnership, pursuant to the terms described in Section 4.3.E. Any Limited Partner Interests acquired by the General Partner, whether pursuant to exercise by a Limited Partner of its right of Redemption, or otherwise, shall be automatically converted into a General Partner Interest comprised of an identical number of Partnership Units with the same rights, priorities and preferences as the class or series so acquired. If, at any time, the General Partner acquires material assets (other than on behalf of the Partnership) the definition of "REIT Shares Amount" and the definition of "Deemed Value of Partnership Interests" shall be adjusted, as reasonably agreed to by the General Partner and the other Limited Partners, to reflect the relative Fair Market Value of a share of capital stock of the General Partner relative to the Deemed Partnership Interest Value of the related Partnership Unit. The General Partner's General Partner Interest in the Partnership, its minority interest in any Subsidiary Partnership(s) (held directly or indirectly through a Qualified REIT Subsidiary) that the General Partner holds in order to maintain such Subsidiary Partnership's status as a partnership, and interests in such short-term liquid investments, bank accounts or similar instruments as the General Partner deems necessary to carry out its responsibilities contemplated under this Agreement and the Charter are interests which the General Partner is permitted to acquire and hold for purposes of this Section 7.5.A.

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B. In the event the General Partner exercises its rights under the Charter to purchase REIT Shares or Preferred Shares, then the General Partner shall cause the Partnership to redeem from it a number of Partnership Units of the appropriate class as determined based on, in the case of REIT Shares, the REIT Shares Amount equal to the number of REIT Shares so purchased, or in the case of Preferred Shares an equal number of Preferred Units which correspond in ranking to the Preferred Shares so purchased, in each case on the same terms that the General Partner purchased such REIT Shares or Preferred Shares (as applicable).

Section 7.6 Contracts with Affiliates

A. Except as expressly permitted by this Agreement, the Partnership shall not, directly or indirectly, sell, transfer or convey any property to, or purchase any property from, or borrow funds from, or lend funds to, any Partner or any Affiliate of the Partnership that is not also a Subsidiary of the Partnership, except pursuant to transactions that are on terms that are fair and reasonable and no less favorable to the Partnership than would be obtained from an unaffiliated third party.

B. The General Partner, in its sole and absolute discretion and without the approval of the Limited Partners, may propose and adopt on behalf of the Partnership employee benefit plans funded by the Partnership for the benefit of employees of the General Partner, the Partnership, Subsidiaries of the Partnership or any Affiliate of any of them in respect of services performed, directly or indirectly, for the benefit of the Partnership, the General Partner, or any of the Partnership's Subsidiaries. The General Partner also is expressly authorized to cause the Partnership to issue to it Partnership Units corresponding to REIT Shares issued by the General Partner pursuant to its Stock Incentive Plan or any similar or successor plan and to repurchase such Partnership Units from the General Partner to the extent necessary to permit the General Partner to repurchase such REIT Shares in accordance with such plan.

Section 7.7 Indemnification

A. The Partnership shall indemnify an Indemnitee from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including legal fees and expenses), judgments, fines, settlements, and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, that relate to the operations of the Partnership as set forth in this Agreement in which any Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, unless it is

established that: (i) the act or omission of the Indemnitee was material to the matter giving rise to the proceeding and either was committed in bad faith or was the result of active and deliberate dishonesty; (ii) the Indemnitee actually received an improper personal benefit in money, property or services; or (iii) in the case of any criminal proceeding, the Indemnitee had reasonable cause to believe that the act or omission was unlawful. Without limitation, the foregoing indemnity shall extend to any liability of any Indemnitee, pursuant to a loan guaranty or otherwise, for any indebtedness of the Partnership or any Subsidiary of the Partnership (including, without limitation, any indebtedness which the Partnership or any Subsidiary of the Partnership has assumed or taken subject to), and the General Partner is hereby authorized and empowered, on behalf of the Partnership, to enter into one or more indemnity agreements consistent with the provisions of this

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Section 7.7 in favor of any Indemnitee having or potentially having liability for any such indebtedness. The termination of any proceeding by judgment, order or settlement does not create a presumption that the Indemnitee did not meet the requisite standard of conduct set forth in this Section 7.7.A. The termination of any proceeding by conviction or upon a plea of nolo contendere or its equivalent, or any entry of an order of probation prior to judgment, creates a rebuttable presumption that the Indemnitee acted in a manner contrary to that specified in this Section 7.7.A. Any indemnification pursuant to this Section 7.7 shall be made only out of the assets of the Partnership, and any insurance proceeds from the liability policy covering the General Partner and any Indemnitee, and neither the General Partner nor any Limited Partner shall have any obligation to contribute to the capital of the Partnership or otherwise provide funds to enable the Partnership to fund its obligations under this Section 7.7.

B. Reasonable expenses incurred by an Indemnitee who is a party to a proceeding may be paid or reimbursed by the Partnership in advance of the final disposition of the proceeding upon receipt by the Partnership of (i) a written affirmation by the Indemnitee of the Indemnitee's good faith belief that the standard of conduct necessary for indemnification by the Partnership as authorized in Section 7.7.A has been met and (ii) a written undertaking by or on behalf of the Indemnitee to repay the amount if it shall ultimately be determined that the standard of conduct has not been met.

C. The indemnification provided by this Section 7.7 shall be in addition to any other rights to which an Indemnitee or any other Person may be entitled under any agreement, pursuant to any vote of the Partners, as a matter of law or otherwise, and shall continue as to an Indemnitee who has ceased to serve in such capacity.

D. The Partnership may purchase and maintain insurance, on behalf of the Indemnitees and such other Persons as the General Partner shall determine, against any liability that may be asserted against or expenses that may be incurred by any such Person in connection with the Partnership's activities, regardless of whether the Partnership would have the power to indemnify such Person against such liability under the provisions of this Agreement.

E. For purposes of this Section 7.7, the Partnership shall be deemed to have requested an Indemnitee to serve as fiduciary of an employee benefit plan whenever the performance by it of its duties to the Partnership also imposes duties on, or otherwise involves services by, it to the plan or participants or beneficiaries of the plan; excise taxes assessed on an Indemnitee with respect to an employee benefit plan pursuant to applicable law shall constitute fines within the meaning of Section 7.7; and actions taken or omitted by the Indemnitee with respect to an employee benefit plan in the performance of its duties for a purpose reasonably believed by it to be in the interest of the participants and beneficiaries of the plan shall be deemed to be for a purpose which is not opposed to the best interests of the Partnership.

F. In no event may an Indemnitee subject the Limited Partners to personal liability by reason of the indemnification provisions set forth in this Agreement.

G. An Indemnitee shall not be denied indemnification in whole or in part under this Section 7.7 because the Indemnitee had an interest in the transaction with respect to

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which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement.

H. The provisions of this Section 7.7 are for the benefit of the Indemnitees, their heirs, successors, assigns and administrators and shall not be deemed to create any rights for the benefit of any other Persons. Any

amendment, modification or repeal of this Section 7.7 or any provision hereof shall be prospective only and shall not in any way affect the limitations on the Partnership's liability to any Indemnitee under this Section 7.7 as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

I. If and to the extent any reimbursements to the General Partner pursuant to this Section 7.7 constitute gross income of the General Partner (as opposed to the repayment of advances made by the General Partner on behalf of the Partnership) such amounts shall constitute guaranteed payments within the meaning of Section 707(c) of the Code, shall be treated consistently therewith by the Partnership and all Partners, and shall not be treated as distributions for purposes of computing the Partners' Capital Accounts.

J. Any indemnification hereunder is subject to, and limited by, the provisions of Section 17-108 of the Act.

K. In the event the Partnership is made a party to any litigation or otherwise incurs any loss or expense as a result of or in connection with any Partner's personal obligations or liabilities unrelated to Partnership business, such Partner shall indemnify and reimburse the Partnership for all such loss and expense incurred, including legal fees, and the Partnership Interest of such Partner may be charged therefor. The liability of a Partner under this Section 7.7.K shall not be limited to such Partner's Partnership Interest, but shall be enforceable against such Partner personally.

Section 7.8 Liability of the General Partner

A. Notwithstanding anything to the contrary set forth in this Agreement, none of the General Partner and any of its officers, directors, agents and employees shall be liable or accountable in damages or otherwise to the Partnership, any Partners or any Assignees, or their successors or assigns, for losses sustained, liabilities incurred or benefits not derived as a result of errors in judgment or mistakes of fact or law or any act or omission if the General Partner acted in good faith.

B. The Limited Partners expressly acknowledge that the General Partner is acting for the benefit of the Partnership, the Limited Partners and the General Partner's stockholders collectively, that the General Partner is under no obligation to give priority to the separate interests of the Limited Partners or the General Partner's stockholders (including, without limitation, the tax consequences to Limited Partners or Assignees or to stockholders) in deciding whether to cause the Partnership to take (or decline to take) any actions and that the General Partner shall not be liable to the Partnership or to any Limited Partner for monetary

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damages for losses sustained, liabilities incurred, or benefits not derived by Limited Partners in connection with such decisions; provided, that the General Partner has acted in good faith.

C. Subject to its obligations and duties as General Partner set forth in Section 7.1.A, the General Partner may exercise any of the powers granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through its agents. The General Partner shall not be responsible for any misconduct or negligence on the part of any such agent appointed by it in good faith. In no event shall the liability of the General Partner and its officers, directors, agents and employees, to the Partnership and the Limited Partners under this Section 7.8 be greater than the Partnership Interest of the General Partner.

D. Any amendment, modification or repeal of this Section 7.8 or any provision hereof shall be prospective only and shall not in any way affect the limitations on the liability of the General Partner and any of its officers, directors, agents and employees to the Partnership and the Limited Partners under this Section 7.8 as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

Section 7.9 Other Matters Concerning the General Partner

A. The General Partner may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

B. The General Partner may consult with legal counsel, accountants, appraisers, management consultants, investment bankers and other consultants and advisers selected by it, and any act taken or omitted to be taken in reliance

upon the opinion of such Persons as to matters which such General Partner reasonably believes to be within such Person's professional or expert competence shall be conclusively presumed to have been done or omitted in good faith and in accordance with such opinion.

C. The General Partner shall have the right, in respect of any of its powers or obligations hereunder, to act through any of its duly authorized officers and a duly appointed attorney or attorneys-in-fact. Each such attorney shall, to the extent provided by the General Partner in the power of attorney, have full power and authority to do and perform all and every act and duty which is permitted or required to be done by the General Partner hereunder.

D. Notwithstanding any other provisions of this Agreement or any non-mandatory provision of the Act, any action of the General Partner on behalf of the Partnership or any decision of the General Partner to refrain from acting on behalf of the Partnership, undertaken in the good faith belief that such action or omission is necessary or advisable in order to protect the ability of the General Partner, for so long as the General Partner has determined to qualify as a REIT, to (i) continue to qualify as a REIT or (ii) except with respect to the distribution of Available Cash to the Series B Limited Partners in accordance with Section 17.3 and to the Series J Limited Partners in accordance with Section 18.3 avoid the General Partner

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incurring any taxes under Section 857 or Section 4981 of the Code, is expressly authorized under this Agreement and is deemed approved by all of the Limited Partners.

E. So long as the Company holds any interest in the Partnership (as either a General Partner or Limited Partner), the Company shall have "management rights" (as such term is defined in the Plan Asset Regulation) with respect to the Partnership and its Properties to the extent necessary to qualify the Company as a "venture capital operating company" (as such term is defined in the Plan Asset Regulation).

Section 7.10 Title to Partnership Assets

Title to Partnership assets, whether real, personal or mixed and whether tangible or intangible, shall be deemed to be owned by the Partnership as an entity, and no Partners, individually or collectively, shall have any ownership interest in such Partnership assets or any portion thereof. Title to any or all of the Partnership assets may be held in the name of the Partnership, the General Partner or one or more nominees, as the General Partner may determine, including Affiliates of the General Partner. The General Partner hereby declares and warrants that any Partnership assets for which legal title is held in the name of the General Partner or any nominee or Affiliate of the General Partner shall be deemed held by the General Partner or such nominee or Affiliate for the use and benefit of the Partnership in accordance with the provisions of this Agreement; provided, however, that the General Partner shall use its best efforts to cause beneficial and record title to such assets to be vested in the Partnership as soon as reasonably practicable. All Partnership assets shall be recorded as the property of the Partnership in its books and records, irrespective of the name in which legal title to such Partnership assets is held.

Section 7.11 Reliance by Third Parties

Notwithstanding anything to the contrary in this Agreement, any Person dealing with the Partnership shall be entitled to assume that the General Partner has full power and authority to encumber, sell or otherwise use in any manner any and all assets of the Partnership and to enter into any contracts on behalf of the Partnership, and such Person shall be entitled to deal with the General Partner as if it were the Partnership's sole party in interest, both legally and beneficially. Each Limited Partner hereby waives any and all defenses or other remedies which may be available against such Person to contest, negate or disaffirm any action of the General Partner in connection with any such dealing. In no event shall any Person dealing with the General Partner or its representatives be obligated to ascertain that the terms of this Agreement have been complied with or to inquire into the necessity or expedience of any act or action of the General Partner or its representatives. Each and every certificate, document or other instrument executed on behalf of the Partnership by the General Partner or its representatives shall be conclusive evidence in favor of any and every Person relying thereon or claiming thereunder that (i) at the time of the execution and delivery of such certificate, document or instrument, this Agreement was in full force and effect, (ii) the Person executing and delivering such certificate, document or instrument was duly authorized and empowered to do so for and on behalf of the Partnership and (iii) such certificate, document or instrument was duly executed and delivered in accordance with the terms and provisions of this Agreement and is binding upon the Partnership.

ARTICLE 8.
RIGHTS AND OBLIGATIONS OF LIMITED PARTNERS

Section 8.1 Limitation of Liability

The Limited Partners shall have no liability under this Agreement except as expressly provided in this Agreement or under the Act.

Section 8.2 Management of Business

No Limited Partner or Assignee (other than the General Partner, any of its Affiliates or any officer, director, employee, general partner, agent or trustee of the General Partner, the Partnership or any of their Affiliates, in their capacity as such) shall take part in the operations, management or control (within the meaning of the Act) of the Partnership's business, transact any business in the Partnership's name or have the power to sign documents for or otherwise bind the Partnership. The transaction of any such business by the General Partner, any of its Affiliates or any officer, director, employee, general partner, agent or trustee of the General Partner, the Partnership or any of their Affiliates, in their capacity as such, shall not affect, impair or eliminate the limitations on the liability of the Limited Partners or Assignees under this Agreement.

Section 8.3 Outside Activities of Limited Partners

Subject to any agreements entered into by a Limited Partner or its Affiliates with the General Partner, Partnership or a Subsidiary, any Limited Partner and any officer, director, employee, agent, trustee, Affiliate or stockholder of any Limited Partner shall be entitled to and may have business interests and engage in business activities in addition to those relating to the Partnership, including business interests and activities in direct competition with the Partnership or that are enhanced by the activities of the Partnership. Neither the Partnership nor any Partners shall have any rights by virtue of this Agreement in any business ventures of any Limited Partner or Assignee. Subject to such agreements, none of the Limited Partners nor any other Person shall have any rights by virtue of this Agreement or the partnership relationship established hereby in any business ventures of any other Person, other than the Limited Partners benefiting from the business conducted by the General Partner, and such other Person shall have no obligation pursuant to this Agreement to offer any interest in any such business ventures to the Partnership, any Limited Partner or any such other Person, even if such opportunity is of a character which, if presented to the Partnership, any Limited Partner or such other Person, could be taken by such other Person.

Section 8.4 Return of Capital

Except pursuant to the rights of Redemption set forth in Section 8.6 and the redemption and exchange rights set forth in Sections 17.5, 17.8, 18.5 and 18.8, no Limited Partner shall be entitled to the withdrawal or return of his or her Capital Contribution, except to the extent of distributions made pursuant to this Agreement or upon termination of the Partnership as provided herein. Except as expressly set forth herein with respect to the rights, priorities and preferences of the Preferred Limited Partners holding any series of Preferred Units,

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no Limited Partner or Assignee shall have priority over any other Limited Partner or Assignee either as to the return of Capital Contributions, or as otherwise expressly provided in this Agreement, as to profits, losses, distributions or credits.

Section 8.5 Rights of Limited Partners Relating to the Partnership

A. In addition to other rights provided by this Agreement or by the Act, and except as limited by Section 8.5.C, each Limited Partner shall have the right, for a purpose reasonably related to such Limited Partner's interest as a limited partner in the Partnership, upon written demand with a statement of the purpose of such demand and at the Partnership's expense:

- (i) to obtain a copy of the most recent annual and quarterly reports filed with the Securities and Exchange Commission by the General Partner pursuant to the Exchange Act, and each communication sent to the stockholders of the General Partner;
- (ii) to obtain a copy of the Partnership's Federal, state and local income tax returns for each Partnership Year;
- (iii) to obtain a current list of the name and last known business, residence or mailing address of each Partner;
- (iv) to obtain a copy of this Agreement and the Certificate and

all amendments thereto, together with executed copies of all powers of attorney pursuant to which this Agreement, the Certificate and all amendments thereto have been executed; and

- (v) to obtain true and full information regarding the amount of cash and a description and statement of any other property or services contributed by each Partner and which each Partner has agreed to contribute in the future, and the date on which each became a Partner.

B. The Partnership shall notify each Common Limited Partner in writing of any adjustment made in the calculation of the REIT Shares Amount within ten (10) Business Days of the date such change becomes effective.

C. Notwithstanding any other provision of this Section 8.5, the General Partner may keep confidential from the Limited Partners, for such period of time as the General Partner determines in its sole and absolute discretion to be reasonable, any information that (i) the General Partner believes to be in the nature of trade secrets or other information the disclosure of which the General Partner in good faith believes is not in the best interests of the Partnership or (ii) the Partnership or the General Partner is required by law or by agreements with unaffiliated third parties to keep confidential.

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Section 8.6 Common Limited Partner Redemption Rights

A. On or after the date one year after the Effective Date, or on or after such later date as expressly provided in an agreement entered into between the Partnership and any Common Limited Partner, each Common Limited Partner shall have the right (subject to the terms and conditions set forth herein and in any other such agreement, as applicable) to require the Partnership to redeem all or a portion of the Common Partnership Units held by such Common Limited Partner (such Partnership Units being hereafter referred to as "Tendered Units") in exchange for the Cash Amount (a "Redemption"); provided, that the terms of such Common Partnership Units do not provide that such Common Partnership Units are not entitled to a right of Redemption. Unless otherwise expressly provided in this Agreement or a separate agreement entered into between the Partnership and the holders of such Partnership Units, all Common Partnership Units shall be entitled to a right of Redemption hereunder. Notwithstanding the foregoing, a PLP shall not have the right to require the Partnership to redeem, and the Partnership may not redeem, (i) a number of Performance Units held by such PLP in excess of the Performance Amount; or (ii) any Performance Units prior to the second anniversary of their issuance. Any Redemption shall be exercised pursuant to a Notice of Redemption delivered to the General Partner by the Common Limited Partner who is exercising the right (the "Tendering Partner"). The Cash Amount shall be delivered as a certified check payable to the Tendering Partner within ten (10) days of the Specified Redemption Date in accordance with the instructions set forth in the Notice of Redemption.

B. Notwithstanding Section 8.6.A above, if a Common Limited Partner has delivered to the General Partner a Notice of Redemption then the General Partner may, in its sole and absolute discretion, (subject to the limitations on ownership and transfer of REIT Shares set forth in Article IV.E of the Charter) elect to acquire some or all of the Tendered Units from the Tendering Partner in exchange for the REIT Shares Amount (as of the Specified Redemption Date) and, if the General Partner so elects, the Tendering Partner shall sell the Tendered Units to the General Partner in exchange for the REIT Shares Amount. In such event, the Tendering Partner shall have no right to cause the Partnership to redeem such Tendered Units. The General Partner shall promptly give such Tendering Partner written notice of its election, and the Tendering Partner may elect to withdraw its redemption request at any time prior to the acceptance of the Cash Amount or REIT Shares Amount by such Tendering Partner.

C. The REIT Shares Amount, if applicable, shall be delivered as duly authorized, validly issued, fully paid and nonassessable REIT Shares and, if applicable, free of any pledge, lien, encumbrance or restriction, other than those provided in the Charter, the Bylaws of the General Partner, the Securities Act, relevant state securities or blue sky laws and any applicable registration rights agreement with respect to such REIT Shares entered into by the Tendering Partner. The REIT Shares Amount shall be registered in the name and otherwise delivered as set forth in the Notice of Redemption. Notwithstanding any delay in such delivery (but subject to Section 8.6.E below), the Tendering Partner shall be deemed the owner of such REIT Shares for all purposes, including without limitation, rights to vote or consent, and receive dividends, as of the Specified Redemption Date.

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D. Each Common Limited Partner covenants and agrees with the General Partner that all Tendered Units shall be delivered to the General Partner free and clear of all liens, claims and encumbrances whatsoever and should any such

liens, claims and/or encumbrances exist or arise with respect to such Tendered Units, the General Partner shall be under no obligation to acquire the same. Each Common Limited Partner further agrees that, in the event any state or local property transfer tax is payable as a result of the transfer of its Tendered Units to the General Partner (or its designee), such Common Limited Partner shall assume and pay such transfer tax.

E. Notwithstanding the provisions of Sections 8.6.A, 8.6.B, 8.6.C or any other provision of this Agreement, a Common Limited Partner (i) shall not be entitled to effect a Redemption for cash or an exchange for REIT Shares to the extent the ownership or right to acquire REIT Shares pursuant to such exchange by such Partner on the Specified Redemption Date would cause such Partner or any other Person, or, in the opinion of counsel selected by the General Partner, may cause such Partner or any other Person, to violate the restrictions on ownership and transfer of REIT Shares set forth in Article IV.E of the Charter and (ii) shall have no rights under this Agreement to acquire REIT Shares which would otherwise be prohibited under the Charter. To the extent any attempted Redemption or exchange for REIT Shares would be in violation of this Section 8.6.E, it shall be null and void ab initio and such Common Limited Partner shall not acquire any rights or economic interest in the cash otherwise payable upon such redemption or the REIT Shares otherwise issuable upon such exchange.

F. Notwithstanding anything herein to the contrary (but subject to Section 8.6.E above), with respect to any Redemption or exchange for REIT Shares pursuant to this Section 8.6:

- (i) All Common Partnership Units acquired by the General Partner pursuant thereto shall automatically, and without further action required, be converted into and deemed to be General Partner Interests comprised of the same number and class of Common Partnership Units.
- (ii) Without the consent of the General Partner, each Common Limited Partner may not effect a Redemption for less than 10,000 Partnership Units or, if the Common Limited Partner holds less than 10,000 Partnership Units, all of the Common Partnership Units held by such Common Limited Partner.
- (iii) Without the consent of the General Partner, each Common Limited Partner may not effect a Redemption during the period after the Partnership Record Date with respect to a distribution and before the record date established by the General Partner for a distribution to its common stockholders of some or all of its portion of such distribution.
- (iv) The consummation of any Redemption or exchange for REIT Shares shall be subject to the expiration or termination of the applicable waiting period, if any, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

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- (v) Each Tendering Partner shall continue to own all Common Partnership Units subject to any Redemption or exchange for REIT Shares, and be treated as a Common Limited Partner with respect to such Common Partnership Units for all purposes of this Agreement, until such Common Partnership Units are transferred to the General Partner and paid for or exchanged as of the Specified Redemption Date. Until a Specified Redemption Date, the Tendering Partner shall have no rights as a stockholder of the General Partner with respect to such Tendering Partner's Common Partnership Units.

G. In the event that the Partnership issues additional Partnership Interests to any Additional Limited Partner pursuant to Section 4.3.C, the General Partner shall make such revisions to this Section 8.6 as it determines are necessary to reflect the issuance of such additional Partnership Interests.

ARTICLE 9. BOOKS, RECORDS, ACCOUNTING AND REPORTS

Section 9.1 Records and Accounting

The General Partner shall keep or cause to be kept at the principal office of the Partnership appropriate books and records with respect to the Partnership's business, including without limitation, all books and records necessary to provide to the Limited Partners any information, lists and copies of documents required to be provided pursuant to Section 9.3. Any records maintained by or on behalf of the Partnership in the regular course of its business may be kept on, or be in the form of, punch cards, magnetic tape, photographs, micrographics or any other information storage device; provided, that the records so maintained are convertible into clearly legible written form

within a reasonable period of time. The books of the Partnership shall be maintained, for financial and tax reporting purposes, on an accrual basis in accordance with generally accepted accounting principles.

Section 9.2 Fiscal Year

The fiscal year of the Partnership shall be the calendar year.

Section 9.3 Reports

A. As soon as practicable, but in no event later than one hundred and five (105) days after the close of each Partnership Year, or such earlier date as they are filed with the Securities and Exchange Commission, the General Partner shall cause to be mailed to each Limited Partner as of the close of the Partnership Year, an annual report containing financial statements of the Partnership, or of the General Partner if such statements are prepared solely on a consolidated basis with the General Partner, for such Partnership Year, presented in accordance with generally accepted accounting principles, such statements to be audited by a nationally recognized firm of independent public accountants selected by the General Partner.

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B. As soon as practicable, but in no event later than forty-five (45) days after the close of each calendar quarter (except the last calendar quarter of each year), or such earlier date as they are filed with the Securities and Exchange Commission, the General Partner shall cause to be mailed to each Limited Partner as of the last day of the calendar quarter, a report containing unaudited financial statements of the Partnership, or of the General Partner, if such statements are prepared solely on a consolidated basis with the General Partner, presented in accordance with the applicable law or regulation, or as the General Partner determines to be appropriate.

Section 9.4 Nondisclosure of Certain Information

Notwithstanding the provisions of Sections 9.1 and 9.3, the General Partner may keep confidential from the Limited Partners any information that the General Partner believes to be in the nature of trade secrets or other information the disclosure of which the General Partner in good faith believes is not in the best interests of the Partnership or which the Partnership is required by law or by agreements with unaffiliated third parties to keep confidential.

ARTICLE 10. TAX MATTERS

Section 10.1 Preparation of Tax Returns

The General Partner shall arrange for the preparation and timely filing of all returns of Partnership income, gains, deductions, losses and other items required of the Partnership for Federal and state income tax purposes and shall use all reasonable efforts to furnish, within ninety (90) days of the close of each taxable year, the tax information reasonably required by Limited Partners for Federal and state income tax reporting purposes. Each Limited Partner shall promptly provide the General Partner with such information relating to any Contributed Property contributed by such Limited Partner to the Partnership.

Section 10.2 Tax Elections

Except as otherwise provided herein, the General Partner shall, in its sole and absolute discretion, determine whether to make any available election pursuant to the Code, including the election under Section 754 of the Code. The General Partner shall have the right to seek to revoke any such election (including without limitation, any election under Section 754 of the Code) upon the General Partner's determination in its sole and absolute discretion that such revocation is the best interests of the Partners.

Section 10.3 Tax Matters Partner

A. The General Partner shall be the "tax matters partner" of the Partnership for Federal income tax purposes. Pursuant to Section 6223(c) of the Code, upon receipt of notice from the IRS of the beginning of an administrative proceeding with respect to the Partnership, the tax matters partner shall furnish the IRS with the name, address and profit interest of each of the Limited Partners and Assignees; provided, however, that such information is provided to the Partnership by the Limited Partners and Assignees.

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B. The tax matters partner is authorized, but not required:

(i) to enter into any settlement with the IRS with respect to

any administrative or judicial proceedings for the adjustment of Partnership items required to be taken into account by a Partner for income tax purposes (such administrative proceedings being referred to as a "tax audit" and such judicial proceedings being referred to as "judicial review"), and in the settlement agreement the tax matters partner may expressly state that such agreement shall bind all Partners, except that such settlement agreement shall not bind any Partner (a) who (within the time prescribed pursuant to the Code and Regulations) files a statement with the IRS providing that the tax matters partner shall not have the authority to enter into a settlement agreement on behalf of such Partner or (b) who is a "notice partner" (as defined in Section 6231 of the Code) or a member of a "notice group" (as defined in Section 6223(b)(2) of the Code);

- (ii) in the event that a notice of a final administrative adjustment at the Partnership level of any item required to be taken into account by a Partner for tax purposes (a "final adjustment") is mailed to the tax matters partner, to seek judicial review of such final adjustment, including the filing of a petition for readjustment with the Tax Court or the United States Claims Court, or the filing of a complaint for refund with the District Court of the United States for the district in which the Partnership's principal place of business is located;
- (iii) to intervene in any action brought by any other Partner for judicial review of a final adjustment;
- (iv) to file a request for an administrative adjustment with the IRS at any time and, if any part of such request is not allowed by the IRS, to file an appropriate pleading (petition or complaint) for judicial review with respect to such request;
- (v) to enter into an agreement with the IRS to extend the period for assessing any tax which is attributable to any item required to be taken into account by a Partner for tax purposes, or an item affected by such item; and
- (vi) to take any other action on behalf of the Partners of the Partnership in connection with any tax audit or judicial review proceeding to the extent permitted by applicable law or regulations.

The taking of any action and the incurring of any expense by the tax matters partner in connection with any such proceeding, except to the extent required by law, is a matter in the sole and absolute discretion of the tax matters partner and the provisions relating to indemnification of the General Partner set forth in Section 7.7 shall be fully applicable to the tax matters partner in its capacity as such.

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C. The tax matters partner shall receive no compensation for its services. All third party costs and expenses incurred by the tax matters partner in performing its duties as such (including legal and accounting fees) shall be borne by the Partnership. Nothing herein shall be construed to restrict the Partnership from engaging an accounting firm to assist the tax matters partner in discharging its duties hereunder, so long as the compensation paid by the Partnership for such services is reasonable.

Section 10.4 Organizational Expenses

The Partnership shall elect to deduct expenses, if any, incurred by it in organizing the Partnership ratably over a sixty (60) month period as provided in Section 709 of the Code.

Section 10.5 Withholding

Each Limited Partner hereby authorizes the Partnership to withhold from or pay on behalf of or with respect to such Limited Partner any amount of Federal, state, local, or foreign taxes that the General Partner determines that the Partnership is required to withhold or pay with respect to any amount distributable or allocable to such Limited Partner pursuant to this Agreement, including, without limitation, any taxes required to be withheld or paid by the Partnership pursuant to Sections 1441, 1442, 1445 or 1446 of the Code. Any amount paid on behalf of or with respect to a Limited Partner shall constitute a loan by the Partnership to such Limited Partner, which loan shall be repaid by such Limited Partner within fifteen (15) days after notice from the General Partner that such payment must be made unless (i) the Partnership withholds such payment from a distribution which would otherwise be made to the Limited Partner

or (ii) the General Partner determines, in its sole and absolute discretion, that such payment may be satisfied out of the available funds of the Partnership which would, but for such payment, be distributed to the Limited Partner. Any amounts withheld pursuant to the foregoing clauses (i) or (ii) shall be treated as having been distributed to such Limited Partner. Each Limited Partner hereby unconditionally and irrevocably grants to the Partnership a security interest in such Limited Partner's Partnership Interest to secure such Limited Partner's obligation to pay to the Partnership any amounts required to be paid pursuant to this Section 10.5. In the event that a Limited Partner fails to pay any amounts owed to the Partnership pursuant to this Section 10.5 when due, the General Partner may, in its sole and absolute discretion, elect to make the payment to the Partnership on behalf of such defaulting Limited Partner, and in such event shall be deemed to have loaned such amount to such defaulting Limited Partner and shall succeed to all rights and remedies of the Partnership as against such defaulting Limited Partner (including, without limitation, the right to receive distributions and the holding of a security interest in such Limited Partner's Partnership Interest). Any amounts payable by a Limited Partner hereunder shall bear interest at the base rate on corporate loans at large United States money center commercial banks, as published from time to time in the Wall Street Journal, plus two percentage points (but not higher than the maximum lawful rate) from the date such amount is due (i.e., 15 days after demand) until such amount is paid in full. Each Limited Partner shall take such actions as the Partnership or the General Partner shall request in order to perfect or enforce the security interest created hereunder.

ARTICLE 11.
TRANSFERS AND WITHDRAWALS

Section 11.1 Transfer

A. The term "transfer," when used in this Article 11 with respect to a Partnership Interest, shall be deemed to refer to a transaction by which the General Partner purports to assign its General Partner Interest to another Person or by which a Limited Partner purports to assign its Limited Partnership Interest to another Person, and includes a sale, assignment, gift (outright or in trust), pledge, encumbrance, hypothecation, mortgage, exchange or any other disposition by law or otherwise. Except to the extent otherwise specified, the term "transfer" when used in this Article 11 does not include any Redemption or exchange for REIT Shares pursuant to Section 8.6, any redemption of Preferred Units pursuant to Sections 16.5, 17.5 or 18.5 or any exchange for Preferred Shares pursuant to Section 17.8 or 18.8. No part of the interest of a Limited Partner shall be subject to the claims of any creditor, any spouse for alimony or support, or to legal process, and may not be voluntarily or involuntarily alienated or encumbered, except as may be specifically provided for in this Agreement.

B. No Partnership Interest shall be transferred, in whole or in part, except in accordance with the terms and conditions set forth in this Article 11. Any transfer or purported transfer of a Partnership Interest not made in accordance with this Article 11 shall be null and void ab initio unless otherwise consented by the General Partner in its sole and absolute discretion.

Section 11.2 Transfer of General Partner's Partnership Interest

A. The General Partner shall not withdraw from the Partnership and shall not transfer all or any portion of its interest in the Partnership (whether by sale, statutory merger, consolidation, liquidation or otherwise) without the Consent of the Limited Partners which may be given or withheld by each such Limited Partner in its sole and absolute discretion, and only upon the admission of a successor General Partner pursuant to Section 12.1; provided, however, that, subject to Sections 11.2.B, 11.2.C, 11.2.D and 11.2.E, the General Partner may withdraw from the Partnership and transfer all of its interest upon the merger, consolidation or sale of substantially all of the assets of the General Partner without the consent of any Limited Partners. Upon any transfer of a Partnership Interest in accordance with the provisions of this Section 11.2, the transferee shall become a substitute General Partner for all purposes herein, and shall be vested with the powers and rights of the transferor General Partner, and shall be liable for all obligations and responsible for all duties of the General Partner, once such transferee has executed such instruments as may be necessary to effectuate such admission and to confirm the agreement of such transferee to be bound by all the terms and provisions of this Agreement with respect to the Partnership Interest so acquired. It is a condition to any transfer otherwise permitted hereunder that the transferee assumes, by operation of law or express agreement, all of the obligations of the transferor General Partner under this Agreement with respect to such transferred Partnership Interest, and no such transfer (other than pursuant to a statutory merger or consolidation wherein all obligations and liabilities of the transferor General Partner are assumed by a successor corporation by operation of law) shall relieve the transferor General Partner of its

obligations under this Agreement without the Consent of the Partners, in their reasonable discretion. In the event the General Partner withdraws from the Partnership, or otherwise dissolves or terminates, or upon the Incapacity of the General Partner, all of the remaining Partners may elect to continue the Partnership business by selecting a substitute General Partner in accordance with the Act.

B. Neither the General Partner nor the Partnership may engage in any merger, consolidation or other combination with or into another person, or effect any reclassification, recapitalization or change of its outstanding equity interests, and the General Partner may not sell all or substantially all of its assets (each a "Termination Transaction") unless in connection with the Termination Transaction all holders of Partnership Units either will receive, or will have the right to elect to receive, for each Partnership Unit an amount of cash, securities or other property equal to the product of the REIT Share Amount and the greatest amount of cash, securities or other property paid to the holder of one REIT Share in consideration of one REIT Share pursuant to the Termination Transaction. If, in connection with the Termination Transaction, a purchase, tender or exchange offer shall have been made to and accepted by the holders of the outstanding REIT Shares, each holder of Partnership Units will receive, or will have the right to elect to receive, the greatest amount of cash, securities or other property which such holder would have received had it exercised its rights to Redemption (as set forth in Section 8.6) and received REIT Shares in exchange for its Partnership Units immediately prior to the expiration of such purchase, tender or exchange offer and had thereupon accepted such purchase, tender or exchange offer. The PLPs shall have the benefit of the foregoing provisions with respect to all of their Performance Units, notwithstanding the limitation set forth in Section 8.6.A on a PLPs ability to exercise its rights to a Redemption.

C. A Termination Transaction may also occur if the following conditions are met: (i) substantially all of the assets directly or indirectly owned by the surviving entity are held directly or indirectly by the Partnership or another limited partnership or limited liability company which is the survivor of a merger, consolidation or combination of assets with the Partnership (in each case, the "Surviving Partnership"); (ii) the holders of Partnership Units, including the holders of Performance Units issued or to be issued, own a percentage interest of the Surviving Partnership based on the relative fair market value of the net assets of the Partnership and the other net assets of the Surviving Partnership immediately prior to the consummation of such transaction; (iii) the rights, preferences and privileges of such holders in the Surviving Partnership, including the holders of Performance Units issued or to be issued, are at least as favorable as those in effect immediately prior to the consummation of such transaction and as those applicable to any other limited partners or non-managing members of the Surviving Partnership (except, as to Performance Units, for such differences with Partnership Units regarding liquidation, Redemption and exchange as are set forth herein); and (iv) such rights of the Limited Partners, including the holders of Performance Units issued or to be issued, include at least one of the following: (a) the right to redeem their interests in the Surviving Partnership for the consideration available to such persons pursuant to Section 11.2.B; or (b) the right to redeem their Partnership Units for cash on terms equivalent to those in effect with respect to their Partnership Units immediately prior to the consummation of such transaction, or, if the ultimate controlling person of the Surviving Partnership has publicly traded common equity securities,

such common equity securities, with an exchange ratio based on the determination of relative fair market value of such securities and the REIT Shares.

D. In connection with any transaction permitted by Section 11.2.B or 11.2.C the determination of relative fair market values and rights, preferences and privileges of the Limited Partners shall be reasonably determined by the General Partner's Board of Directors as of the time of the Termination Transaction and, to the extent applicable, the values shall be no less favorable to the holders of Partnership Units than the relative values reflected in the terms of the Termination Transaction.

E. In the event of a Termination Transaction, the arrangements with respect to Performance Units and Performance Shares will be equitably adjusted to reflect the terms of the transaction, including, to the extent that the REIT Shares are exchanged for consideration other than publicly traded common equity, the transfer or release of remaining Performance Shares pursuant to the Escrow Agreements, and resulting issuance of any Performance Units as set forth in Section 4.3.F.

Section 11.3 Limited Partners' Rights to Transfer

A. Any Limited Partner may, at any time without the consent of the General Partner, (i) transfer all or any portion of its Partnership Interest to the General Partner, (ii) transfer all or any portion of its Partnership

Interest to an Affiliate controlled thereby or to an Immediate Family member, subject to the provisions of Section 11.6, (iii) transfer all or any portion of its Partnership Interest to a trust for the benefit of a charitable beneficiary or to a charitable foundation, subject to the provisions of Section 11.6 and (iv) subject to the provisions of Section 11.6, (a) pledge (a "Pledge") all or any portion of its Partnership Interest to a lending institution, which is not an Affiliate of such Limited Partner, as collateral or security for a bona fide loan or other extension of credit, or (b) transfer such pledged Partnership Interest to such lending institution in connection with the exercise of remedies under such loan or extension of credit. In addition, each Limited Partner or Assignee (resulting from a transfer made pursuant to clauses (i)-(iv) of the preceding sentence) shall have the right to transfer all or any portion of its Partnership Interest, subject to the provisions of Section 11.6 and the satisfaction of each of the following conditions:

- (a) General Partner Right of First Refusal. The transferring Partner shall give written notice of the proposed transfer to the General Partner, which notice shall state (x) the identity of the proposed transferee and (y) the amount and type of consideration proposed to be received for the transferred Partnership Units. The General Partner shall have ten (10) days upon which to give the transferring Partner notice of its election to acquire the Partnership Units on the proposed terms. If it so elects, it shall purchase the Partnership Units on such terms within ten (10) days after giving notice of such election. If it does not so elect, the transferring Partner may transfer such Partnership Units to a third party, on economic terms no more favorable to the transferee than the proposed terms, subject to the other conditions of this Section 11.3.

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- (b) Qualified Transferee. Any transfer of a Partnership Interest shall be made only to Qualified Transferees.

It is a condition to any transfer otherwise permitted hereunder that the transferee assumes by operation of law or express agreement all of the obligations of the transferor Limited Partner under this Agreement with respect to such transferred Partnership Interest and no such transfer (other than pursuant to a statutory merger or consolidation wherein all obligations and liabilities of the transferor Partner are assumed by a successor corporation by operation of law) shall relieve the transferor Partner of its obligations under this Agreement without the approval of the General Partner, in its reasonable discretion. Notwithstanding the foregoing, any transferee of any transferred Partnership Interest shall be subject to any and all ownership limitations contained in the Charter, which may limit or restrict such transferee's ability to exercise its exchange rights set forth in Section 17.8 and 18.8 and to the representations set forth in Section 3.4.D. Any transferee, whether or not admitted as a Substituted Limited Partner, shall take subject to the obligations of the transferor hereunder. Unless admitted as a Substituted Limited Partner, no transferee, whether by a voluntary transfer, by operation of law or otherwise, shall have any rights hereunder, other than the rights of an Assignee as provided in Section 11.5.

B. If a Limited Partner is subject to Incapacity, the executor, administrator, trustee, committee, guardian, conservator, or receiver of such Limited Partner's estate shall have all the rights of a Limited Partner, but not more rights than those enjoyed by other Limited Partners, for the purpose of settling or managing the estate, and such power as the Incapacitated Limited Partner possessed to transfer all or any part of his or its interest in the Partnership. The Incapacity of a Limited Partner, in and of itself, shall not dissolve or terminate the Partnership.

C. The General Partner may prohibit any transfer otherwise permitted under this Section 11.3 by a Limited Partner of his or her Partnership Units if, in the opinion of legal counsel to the Partnership, such transfer would require the filing of a registration statement under the Securities Act by the Partnership or would otherwise violate any Federal or state securities laws or regulations applicable to the Partnership or the Partnership Unit.

D. No transfer by a Limited Partner of his or her Partnership Units (including any Redemption or exchange for REIT Shares pursuant to Section 8.6, the redemption or exchange rights set forth in Sections 17.5 and 17.8 or Sections 18.5 and 18.8, or any other acquisition of Common Units, Series B Preferred Partnership Units or Series J Preferred Partnership Units by the General Partner or the Partnership) may be made to any person if (i) in the opinion of legal counsel for the Partnership, it could result in the Partnership being treated as an association taxable as a corporation or (ii) absent the consent of the General Partner, which may be given or withheld in its sole and absolute discretion, such transfer could be treated as effectuated through an "established securities market" or a "secondary market (or the substantial equivalent thereof)" within the meaning of Section 7704 of the Code.

E. No transfer of any Partnership Units may be made to a lender to the Partnership or any Person who is related (within the meaning of Section 1.752-4(b) of the Regulations) to any lender to the Partnership whose loan constitutes a Nonrecourse Liability, without the consent of the General Partner, in its sole and absolute discretion; provided, that as a

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condition to such consent, the lender will be required to enter into an arrangement with the Partnership and the General Partner to redeem or exchange for the REIT Shares Amount, or the specified amount of Series B Preferred Shares and Series J Preferred Shares, as the case may be, any Partnership Units in which a security interest is held simultaneously with the time at which such lender would be deemed to be a partner in the Partnership for purposes of allocating liabilities to such lender under Section 752 of the Code.

F. No Limited Partner may withdraw from the Partnership except as a result of transfer, Redemption or exchange of Partnership Units pursuant hereto.

G. No PLP (or any transferee described below) shall be entitled to transfer any Performance Units prior to the second anniversary of their issuance, without the consent of the General Partner, which may be given or withheld in its sole discretion; provided, however, no such consent shall be required under this Section 11.3.G (but subject to the other limitations of this Article 11) for a transfer of all or a portion of such Performance Units to an Affiliate, to Immediate Family Members, to a trust described in Section 11.3.A(iii), pursuant to a Pledge, or a transfer of such pledged units to such lending institution in connection with the exercise of remedies under such loan or extension of credit.

Section 11.4 Substituted Limited Partners

A. No Limited Partner shall have the right to substitute a transferee as a Limited Partner in his or her place (including any transferee permitted by Section 11.3 above). The General Partner shall, however, have the right to consent to the admission of a permitted transferee of the interest of a Limited Partner, as a Substituted Limited Partner, pursuant to this Section 11.4, which consent may be given or withheld by the General Partner in its sole and absolute discretion. The General Partner's failure or refusal to permit a transferee of any such interests to become a Substituted Limited Partner shall not give rise to any cause of action against the Partnership or any Partner.

B. A transferee who has been admitted as a Substituted Limited Partner in accordance with this Article 11 shall have all the rights and powers and be subject to all the restrictions and liabilities of a Limited Partner under this Agreement. The admission of any transferee as a Substituted Limited Partner shall be subject to the transferee executing and delivering to the Partnership an acceptance of all of the terms and conditions of this Agreement (including, without limitation, the provisions of Section 2.4 and such other documents or instruments as may be required to effect the admission, each in form and substance satisfactory to the General Partner) and the acknowledgment by such transferee that each of the representations and warranties set forth in Section 3.4 are true and correct with respect to such transferee as of the date of the transfer of the Partnership Interest to such transferee and will continue to be true to the extent required by such representations and warranties.

C. Upon the admission of a Substituted Limited Partner, the General Partner shall amend Exhibit A to reflect the name, address, number of Partnership Units, and Percentage Interest of such Substituted Limited Partner and to eliminate or adjust, if necessary, the name, address and interest of the predecessor of such Substituted Limited Partner.

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Section 11.5 Assignees

If the General Partner, in its sole and absolute discretion, does not consent to the admission of any permitted transferee under Section 11.3 as a Substituted Limited Partner, as described in Section 11.4, such transferee shall be considered an Assignee for purposes of this Agreement. An Assignee shall be entitled to all the rights of an assignee of a limited partnership interest under the Act, including the right to receive distributions from the Partnership and the share of Net Income, Net Losses, gain and loss attributable to the Partnership Units assigned to such transferee, the rights to transfer the Partnership Units provided in this Article 11, the right of Redemption provided in Section 8.6, the right of exchange for Series B Preferred Shares set forth in Section 17.8 and the right of exchange for Series J Preferred Shares set forth in Section 18.8, but shall not be deemed to be a holder of Partnership Units for any other purpose under this Agreement, and shall not be entitled to effect a Consent with respect to such Partnership Units on any matter presented to the Limited Partners for approval (such Consent remaining with the transferor Limited Partner). In the event any such transferee desires to make a further assignment of any such Partnership Units, such transferee shall be subject to

all the provisions of this Article 11 to the same extent and in the same manner as any Limited Partner desiring to make an assignment of Partnership Units. Notwithstanding anything contained in this Agreement to the contrary, as a condition to becoming an Assignee, any prospective Assignee must first execute and deliver to the Partnership an acknowledgment that each of the representations and warranties set forth in Section 3.4 hereof are true and correct with respect to such prospective Assignee as of the date of the prospective assignment of the Partnership Interest to such prospective Assignee and will continue to be true to the extent required by such representations or warranties.

Section 11.6 General Provisions

A. No Limited Partner may withdraw from the Partnership other than (i) as a result of a permitted transfer of all of such Limited Partner's Partnership Units in accordance with this Article 11 and the transferee(s) of such Units being admitted to the Partnership as a Substituted Limited Partner(s) or (ii) pursuant to the exercise of its right of Redemption of all of such Limited Partner's Partnership Units under Section 8.6, its right of exchange of all of such Limited Partner's Series B Preferred Units under Section 17.8 or its right of exchange of all of such Limited Partner's Series J Preferred Units under Section 18.8, or upon the redemption of all of such Limited Partner's Series B Preferred Units pursuant to Section 17.5 or the redemption of all of such Limited Partner's Series J Preferred Units pursuant to Section 18.5; provided that after such transfer, exchange or redemption such Limited Partner owns no Partnership Units.

B. Any Limited Partner who shall assign all of such Limited Partner's Partnership Units (i) in a transfer permitted pursuant to this Article 11 where such transferee was admitted as a Substituted Limited Partner, (ii) pursuant to the exercise of (1) its rights of Redemption of all of such Limited Partner's Partnership Units under Section 8.6, (2) its right of exchange of all of such Limited Partner's Series B Preferred Units under Section 17.8 or (3) its right of exchange of all of such Limited Partner's Series J Preferred Units under Section 18.8, or (iii) upon the redemption of all of such Limited Partner's Series B Preferred Units pursuant to Section 17.5 or the redemption of all of such Limited Partner's Series J Preferred Units pursuant

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to Section 18.5 shall cease to be a Limited Partner; provided that after such transfer, exchange or redemption such Limited Partner owns no Partnership Units.

C. Transfers pursuant to this Article 11 may only be made effective on the last day of the month set forth on the written instrument of transfer, unless the General Partner otherwise agrees.

D. If any Partnership Interest is transferred, assigned or redeemed during any quarterly segment of the Partnership's fiscal year in compliance with the provisions of this Article 11 or transferred or redeemed pursuant to Sections 8.6, 17.5 or 18.5, on any day other than the first day of a Partnership Year, then Net Income, Net Losses, each item thereof and all other items attributable to such Partnership Interest for such fiscal year shall be divided and allocated between the transferor Partner and the transferee Partner by taking into account their varying interests during the fiscal year in accordance with Section 706(d) of the Code, using the interim closing of the books method. Except as otherwise required by Section 706(d) of the Code or as otherwise specified in this Agreement or as otherwise determined by the General Partner (to the extent consistent with Section 706(d) of the Code), solely for purposes of making such allocations, each of such items for the calendar month in which the transfer, assignment or redemption occurs shall be allocated among all the Partners and Assignees in a manner determined by the General Partner in its sole discretion.

E. In addition to any other restrictions on transfer herein contained, including without limitation the provisions of this Article 11 and Section 2.6, in no event may any transfer or assignment of a Partnership Interest by any Partner (including by way of a Redemption or exchange for Series B Preferred Shares or Series J Preferred Shares, or any other acquisition of Common Units, Series B Preferred Units or Series J Preferred Units by the Partnership or the General Partner) be made (i) to any person or entity who lacks the legal right, power or capacity to own a Partnership Interest; (ii) in violation of applicable law; (iii) except with the consent of the General Partner, which may be given or withheld in its sole and absolute discretion, of any component portion of a Partnership Interest, such as the Capital Account, or rights to distributions, separate and apart from all other components of a Partnership Interest; (iv) except with the consent of the General Partner, which may be given or withheld in its sole and absolute discretion, if in the opinion of legal counsel to the Partnership such transfer would cause a termination of the Partnership for Federal or state income tax purposes (except as a result of the Redemption or exchange for REIT Shares, and a Redemption or exchange for Preferred Shares or cash pursuant to Sections 17.5, 17.8, 18.5 and 18.8, of all Partnership Units held by all Limited Partners or pursuant to a Termination Transaction expressly permitted under Section 11.2); (v) if in the opinion of

counsel to the Partnership such transfer would cause the Partnership to cease to be classified as a partnership for Federal or state income tax purposes (except as a result of the Redemption or exchange for REIT Shares and a Redemption or exchange for Preferred Shares pursuant to Sections 17.5, 17.8, 18.5 or 18.8 of all Partnership Units held by all Limited Partners); (vi) if such transfer would cause the Partnership to become, with respect to any employee benefit plan subject to Title I of ERISA, a "party-in-interest" (as defined in Section 3(14) of ERISA) or a "disqualified person" (as defined in Section 4975(c) of the Code); (vii) if such transfer would, in the opinion of counsel to the Partnership, cause any portion of the assets of the Partnership to constitute assets of any employee benefit plan pursuant to Department of

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Labor Regulations Section 2510.2-101; (viii) if such transfer requires the registration of such Partnership Interest or requires the registration of the exchange of such Partnership Interests for any capital stock pursuant to any applicable Federal or state securities laws; (ix) except with the consent of the General Partner, which may be given or withheld in its sole and absolute discretion, if such transfer is effectuated through an "established securities market" or a "secondary market" (or the substantial equivalent thereof) within the meaning of Section 7704 of the Code or such transfer causes the Partnership to become a "Publicly Traded Partnership," as such term is defined in Sections 469(k)(2) or 7704(b) of the Code; (x) if such transfer subjects the Partnership to be regulated under the Investment Company Act of 1940, the Investment Advisors Act of 1940 or the Employee Retirement Income Security Act of 1974, each as amended; (xi) if the transferee or assignee of such Partnership Interest is unable to make the representations set forth in Section 3.4.D or such transfer could otherwise adversely affect the ability of the General Partner to remain qualified as a REIT; or (xii) if in the opinion of legal counsel for the Partnership such transfer would adversely affect the ability of the General Partner to continue to qualify as a REIT or, except with the consent of the General Partner, which may be given or withheld in its sole and absolute discretion, subject the General Partner to any additional taxes under Section 857 or Section 4981 of the Code.

F. The General Partner shall monitor the transfers of interests in the Partnership (including any acquisition of Common Units, Series B Preferred Partnership Units or Series J Preferred Units by the Partnership or the General Partner) to determine (i) if such interests are being traded on an "established securities market" or a "secondary market (or the substantial equivalent thereof)" within the meaning of Section 7704 of the Code and (ii) whether such transfers of interests would result in the Partnership being unable to qualify for at least one of the "safe harbors" set forth in Regulations Section 1.7704-1 (or such other applicable guidance subsequently published by the IRS setting forth safe harbors under which interests will not be treated as "readily tradable on a secondary market (or the substantial equivalent thereof)" within the meaning of Section 7704 of the Code) (the "Safe Harbors"). The General Partner shall have authority (but shall not be required to) to take any steps it determines are necessary or appropriate in its sole and absolute discretion to prevent any trading of interests which could cause the Partnership to become a "publicly traded partnership," or any recognition by the Partnership of such transfers, or to insure that at least one of the Safe Harbors is met.

ARTICLE 12. ADMISSION OF PARTNERS

Section 12.1 Admission of Successor General Partner

A successor to all of the General Partner's General Partner Interest pursuant to Section 11.2 who is proposed to be admitted as a successor General Partner shall be admitted to the Partnership as the General Partner, effective upon such transfer. Any such transferee shall carry on the business of the Partnership without dissolution. In each case, the admission shall be subject to the successor General Partner executing and delivering to the Partnership an acceptance of all of the terms and conditions of this Agreement and such other documents or instruments as may be required to effect the admission. In the case of such admission on any day other than the first day of a Partnership Year, all items attributable to the General Partner Interest

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for such Partnership Year shall be allocated between the transferring General Partner and such successor as provided in Article 11.

Section 12.2 Admission of Additional Limited Partners

A. A Person who makes a Capital Contribution to the Partnership in accordance with this Agreement shall be admitted to the Partnership as an Additional Limited Partner only upon furnishing to the General Partner (i) evidence of acceptance in form satisfactory to the General Partner of all of the terms and conditions of this Agreement, including, without limitation, the power of attorney granted in Section 2.4 and (ii) such other documents or instruments

as may be required in the discretion of the General Partner in order to effect such Person's admission as an Additional Limited Partner.

B. Notwithstanding anything to the contrary in this Section 12.2, no Person shall be admitted as an Additional Limited Partner without the consent of the General Partner, which consent may be given or withheld in the General Partner's sole and absolute discretion. The admission of any Person as an Additional Limited Partner shall become effective on the date upon which the name of such Person is recorded on the books and records of the Partnership, following the receipt of the Capital Contribution in respect of such Limited Partner, the documents set forth in this Section 12.2.A and the consent of the General Partner to such admission. If any Additional Limited Partner is admitted to the Partnership on any day other than the first day of a Partnership Year, then Net Income, Net Losses, each item thereof and all other items allocable among Partners and Assignees for such Partnership Year shall be allocated among such Limited Partner and all other Partners and Assignees by taking into account their varying interests during the Partnership Year in accordance with Section 706(d) of the Code, using the interim closing of the books method. Solely for purposes of making such allocations, each of such items for the calendar month in which an admission of an Additional Limited Partner occurs shall be allocated among all the Partners and Assignees, including such Additional Limited Partner, in a manner determined by the General Partner in its sole discretion.

Section 12.3 Amendment of Agreement and Certificate of Limited Partnership

For the admission to the Partnership of any Partner, the General Partner shall take all steps necessary and appropriate under the Act to amend the records of the Partnership and, if necessary, to prepare as soon as practical an amendment of this Agreement (including an amendment of Exhibit A) and, if required by law, shall prepare and file an amendment to the Certificate and may for this purpose exercise the power of attorney granted pursuant to Section 2.4.

ARTICLE 13. DISSOLUTION AND LIQUIDATION

Section 13.1 Dissolution

The Partnership shall not be dissolved by the admission of Substituted Limited Partners or Additional Limited Partners or by the admission of a successor General Partner in

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accordance with the terms of this Agreement. Upon the withdrawal of the General Partner, any successor General Partner (selected as described in Section 13.1.B below) shall continue the business of the Partnership. The Partnership shall dissolve, and its affairs shall be wound up, upon the first to occur of any of the following ("Liquidating Events"):

A. the expiration of its term as provided in Section 2.5;

B. an event of withdrawal of the General Partner, as defined in the Act, unless, within ninety (90) days after the withdrawal, all of the remaining Partners agree in writing, in their sole and absolute discretion, to continue the business of the Partnership and to the appointment, effective as of the date of withdrawal, of a substitute General Partner;

C. prior to December 31, 2096, an election to dissolve the Partnership made by the General Partner with the consent of Limited Partners who hold ninety percent (90%) of the outstanding Units held by Limited Partners;

D. subject to the provisions of Section 7.3.C, an election to dissolve the Partnership made by the General Partner in its sole and absolute discretion;

E. entry of a decree of judicial dissolution of the Partnership pursuant to the provisions of the Act;

F. the sale or disposition of all or substantially all of the assets and properties of the Partnership;

G. final and non-appealable judgment is entered by a court of competent jurisdiction ruling that the General Partner is bankrupt or insolvent, or a final and non-appealable order for relief is entered by a court with appropriate jurisdiction against the General Partner, in each case under any Federal or state bankruptcy or insolvency laws as now or hereafter in effect, unless prior to or at the time of the entry of such order or judgment a Majority in Interest of the remaining Limited Partners Consent in writing to continue the business of the Partnership and to the appointment, effective as of a date prior to the date of such order or judgment, of a substitute General Partner; or

H. the Redemption or exchange for REIT Shares , Series B Preferred

Shares or Series J Preferred Shares of all Partnership Units (other than those of the General Partner) pursuant to this Agreement.

Section 13.2 Winding Up

A. Upon the occurrence of a Liquidating Event, the Partnership shall continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors and Partners. No Partner shall take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Partnership's business and affairs. The General Partner (or, in the event there is no remaining General Partner, any Person elected by a Majority in Interest of the Limited Partners (the "Liquidator")) shall be responsible for overseeing the winding up and dissolution of the Partnership and shall take full

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account of the Partnership's liabilities and assets and the Partnership property shall be liquidated as promptly as is consistent with obtaining the fair value thereof, and the proceeds therefrom (which may, to the extent determined by the General Partner, include shares of stock of the General Partner) shall be applied and distributed in the following order:

- (i) First, to the payment and discharge of all of the Partnership's debts and liabilities to creditors other than the Partners;
- (ii) Second, to the payment and discharge of all of the Partnership's debts and liabilities to the General Partner;
- (iii) Third, to the payment and discharge of all of the Partnership's debts and liabilities to the other Partners; and
- (iv) The balance, if any, to the Partners in accordance with their Capital Account balances determined after giving effect to all contributions and distributions for all periods, and after taking into account all Capital Account adjustments for the Partnership taxable year during which the liquidation occurs (other than those made as a result of the liquidating distribution set forth in this Section 13.2.A(iv)).

The General Partner shall not receive any additional compensation for any services performed pursuant to this Article 13 other than reimbursement of its expenses as provided in Section 7.4.

B. Notwithstanding the provisions of Section 13.2.A which require liquidation of the assets of the Partnership, but subject to the order of priorities set forth therein, if prior to or upon dissolution of the Partnership the Liquidator determines that an immediate sale of part or all of the Partnership's assets would be impractical or would cause undue loss to the Partners, the Liquidator may, in its sole and absolute discretion, defer for a reasonable time the liquidation of any assets except those necessary to satisfy liabilities of the Partnership (including to those Partners as creditors) and/or distribute to the Partners, in lieu of cash, as tenants in common and in accordance with the provisions of Section 13.2.A, undivided interests in such Partnership assets as the Liquidator deems not suitable for liquidation. Any such distributions in kind shall be made only if, in the good faith judgment of the Liquidator, such distributions in kind are in the best interest of the Partners, and shall be subject to such conditions relating to the disposition and management of such properties as the Liquidator deems reasonable and equitable and to any agreements governing the operation of such properties at such time. The Liquidator shall determine the fair market value of any property distributed in kind using such reasonable method of valuation as it may adopt.

C. The Partnership shall be terminated when any notes received in connection with any such sale or disposition referenced in Section 13.1.E above, or in connection with the liquidation of the Partnership have been paid and all of the cash or property available for application and distribution under this Agreement have been applied and distributed in accordance with this Agreement.

Section 13.3 Compliance with Timing Requirements of Regulations

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In the event the Partnership is "liquidated" within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g), distributions shall be made pursuant to this Article 13 to the General Partner and Limited Partners who have positive Capital Accounts in compliance with Regulations Section 1.704-1(b)(2)(ii)(b)(2). If any Partner has a deficit balance in his or her Capital Account (after giving effect to all contributions, distributions and allocations for the taxable years, including the year during which such liquidation occurs), such Partner

shall have no obligation to make any contribution to the capital of the Partnership with respect to such deficit, and such deficit shall not be considered a debt owed to the Partnership or to any other Person for any purpose whatsoever, except to the extent otherwise agreed to by such Partner and the General Partner. In the discretion of the Liquidator or the General Partner, a pro rata portion of the distributions that would otherwise be made to the General Partner and Limited Partners pursuant to this Article 13 may be:

A. distributed to a trust established for the benefit of the General Partner and Limited Partners for the purposes of liquidating Partnership assets, collecting amounts owed to the Partnership, and paying any contingent or unforeseen liabilities or obligations of the Partnership or of the General Partner arising out of or in connection with the Partnership. The assets of any such trust shall be distributed to the General Partner and Limited Partners from time to time, in the reasonable discretion of the Liquidator or the General Partner, in the same proportions and the amount distributed to such trust by the Partnership would otherwise have been distributed to the General Partner and Limited Partners pursuant to this Agreement; or

B. withheld to establish any reserves deemed necessary or appropriate for any contingent or unforeseen liabilities or obligations of the Partnership; and to reflect the unrealized portion of any installment obligations owed to the Partnership; provided that, such withheld amounts shall be distributed to the General Partner and Limited Partners as soon as practicable.

Section 13.4 Deemed Distribution and Recontribution

Notwithstanding any other provision of this Article 13, in the event the Partnership is liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g) but no Liquidating Event has occurred, the Partnership's property shall not be liquidated, the Partnership's liabilities shall not be paid or discharged, and the Partnership's affairs shall not be wound up. Instead, the Partnership shall be deemed to have distributed the Partnership property in kind to the General Partner and Limited Partners, who shall be deemed to have assumed and taken such property subject to all Partnership liabilities, all in accordance with their respective Capital Accounts. Immediately thereafter, the General Partner and Limited Partners shall be deemed to have recontributed the Partnership property in kind to the Partnership, which shall be deemed to have assumed and taken such property subject to all such liabilities.

Section 13.5 Rights of Limited Partners

Except as otherwise provided in this Agreement, each Limited Partner shall look solely to the assets of the Partnership for the return of his Capital Contribution and shall have no right or power to demand or receive property from the General Partner. Except as expressly set forth herein with respect to the rights, priorities and preferences of the Preferred Limited Partners

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holding any series of Preferred Units, no Limited Partner shall have priority over any other Limited Partner as to the return of his Capital Contributions, distributions or allocations.

Section 13.6 Notice of Dissolution

In the event a Liquidating Event occurs or an event occurs that would, but for provisions of Section 13.1, result in a dissolution of the Partnership, the General Partner shall, within thirty (30) days thereafter, provide written notice thereof to each of the Partners and to all other parties with whom the Partnership regularly conducts business (as determined in the discretion of the General Partner) and shall publish notice thereof in a newspaper of general circulation in each place in which the Partnership regularly conducts business (as determined in the discretion of the General Partner).

Section 13.7 Cancellation of Certificate of Limited Partnership

Upon the completion of the liquidation of the Partnership cash and property as provided in Section 13.2, the Partnership shall be terminated and the Certificate and all qualifications of the Partnership as a foreign limited partnership in jurisdictions other than the State of Delaware shall be canceled and such other actions as may be necessary to terminate the Partnership shall be taken.

Section 13.8 Reasonable Time for Winding-Up

A reasonable time shall be allowed for the orderly winding-up of the business and affairs of the Partnership and the liquidation of its assets pursuant to Section 13.2, in order to minimize any losses otherwise attendant upon such winding-up, and the provisions of this Agreement shall remain in effect between the Partners during the period of liquidation.

Section 13.9 Waiver of Partition

Each Partner hereby waives any right to partition of the Partnership property.

ARTICLE 14.
AMENDMENT OF PARTNERSHIP AGREEMENT; CONSENTS

Section 14.1 Amendments

A. The actions requiring consent or approval of the Partners or of the Limited Partners pursuant to this Agreement, including Section 7.3, or otherwise pursuant to applicable law, are subject to the procedures in this Article 14.

B. Amendments to this Agreement requiring the consent or approval of Limited Partners may be proposed by the General Partner or by Limited Partners holding twenty-five percent (25%) or more of the Partnership Interests held by Limited Partners. Following such proposal, the General Partner shall submit any proposed amendment to the Partners or of the Limited Partners, as applicable. The General Partner shall seek the written consent or approval of the Partners or of the Limited Partners on the proposed amendment or shall call a meeting to vote thereon and to transact any other business that it may deem appropriate. For purposes of

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obtaining a written consent, the General Partner may require a response within a reasonable specified time, but not less than fifteen (15) days, and failure to respond in such time period shall constitute a consent which is consistent with the General Partner's recommendation (if so recommended); provided that, an action shall become effective at such time as requisite consents are received even if prior to such specified time.

Section 14.2 Action by the Partners

A. Meetings of the Partners may be called by the General Partner and shall be called upon the receipt by the General Partner of a written request by Limited Partners holding twenty-five percent (25%) or more of the Partnership Interests held by the Limited Partners. The call shall state the nature of the business to be transacted. Notice of any such meeting shall be given to all Partners not less than seven days nor more than thirty (30) days prior to the date of such meeting. Partners may vote in person or by proxy at such meeting. Whenever the vote of the Percentage Interests of the Partners, or the Consent of the Partners or Consent of the Limited Partners is permitted or required under this Agreement, such vote or Consent may be given at a meeting of Partners or may be given in accordance with the procedure prescribed in Section 14.1.

B. Any action required or permitted to be taken at a meeting of the Partners may be taken without a meeting if a written consent setting forth the action so taken is signed by the Percentage Interests as is expressly required by this Agreement for the action in question. Such consent may be in one instrument or in several instruments, and shall have the same force and effect as a vote of the Percentage Interests of the Partners (expressly required by this Agreement). Such consent shall be filed with the General Partner. An action so taken shall be deemed to have been taken at a meeting held on the effective date so certified.

C. Each Limited Partner may authorize any Person or Persons to act for him by proxy on all matters in which a Limited Partner is entitled to participate, including waiving notice of any meeting, or voting or participating at a meeting. Every proxy must be signed by the Limited Partner or his attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Limited Partner executing it.

D. Each meeting of Partners shall be conducted by the General Partner or such other Person as the General Partner may appoint pursuant to such rules for the conduct of the meeting as the General Partner or such other Person deems appropriate.

E. On matters on which Limited Partners are entitled to vote, each Limited Partner shall have a vote equal to the number of Partnership Units held.

ARTICLE 15.
GENERAL PROVISIONS

Section 15.1 Addresses and Notice

Any notice, demand, request or report required or permitted to be given or made to a Partner or Assignee under this Agreement shall be in writing and shall be deemed given or

made when delivered in person or when sent by certified first class United States mail, nationally recognized overnight delivery service or facsimile transmission to the Partner or Assignee at the address set forth in Exhibit A or such other address as the Partners shall notify the General Partner in writing.

Section 15.2 Titles and Captions

All article or section titles or captions in this Agreement are for convenience only. They shall not be deemed part of this Agreement and in no way define, limit, extend or describe the scope or intent of any provisions hereof. Except as specifically provided otherwise, references to "Articles" and "Sections" are to Articles and Sections of this Agreement.

Section 15.3 Pronouns and Plurals

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

Section 15.4 Further Action

The parties shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement.

Section 15.5 Binding Effect

This Agreement shall be binding upon and inure to the benefit of the parties hereto including the Persons set forth in Exhibit G, and their heirs, executors, administrators, successors, legal representatives and permitted assigns.

Section 15.6 Creditors

Other than as expressly set forth herein with respect to Indemnitees, none of the provisions of this Agreement shall be for the benefit of, or shall be enforceable by, any creditor of the Partnership.

Section 15.7 Waiver

No failure or delay by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon any breach thereof shall constitute waiver of any such breach or any other covenant, duty, agreement or condition.

Section 15.8 Counterparts

This Agreement may be executed in counterparts, all of which together shall constitute one agreement binding on all the parties hereto, notwithstanding that all such parties

are not signatories to the original or the same counterpart. Each party shall become bound by this Agreement immediately upon affixing its signature hereto.

Section 15.9 Applicable Law

This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware, without regard to the principles of conflicts of law.

Section 15.10 Invalidity of Provisions

If any provision of this Agreement is or becomes invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby.

Section 15.11 Limitation to Preserve REIT Status

To the extent that any amount paid or credited to the General Partner or its officers, directors, employees or agents pursuant to Section 7.4 or 7.7 would constitute gross income to the General Partner for purposes of Sections 856(c)(2) or 856(c)(3) of the Code (a "General Partner Payment") then, notwithstanding any other provision of this Agreement, the amount of such General Partner Payments for any fiscal year shall not exceed the lesser of:

- (i) an amount equal to the excess, if any, of (a) 4.17% of the General Partner's total gross income (but not including the

amount of any General Partner Payments) for the fiscal year which is described in subsections (A) through (H) of Section 856(c)(2) of the Code over (b) the amount of gross income (within the meaning of Section 856(c)(2) of the Code) derived by the General Partner from sources other than those described in subsections (A) through (H) of Section 856(c)(2) of the Code (but not including the amount of any General Partner Payments); or

- (ii) an amount equal to the excess, if any, of (a) 25% of the General Partner's total gross income (but not including the amount of any General Partner Payments) for the fiscal year which is described in subsections (A) through (I) of Section 856(c)(3) of the Code over (b) the amount of gross income (within the meaning of Section 856(c)(3) of the Code) derived by the General Partner from sources other than those described in subsections (A) through (I) of Section 856(c)(3) of the Code (but not including the amount of any General Partner Payments);

provided, however, that General Partner Payments in excess of the amounts set forth in subparagraphs (i) and (ii) above may be made if the General Partner, as a condition precedent, obtains an opinion of tax counsel that the receipt of such excess amounts would not adversely affect the General Partner's ability to qualify as a REIT. To the extent General Partner Payments may not be made in a year due to the foregoing limitations, such General Partner Payments shall carry over and be treated as arising in the following year; provided, however, that such amounts shall not carry over for more than five years, and if not paid within such five year period, shall

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expire; provided, further, that (a) as General Partner Payments are made, such payments shall be applied first to carry over amounts outstanding, if any and (b) with respect to carry over amounts for more than one Partnership Year, such payments shall be applied to the earliest Partnership Year first.

Section 15.12 Entire Agreement

This Agreement (together with the agreements listed on Exhibit I hereto as to rights and obligations in respect of the Units held by the Limited Partners who are parties thereto, or their permitted transferees) contains the entire understanding and agreement among the Partners with respect to the subject matter hereof and supersedes any other prior written or oral understandings or agreements among them with respect thereto.

Section 15.13 No Rights as Stockholders

Nothing contained in this Agreement shall be construed as conferring upon the holders of Partnership Units any rights whatsoever as stockholders of the General Partner, including without limitation any right to receive dividends or other distributions made to stockholders of the General Partner or to vote or to consent or to receive notice as stockholders in respect of any meeting of stockholders for the election of directors of the General Partner or any other matter.

ARTICLE 16. SERIES A PREFERRED UNITS

Section 16.1 Designation and Number

A series of Partnership Units in the Partnership designated as the 8 1/2% Series A Cumulative Redeemable Preferred Units (the "Series A Preferred Units") is hereby established. The number of Series A Preferred Units shall be 4,600,000.

Section 16.2 Section 16.2 Ranking

The Series A Preferred Units shall, with respect to distribution rights and rights upon voluntary or involuntary liquidation, winding up or dissolution of the Partnership, rank (i) senior to the Common Units and to all Partnership Units the terms of which provide that such Partnership Units shall rank junior to the Series A Preferred Units; (ii) on a parity with the Series B Preferred Units, the Series J Preferred Units and all other Parity Preferred Units; and (iii) junior to all Partnership Units which rank senior to the Series A Preferred Units.

Section 16.3 Section 16.3. Distributions

A. Payments of Distribution. Subject to the rights of holders of Parity Preferred Units (including Series B Preferred Units and Series J Preferred Units) as to the payment of distributions, pursuant to Section 5.1, Section 17.3.A and Section 18.3.A hereof, the General Partner, as holder of the Series A Preferred Units, will be entitled to receive, when, as

and if declared by the Partnership acting through the General Partner, out of Available Cash, cumulative preferential cash distributions in an amount equal to the Series A Priority Return. Such distributions will be payable (A) quarterly in arrears, on the 15th day of January, April, July and October of each year and (B) in the event of a redemption of Series A Preferred Units, on the redemption date (each a "Series A Preferred Unit Distribution Payment Date"), commencing on the first of such payment dates to occur following their original date of issuance. If any date on which distributions are to be made on the Series A Preferred Units is not a Business Day, then payment of the distribution to be made on such date will be made on the next succeeding day that is a Business Day (and without any interest or other payment in respect of any such delay) except that, if such Business Day is in the next succeeding calendar year, such payment shall be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date.

B. No Distributions in Contravention of Agreements. No distribution on the Series A Preferred Units shall be authorized by the General Partner or made or set apart for payment by the Partnership at such time as the terms and provisions of any agreement of the Partnership or the General Partner, including any agreement relating to indebtedness, prohibits such declaration, payment or setting apart for payment or provides that such declaration, payment or setting apart for payment would constitute a breach thereof, or a default thereunder, or if such declaration or payment shall be restricted or prohibited by law.

C. Priority as to Distributions. (i) Except to the extent set forth in Section 16.3.C(ii), so long as any Series A Preferred Units are outstanding, no distribution of cash or other property shall be authorized, declared, paid or set apart for payment on or with respect to any class or series of Partnership Interest represented by Junior Units, nor shall any Junior Units or Parity Preferred Units (including the Series B Preferred Units and the Series J Preferred Units) be redeemed, purchased or otherwise acquired for any consideration (or any monies be paid to or made available for a sinking fund for the redemption of any such Junior Units or Parity Preferred Units) by the Partnership (except by conversion into or exchange for other Junior Units or Parity Preferred Units) unless, in each case, full cumulative distributions have been or contemporaneously are authorized and paid or authorized and a sum sufficient for the payment thereof set apart for such payment on the Series A Preferred Units for all past distribution periods and the current distribution period. The foregoing sentence will not prohibit (a) distributions payable solely in Junior Units, (b) the exchange of Junior Units or Parity Preferred Units (including the Series B Preferred Units and Series J Preferred Units) into Partnership Interests of the Partnership ranking junior to the Series A Preferred Units as to distributions, or (c) the redemption of Partnership Interests corresponding to Series A Preferred Shares, Parity Preferred Stock (including Series B Preferred Shares and Series J Preferred Shares) with respect to distributions or Junior Stock to be purchased by the General Partner pursuant to the Charter to preserve the General Partner's status as a real estate investment trust, provided that such redemption shall be upon the same terms as the corresponding stock purchase pursuant to the Charter.

(ii) So long as distributions have not been paid in full (or a sum sufficient for such full payment is not so set apart) upon the Series A Preferred Units and any other Parity Preferred Units (including the Series B Preferred Units and Series J Preferred Units), all

distributions authorized and declared on the Series A Preferred Units and all classes or series of outstanding Parity Preferred Units (including the Series B Preferred Units and Series J Preferred Units) shall be authorized and declared pro rata so that the amount of distributions authorized and declared per Series A Preferred Unit and such other classes or series of Parity Preferred Units shall in all cases bear to each other the same ratio that accrued distributions per Series A Preferred Unit and such other classes or series of Parity Preferred Units (which shall not include any accumulation in respect of unpaid distributions for prior distribution periods if such class or series of Parity Preferred Units do not have cumulative distribution rights) bear to each other. No interest, or sum of money in lieu of interest, shall be payable in respect of any distributions or payments on Series A Preferred Units which may be in arrears.

D. No Further Rights. The General Partner, as holder of the Series A Preferred Units, shall not be entitled to any distributions, whether payable in cash, other property or otherwise, in excess of the full cumulative distributions described herein. Any distribution payment made on the Series A Preferred Units shall first be credited against the earliest accrued but unpaid distribution due with respect to such Series A Preferred Units which remain payable.

A. Upon voluntary or involuntary liquidation, dissolution or winding-up of the Partnership, distributions on the Series A Preferred Units shall be made in accordance with Article 13 of this Agreement.

B. Notice. Written notice of any such voluntary or involuntary liquidation, dissolution or winding-up of the Partnership, stating the payment date or dates when, and the place or places where, the amounts distributable in such circumstances shall be payable, shall be given by the General Partner pursuant to Section 13.6 hereof.

C. No Further Rights. After payment of the full amount of the liquidating distributions to which they are entitled, the General Partner, as holder of the Series A Preferred Units, will have no right or claim to any of the remaining assets of the Partnership.

D. Consolidation, Merger or Certain Other Transactions. None of a consolidation or merger of the Partnership with or into another entity, a merger of another entity with or into the Partnership, or a sale, lease, transfer or conveyance of all or substantially all of the Partnership's property or business shall be considered a liquidation, dissolution or winding up of the Partnership.

Section 16.5 Redemption

A. Redemption. The Series A Preferred Units may not be redeemed prior to July 27, 2003. If, on or after such date, the General Partner elects to redeem any of the Series A Preferred Shares, the Partnership shall, on the date set for redemption of such Series A Preferred Shares, redeem the number of Series A Preferred Units equal to the number of Series A Preferred Shares for which the General Partner has given notice of redemption pursuant to Section 5 of Article Third of the Series A Articles Supplementary, at a redemption price, payable in cash,

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equal to the product of (i) the number of Series A Preferred Units being redeemed, and (ii) the sum of \$25 and the Preferred Distribution Shortfall per Series A Preferred Unit, if any.

B. Limitation on Redemption. The redemption price of the Series A Preferred Units (other than the portion thereof consisting of accumulated but unpaid distributions) is payable solely out of the sale proceeds of capital stock of the General Partner, which will be contributed by the General Partner to the Partnership as an additional capital contribution, or out of the sale of limited partner interests in the Partnership and from no other source. For purposes of the preceding sentence, "capital stock" means any equity securities (including Common Stock and Preferred Stock (as such terms are defined in the Charter)), depository shares, interests, participation or other ownership interests (however designated) and any rights (other than debt securities convertible into or exchangeable for equity securities) or options to purchase any of the foregoing.

C. Payment of Accumulated Distributions. Immediately prior to any redemption of Series A Preferred Units, the Partnership shall pay, in cash, any accumulated and unpaid distributions on the Series A Preferred Units to be redeemed through the redemption date. Except as provided above, the Partnership will make no payment or allowance for unpaid distributions, whether or not in arrears, on Series A Preferred Units for which a notice of redemption has been given.

D. Procedures for Redemption. The following provisions set forth the procedures for Redemption:

- (i) Notice of redemption will be given by the General Partner to the Partnership concurrently with the notice of the General Partner sent to the holders of its Series A Preferred Shares in connection with such redemption. Such notice shall state: (A) the redemption date; (B) the redemption price; (C) the number of Series A Preferred Units to be redeemed; (D) the place or places where the Series A Preferred Units are to be surrendered for payment of the redemption price; and (E) that distributions on the Series A Preferred Units to be redeemed will cease to accumulate on such redemption date. If less than all of the Series A Preferred Units are to be redeemed, the notice shall also specify the number of Series A Preferred Units to be redeemed.
- (ii) On or after the redemption date, the General Partner shall present and surrender the certificates, if any, representing the Series A Preferred Units to the Partnership at the place designated in the notice of redemption and thereupon the redemption price of such Units (including all accumulated and unpaid distributions up to the redemption date) shall be paid to the General Partner and each surrendered Unit

certificate, if any, shall be canceled. If fewer than all the Units represented by any such certificate representing Series A Preferred Units are to be redeemed, a new certificate shall be issued representing the unredeemed shares.

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- (iii) From and after the redemption date (unless the Partnership defaults in payment of the redemption price), all distributions on the Series A Preferred Units designated for redemption in such notice shall cease to accumulate and all rights of the General Partner, except the right to receive the redemption price thereof (including all accumulated and unpaid distributions up to the redemption date), shall cease and terminate, and such Units shall not be deemed to be outstanding for any purpose whatsoever. At its election, the Partnership, prior to a redemption date, may irrevocably deposit the redemption price (including accumulated and unpaid distributions to the redemption date) of the Series A Preferred Units so called for redemption in trust for the General Partner with a bank or trust company, in which case the redemption notice to General Partner shall (A) state the date of such deposit, (B) specify the office of such bank or trust company as the place of payment of the redemption price and (C) require the General Partner to surrender the certificates, if any, representing such Series A Preferred Units at such place on or about the date fixed in such redemption notice (which may not be later than the redemption date) against payment of the redemption price (including all accumulated and unpaid distributions to the redemption date). Any monies so deposited which remain unclaimed by the General Partner at the end of two years after the redemption date shall be returned by such bank or trust company to the Partnership.

E. No Further Rights. Any Series A Preferred Units that shall at any time have been redeemed shall, after such redemption, have the status of authorized but unissued Preferred Units, without designation as to series until such shares are once more designated as part of a particular series by the General Partner.

Section 16.6 Voting Rights

A. The General Partner shall not have any voting or consent rights in respect of its partnership interest represented by the Series A Preferred Units.

Section 16.7 Transfer Restrictions

The Series A Preferred Units shall not be transferable.

Section 16.8 No Conversion Rights

The Series A Preferred Units shall not be convertible into any other class or series of interest in the Partnership.

Section 16.9 No Sinking Fund

No sinking fund shall be established for the retirement or redemption of Series A Preferred Units.

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ARTICLE 17. SERIES B PREFERRED UNITS

Section 17.1 Designation and Number

A series of Partnership Units in the Partnership designated as the 8S% Series B Cumulative Redeemable Preferred Units (the "Series B Preferred Units") is hereby established. The number of Series B Preferred Units shall be 1,300,000.

Section 17.2 Ranking

The Series B Preferred Units shall, with respect to distribution rights and rights upon voluntary or involuntary liquidation, winding up or dissolution of the Partnership, rank (i) senior to the Common Units and to all Partnership Units the terms of which provide that such Partnership Units shall rank junior to the Series B Preferred Units; (ii) on a parity with the Series A Preferred Units, the Series J Preferred Units and all other Parity Preferred Units; and (iii) junior to all Partnership Units which rank senior to the Series

Section 17.3 Distributions

A. Payment of Distributions. Subject to the rights of holders of Parity Preferred Units (including the Series A Preferred Units and the Series J Preferred Units) as to the payment of distributions, pursuant to Section 5.1, Section 16.3.A and Section 18.3.A hereof, holders of Series B Preferred Units will be entitled to receive, when, as and if declared by the Partnership acting through the General Partner, out of Available Cash, cumulative preferential cash distributions in an amount equal to the Series B Priority Return. Such distributions will be payable (A) quarterly in arrears, on the 15th day of January, April, July and October of each year and (B) in the event of (i) an exchange of Series B Preferred Units into Series B Preferred Shares, or (ii) a redemption of Series B Preferred Units, on the exchange date or redemption date, as applicable (each a "Series B Preferred Unit Distribution Payment Date"), commencing on the first of such payment dates to occur following their original date of issuance. If any date on which distributions are to be made on the Series B Preferred Units is not a Business Day, then payment of the distribution to be made on such date will be made on the next succeeding day that is a Business Day (and without any interest or other payment in respect of any such delay) except that, if such Business Day is in the next succeeding calendar year, such payment shall be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date. Distributions on the Series B Preferred Units will be made to the holders of record of the Series B Preferred Units on the relevant record dates, which will be fifteen (15) days prior to the relevant Preferred Unit Distribution Payment Date (the "Series B Preferred Unit Partnership Record Date").

B. Distributions Cumulative. Notwithstanding the foregoing, distributions on the Series B Preferred Units will accrue whether or not the terms and provisions of any agreement of the Partnership at any time prohibit the current payment of distributions, whether or not the Partnership has earnings, whether or not there are funds legally available for the payment of such of such distributions and whether or not such distributions are authorized. Accrued but

unpaid distributions on the Series B Preferred Units will accumulate as of the Preferred Unit Distribution Payment Date on which they first become payable.

C. Priority as to Distributors.

(i) So long as any Series B Preferred Units are outstanding, no distribution of cash or other property shall be authorized, declared, paid or set apart for payment on or with respect to any class or series of Partnership Interest represented by Junior Units, nor shall any Junior Units or Parity Preferred Units (including the Series A Preferred Units and the Series J Preferred Units) be redeemed, purchased or otherwise acquired for any consideration (or any monies be paid to or made available for a sinking fund for the redemption of any such Junior Units or Parity Preferred Units) by the Partnership (except by conversion into or exchange for other Junior Units or Parity Preferred Units) unless, in each case, full cumulative distributions have been or contemporaneously are authorized and paid or authorized and a sum sufficient for the payment thereof set apart for such payment on the Series B Preferred Units and all classes and series of outstanding Parity Preferred Units for all distribution periods. The foregoing sentence will not prohibit (a) distributions payable solely in Junior Units, (b) the exchange of Junior Units or Parity Preferred Units (including the Series A Preferred Units and the Series J Preferred Units) into Partnership Interests of the Partnership ranking junior to the Series B Preferred Units as to distributions, or (c) the redemption of Partnership Interests corresponding to Series B Preferred Shares, Parity Preferred Stock (including Series A Preferred Shares and the Series J Preferred Shares) with respect to distributions or Junior Stock to be purchased by the General Partner pursuant to the Charter to preserve the General Partner's status as a real estate investment trust, provided that such redemption shall be upon the same terms as the corresponding stock purchase pursuant to the Charter.

(ii) So long as distributions have not been paid in full (or a sum sufficient for such full payment is not so set apart) upon the Series B Preferred Units and any other Parity Preferred Units (including the Series A Preferred Units and the Series J Preferred Units), all distributions authorized and declared on the Series B Preferred Units and all classes or series of outstanding Parity Preferred Units (including the Series A Preferred Units and the Series J Preferred Units) shall be authorized and declared pro rata so that the amount of distributions authorized and declared per Series B Preferred Unit and such other classes or series of Parity Preferred Units shall in all cases bear to each other the same ratio that accrued distributions per Series B Preferred Unit and such other classes or series of Parity Preferred Units (which shall not include any accumulation in respect of unpaid distributions for prior distribution periods if such class or series of Parity Preferred Units do not have cumulative distribution rights) bear to each other. No interest, or sum of money in lieu of interest, shall be payable in respect of any distributions or

payments on Series B Preferred Units which may be in arrears.

(iii) Notwithstanding anything to the contrary set forth herein, distributions on Partnership Interests held by either (a) the General Partner or (b) any other holder of Partnership Interest in the Partnership, in each case ranking junior to or on parity with the Series B Preferred Units may be made, without preserving the priority of distributions described in Sections 17.3.C(i) and (ii), but only to the extent such distributions are required to preserve the real estate

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investment trust status of the General Partner and in the case of any holder other than the General Partner only to the extent required by the Partnership Agreement.

D. No Further Rights. Holders of Series B Preferred Units shall not be entitled to any distributions, whether payable in cash, other property or otherwise, in excess of the full cumulative distributions described herein.

Section 17.4 Liquidation Proceeds

A. Distributions. Upon voluntary or involuntary liquidation, dissolution or winding-up of the Partnership, distributions on the Series B Preferred Units shall be made in accordance with Article 13 of this Agreement.

B. Notice. Written notice of any such voluntary or involuntary liquidation, dissolution or winding-up of the Partnership, stating the payment date or dates when, and the place or places where, the amounts distributable in such circumstances shall be payable, shall be given by the General Partner pursuant to Section 13.6 hereof.

C. No Further Rights. After payment of the full amount of the liquidating distributions to which they are entitled, Holders of Series B Preferred Units will have no right or claim to any of the remaining assets of the Partnership.

D. Consolidation, Merger or Certain Other Transactions. None of a consolidation or merger of the Partnership with or into another entity, a merger of another entity with or into the Partnership, or a sale, lease, transfer or conveyance of all or substantially all of the Partnership's property or business shall be considered a liquidation, dissolution or winding up of the Partnership.

Section 17.5 Redemption

A. Redemption. The Series B Preferred Units may not be redeemed prior to November 12, 2003. On or after such date, the Partnership shall have the right to redeem the Series B Preferred Units, in whole or in part, at any time or from time to time, upon not less than 30 nor more than 60 days' written notice, at a redemption price, payable in cash, equal to the Capital Account balance of the holder of Series B Preferred Units (the "Redemption Price"); provided, however, that no redemption pursuant to this Section 17.5 will be permitted if the Redemption Price does not equal or exceed the original Capital Contribution of such holder plus the cumulative Priority Return to the redemption date to the extent not previously distributed. If fewer than all of the outstanding Series B Preferred Units are to be redeemed, the Series B Preferred Units to be redeemed shall be selected pro rata (as nearly as practicable without creating fractional units).

B. Limitation on Redemption. (i) The Redemption Price of the Series B Preferred Units (other than the portion thereof consisting of accumulated but unpaid distributions) is payable solely out of the sale proceeds of capital stock of the General Partner, which will be contributed by the General Partner to the Partnership as an additional capital contribution, or out of the sale of limited partner interests in the Partnership and from no other

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source. For purposes of the preceding sentence, "capital stock" means any equity securities (including Common Stock and Preferred Stock (as such terms are defined in the Charter)), depository shares, interests, participation or other ownership interests (however designated) and any rights (other than debt securities convertible into or exchangeable for equity securities) or options to purchase any of the foregoing.

(ii) The Partnership may not redeem fewer than all of the outstanding Series B Preferred Units unless all accumulated and unpaid distributions have been paid on all Series B Preferred Units for all quarterly distribution periods terminating on or prior to the date of redemption.

C. Procedures for Redemption. (i) Notice of redemption will be (i) faxed, and (ii) mailed by the Partnership, by certified mail, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date, addressed

to the respective holders of record of the Series B Preferred Units at their respective addresses as they appear on the records of the Partnership. No failure to give or defect in such notice shall affect the validity of the proceedings for the redemption of any Series B Preferred Units except as to the holder to whom such notice was defective or not given. In addition to any information required by law, each such notice shall state: (a) the redemption date, (b) the Redemption Price, (c) the aggregate number of Series B Preferred Units to be redeemed and if fewer than all of the outstanding Series B Preferred Units are to be redeemed, the number of Series B Preferred Units to be redeemed held by such holder, which number shall equal such holder's pro rata share (based on the percentage of the aggregate number of outstanding Series B Preferred Units that the total number of Series B Preferred Units held by such holder represents) of the aggregate number of Series B Preferred Units to be redeemed, (d) the place or places where such Series B Preferred Units are to be surrendered for payment of the Redemption Price, (e) that distributions on the Series B Preferred Units to be redeemed will cease to accumulate on such redemption date and (f) that payment of the Redemption Price will be made upon presentation and surrender of such Series B Preferred Units.

(ii) If the Partnership gives a notice of redemption in respect of Series B Preferred Units (which notice will be irrevocable) then, by 12:00 noon, New York City time, on the redemption date, the Partnership will deposit irrevocably in trust for the benefit of the Series B Preferred Units being redeemed funds sufficient to pay the applicable Redemption Price and will give irrevocable instructions and authority to pay such Redemption Price to the holders of the Series B Preferred Units upon surrender of the Series B Preferred Units by such holders at the place designated in the notice of redemption. On and after the date of redemption, distributions will cease to accumulate on the Series B Preferred Units or portions thereof called for redemption, unless the Partnership defaults in the payment thereof. If any date fixed for redemption of Series B Preferred Units is not a Business Day, then payment of the Redemption Price payable on such date will be made on the next succeeding day that is a Business Day (and without any interest or other payment in respect of any such delay) except that, if such Business Day falls in the next calendar year, such payment will be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date fixed for redemption. If payment of the Redemption Price is improperly withheld or refused and not paid by the Partnership, distributions on such Series B Preferred Units will continue to accumulate

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from the original redemption date to the date of payment, in which case the actual payment date will be considered the date fixed for redemption for purposes of calculating the applicable Redemption Price.

Section 17.6 Voting Rights

A. General. Holders of the Series B Preferred Units will not have any voting rights or right to consent to any matter requiring the consent or approval of the Limited Partners, except as set forth below and in Section 7.3.E.

B. Certain Voting Rights. So long as any Series B Preferred Units remains outstanding, the Partnership shall not, without the affirmative vote of the holders of at least two-thirds of the Series B Preferred Units outstanding at the time (i) authorize or create, or increase the authorized or issued amount of, any class or series of Partnership Interests ranking prior to the Series B Preferred Units with respect to payment of distributions or rights upon liquidation, dissolution or winding-up or reclassify any Partnership Interests of the Partnership into any such Partnership Interest, or create, authorize or issue any obligations or security convertible into or evidencing the right to purchase any such Partnership Interests, (ii) authorize or create, or increase the authorized or issued amount of any Parity Preferred Units or reclassify any Partnership Interest of the Partnership into any such Partnership Interest or create, authorize or issue any obligations or security convertible into or evidencing the right to purchase any such Partnership Interests but only to the extent such Parity Preferred Units are issued to an affiliate of the Partnership, other than the General Partner to the extent the issuance of such interests was to allow the General Partner to issue corresponding preferred stock to persons who are not affiliates of the Partnership or (iii) either consolidate, merge into or with, or convey, transfer or lease its assets substantially as an entirety to, any corporation or other entity or amend, alter or repeal the provisions of the Partnership Agreement (including, without limitation, this Article 17), whether by merger, consolidation or otherwise, in each case in a manner that would materially and adversely affect the powers, special rights, preferences, privileges or voting power of the Series B Preferred Units or the holders thereof; provided, however, that with respect to the occurrence of any event set forth in (iii) above, so long as (a) the Partnership is the surviving entity and the Series B Preferred Units remain outstanding with the terms thereof unchanged, or (b) the resulting, surviving or transferee entity is a partnership, limited liability company or other pass-through entity organized under the laws of any state and substitutes the Series B Preferred Units for other interests in such entity having substantially

the same terms and rights as the Series B Preferred Units, including with respect to distributions, voting rights and rights upon liquidation, dissolution or winding-up, then the occurrence of any such event shall not be deemed to materially and adversely affect such rights, privileges or voting powers of the holders of the Series B Preferred Units; and provided further, that any increase in the amount of Partnership Interests or the creation or issuance of any other class or series of Partnership Interests represented by Junior Units or Parity Preferred Units are not issued to an affiliate of the Partnership, other than the General Partner to the extent the issuance of such interests was to allow the General Partner to issue corresponding preferred stock to persons who are not affiliates of the Partnership, shall not be deemed to materially and adversely affect such rights, preferences, privileges or voting powers.

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Section 17.7 Transfer Restrictions

The Series B Preferred Units shall be subject to the provisions of Article 11 hereof; provided, however, that the Series B Preferred Units shall not be subject to the right of first refusal of the General Partner as described in Section 11.3 hereof. No transfer of Series B Preferred Units, or other action by the holder or holders of such Units, is permitted, without the consent of the General Partner which consent may be given or withheld in its sole and absolute discretion, if such transfer or other action would result in more than four partners holding all outstanding Series B Preferred Units within the meaning of Treasury Regulation Section 1.7704-1(h)(3)(i); provided, however, that the General Partner's consent may not be unreasonably withheld if (a) such transfer or other action would not result in more than ten partners holding all outstanding Series B Preferred Units within the meaning of Treasury Regulation Section 1.7704-1(h)(3)(i) and (b) the General Partner is relying on a provision other than Treasury Regulation Section 1.7704-1(h) to avoid classification of Operating Partnership as a "publicly traded partnership" within the meaning of Code Section 7704 (a "PTP"). In addition, no transfer may be made to any person if such transfer would cause the exchange of the Series B Preferred Units for Series B Preferred Shares, as provided herein, to be required to be registered under the Securities Act of 1933, as amended, or any state securities laws. If (i) Contributor concludes based on results or projected results that there exists (in the reasonable judgment of Contributor) an imminent and substantial risk that the Contributor's interest in the Partnership represents or will represent more than 19.5% of the total profits or capital interests in the Partnership for a taxable year, (ii) Contributor delivers to the General Partner an opinion of independent counsel to the effect that there is a substantial risk that Contributor's interest in the Partnership represents or will represent more than 19.5% (the "19.5% Limit") of the total profits or capital interests in the Partnership (determined in accordance with Regulations Section 1.731-2(e)(4)), and (iii) the General Partner agrees with the conclusions referred to in clauses (i) and (ii) of this sentence, such agreement not to be unreasonably withheld, then Contributor shall, subject to the above limitations, be permitted to transfer so much of its Series B Preferred Units as may be appropriate to alleviate the risk of not satisfying the 19.5% Limit to the trust described in Exhibit J, with the Contributor having the rights set forth in such Exhibit.

Section 17.8 Exchange Rights

A. Right to Exchange. (i) Series B Preferred Units will be exchangeable in whole but not in part unless expressly otherwise provided herein at anytime on or after November 12, 2008, at the option of 51% of the holders of all outstanding Series B Preferred Units, for authorized but previously unissued Series B Preferred Shares at an exchange rate of one Series B Preferred Share from the General Partner for one Series B Preferred Unit, subject to adjustment as described below (the "Exchange Price"), provided that the Series B Preferred Units will become exchangeable at any time, in whole but not in part unless expressly otherwise provided herein, at the option of 51% of the holders of all outstanding Series B Preferred Units for Series B Preferred Shares if (y) at any time full distributions shall not have been timely made on any Series B Preferred Unit with respect to six (6) prior quarterly distribution periods, whether or not consecutive, provided, however, that a distribution in respect of Series B Preferred Units shall be considered timely made if made within two (2) Business Days after the applicable Preferred Unit Distribution Payment Date if at the time of such late payment there

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shall not be any prior quarterly distribution periods in respect of which full distributions were not timely made or (z) upon receipt by a holder or holders of Series B Preferred Units of (A) notice from the General Partner that the General Partner or a Subsidiary of the General Partner has taken the position that the Partnership is, or upon the consummation of an identified event in the immediate future will be, a PTP and (B) an opinion rendered by independent counsel familiar with such matters addressed to a holder or holders of Series B Preferred Units, that the Partnership is or likely is, or upon the occurrence of a defined event in the immediate future will be or likely will be, a PTP. In addition, the Series B Preferred Units may be exchanged for Series B Preferred

Shares, in whole but not in part unless expressly otherwise provided herein, at the option of 51% of the holders of all outstanding Series B Preferred Units after November 12, 2001 and prior to November 12, 2008 if such holders of a Series B Preferred Units shall deliver to the General Partner either (i) a private ruling letter addressed to such holder of Series B Preferred Units or (ii) an opinion of independent counsel reasonably acceptable to the General Partner based on the enactment of temporary or final Treasury Regulations or the publication of a Revenue Ruling, in either case to the effect that an exchange of the Series B Preferred Units at such earlier time would not cause the Series B Preferred Units to be considered "stock and securities" within the meaning of section 351(e) of the Code for purposes of determining whether the holder of such Series B Preferred Units is an "investment company" under section 721(b) of the Code if an exchange is permitted at such earlier date. Furthermore, the Series B Preferred Units, if Contributor so determines, may be exchanged in whole but not in part (regardless of whether held by Contributor) for Series B Preferred Shares (but only if the exchange in whole may be accomplished consistently with the ownership limitations set forth under the Series B Articles Supplementary (as defined herein), taking into account exceptions thereto) if (1) Contributor concludes based on results or projected results that there exists (in the reasonable judgment of Contributor) an imminent and substantial risk that the Contributor's interest in the Partnership represents or will represent more than the 19.5% Limit for a taxable year, (2) Contributor delivers to the General Partner an opinion of independent counsel to the effect that there is a substantial risk that its interest in the Partnership does not or will not satisfy the 19.5% Limit and (3) the General Partner agrees with the conclusions referred to in clauses (1) and (2) of this sentence, such agreement not to be unreasonably withheld; provided, however, that if, as a result of such conclusion, Contributor's interest in the Partnership is reduced pursuant to the last sentence of Section 17.7 hereof (which procedure shall be available to Contributor to the exclusion of the procedure under this sentence for so long as, on a cumulative basis, sales of 10% or fewer of the Series B Preferred Units originally acquired by Contributor would in the opinion of the above-referenced counsel reduce the risk that Contributor's interest in the Partnership would not satisfy the 19.5% Limit to less than a substantial risk, and thereafter shall be a permitted alternative to the procedure pursuant to this sentence) or the risk of Contributor not satisfying the 19.5% Limit otherwise is reduced below a substantial risk, then an exchange in whole under this sentence shall not be permitted unless and until a change in facts occurs and a further determination by Contributor is made under this sentence.

(ii) Notwithstanding anything to the contrary set forth in Section 17.8.A(i), if an Exchange Notice (as defined herein) has been delivered to the General Partner, then the General Partner may, at its option, within ten (10) Business Days after receipt of the Exchange Notice, elect to cause the Partnership to redeem all or a portion of the outstanding Series B Preferred Units for cash in an amount equal to the original Capital Contribution per Series B

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Preferred Unit and all accrued and unpaid distributions thereon to the date of redemption. If the General Partner elects to redeem fewer than all of the outstanding Series B Preferred Units, the number of Series B Preferred Units held by each holder to be redeemed shall equal such holder's pro rata share (based on the percentage of the aggregate number of outstanding Series B Preferred Units that the total number of Series B Preferred Units held by such holder represents) of the aggregate number of Series B Preferred Units being redeemed.

(iii) In the event an exchange of all Series B Preferred Units pursuant to Section 17.8.A would violate the provisions on ownership limitation of the General Partner set forth in Section 7 of the Articles Supplementary to the Charter with respect to Series B Preferred Shares (the "Series B Articles Supplementary"), each holder of Series B Preferred Units shall be entitled to exchange, pursuant to the provisions of Section 17.8.B, a number of Series B Preferred Units which would comply with the provisions on the ownership limitation of the General Partner set forth in such Section 7 of the Series B Articles Supplementary, with respect to such holder, and any Series B Preferred Units not so exchanged (the "Excess Units") shall be redeemed by the Partnership for cash in an amount equal to the original Capital Contribution per Excess Unit, plus any accrued and unpaid distributions thereon to the date of redemption subject to any restriction thereon contained in any debt instrument or agreement of the Partnership. In the event an exchange would result in Excess Units, as a condition to such exchange, each holder of such units agrees to provide representations and covenants reasonably requested by the General Partner relating to (i) the widely held nature of the interests in such holder, sufficient to assure the General Partner that the holder's ownership of stock of the General Partner (without regard to the limits described above) will not cause any individual to own in excess of 9.0% of the stock of the General Partner; and (ii) to the extent such holder can so represent and covenant without obtaining information from its owners, the holder's ownership of tenants of the Partnership and its affiliates. For purposes of determining the number of Excess Units under this Section 17.8.A(iii), the "Beneficial Ownership Limit" and "Constructive Ownership Limit" set forth in the Series B Articles

Supplementary shall be deemed to be 9.0%. To the extent the General Partner would not be able to pay the cash set forth above in exchange for the Excess Units, and to the extent consistent with the Charter, the General Partner agrees that it will grant to the holders of the Series B Preferred Units exceptions to the Beneficial Ownership Limit and Constructive Ownership Limit set forth in the Series B Articles Supplementary sufficient to allow such holders to exchange all of their Series B Preferred Units for REIT Series B Preferred Stock, provided such holders furnish to the General Partner representations acceptable to the General Partner in its sole and absolute discretion which assure the General Partner that such exceptions will not jeopardize the General Partner's tax status as a REIT for purposes of federal and applicable state law. Notwithstanding any provision of this Agreement to the contrary, no Series B Limited Partner shall be entitled to effect an exchange of Series B Preferred Units for Series B Preferred Shares to the extent that ownership or right to acquire such shares would cause the Partner or any other Person or, in the opinion of counsel selected by the General Partner, may cause the Partner or any other Person, to violate the restrictions on ownership and transfer of Series B Preferred Shares set forth in the Charter. To the extent any such attempted exchange for Series B Preferred Shares would be in violation of the previous sentence, it shall be void ab initio and such Series B Limited Partner shall not acquire any rights or economic interest in the Series B Preferred Shares otherwise issuable upon such exchange.

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(iv) The redemption of Series B Preferred Units described in Section 17.8.A(ii) and (iii) shall be subject to the provisions of Section 17.5.B(i) and Section 17.5.C(ii); provided, however, that the term "Redemption Price" in such Sections 17.5.B(i) and 17.5.C(ii) shall be read to mean the original Capital Contribution per Series B Preferred Unit being redeemed as set forth on Exhibit A plus all accrued and unpaid distributions to the redemption date.

B. Procedure for Exchange and/or Redemption of Series B Preferred Units.

(i) Any exchange shall be exercised pursuant to a notice of exchange (the "Exchange Notice") delivered to the General Partner by the Partners representing at least 51% of the outstanding Series B Preferred Units (or by Contributor in the case of an exchange pursuant to the last sentence of Section 17.8.A.(i) hereof) by (a) fax and (b) by certified mail postage prepaid. The General Partner may effect any exchange of Series B Preferred Units, or exercise its option to cause the Partnership to redeem any portion of the Series B Preferred Units for cash pursuant to Section 17.8.A(ii) or redeem Excess Units pursuant to Section 17.8.A(iii), by delivering to each holder of record of Series B Preferred Units, within ten (10) Business Days following receipt of the Exchange Notice, (a) if the General Partner elects to cause the Partnership to acquire any of the Series B Preferred Units then outstanding, (1) certificates representing the Series B Preferred Shares being issued in exchange for the Series B Preferred Units of such holder being exchanged and (2) a written notice (a "Redemption Notice") stating (A) the redemption date, which may be the date of such Redemption Notice or any other date which is not later than sixty (60) days following the receipt of the Exchange Notice, (B) the redemption price, (C) the place or places where the Series B Preferred Units are to be surrendered and (D) that distributions on the Series B Preferred Units will cease to accrue on such redemption date, or (b) if the General Partner elects to cause the Partnership to redeem all of the Series B Preferred Units then outstanding in exchange for cash, a Redemption Notice. Series B Preferred Units shall be deemed canceled (and any corresponding Partnership Interest represented thereby deemed terminated) simultaneously with the delivery of shares of Series B Preferred Shares (with respect to Series B Preferred Units exchanged) or simultaneously with the redemption date (with respect to Series B Preferred Units redeemed). Holders of Series B Preferred Units shall deliver any canceled certificates representing Series B Preferred Units which have been exchanged or redeemed to the office of General Partner (which currently is located at Pier 1, Bay 1, San Francisco, California 94111) within ten (10) Business Days of the exchange or redemption with respect thereto. Notwithstanding anything to the contrary contained herein, any and all Series B Preferred Units to be exchanged for REIT Series B Preferred Stock pursuant to this Section 17.8 shall be so exchanged in a single transaction at one time. As a condition to exchange, the General Partner may require the holders of Series B Preferred Units to make such representations as may be reasonably necessary for the General Partner to establish that the issuance of Series B Preferred Shares pursuant to the exchange shall not be required to be registered under the Securities Act or any state securities laws. Any Series B Preferred Shares issued pursuant to this Section 17.8 shall be delivered as shares which are duly authorized, validly issued, fully paid and nonassessable, free of any pledge, lien, encumbrance or restriction other than those provided in the Charter, the Bylaws of the General Partner, the Securities Act and relevant state securities or blue sky laws.

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The certificates representing the Series B Preferred Shares issued upon exchange of the Series B Preferred Units shall contain the following

legend:

THE SHARES REPRESENTED BY THIS CERTIFICATE MAY NOT BE TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF EXCEPT (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND STATE SECURITIES LAWS OR (B) IF THE CORPORATION HAS BEEN FURNISHED WITH A SATISFACTORY OPINION OF COUNSEL FOR THE HOLDER OF THE SHARES REPRESENTED HEREBY, OR OTHER EVIDENCE SATISFACTORY TO THE CORPORATION, THAT SUCH TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION IS EXEMPT FROM THE PROVISIONS OF SECTION 5 OF THE ACT AND STATE SECURITIES LAWS AND THE RULES AND REGULATIONS THEREUNDER.

(ii) In the event of an exchange of Series B Preferred Units for Series B Preferred Shares, an amount equal to the accrued and unpaid distributions to the date of exchange on any Series B Preferred Units tendered for exchange shall (i) accrue on the Series B Preferred Shares into which such Series B Preferred Units are exchanged, and (ii) continue to accrue on such Series B Preferred Units, which shall remain outstanding following such exchange, with the General Partner as the holder of such REIT Series B Preferred Units. Notwithstanding anything to the contrary set forth herein, in no event shall a holder of a Series B Preferred Unit that was validly exchanged for Series B Preferred Shares pursuant to this Section (other than the General Partner holding such Series B Preferred Unit following any such exchange), receive a distribution out of Available Cash of the Partnership, if such holder, after exchange, is entitled to receive a distribution out of Available Cash with respect to the Series B Preferred Shares for which such Series B Preferred Unit was exchanged or redeemed. Further for purposes of the foregoing, in the event of an exchange of Series B Preferred Units for Series B Preferred Shares, if the accrued and unpaid distributions per Series B Preferred Unit is not the same for each Series B Preferred Unit, the accrued and unpaid distributions per Series B Preferred Unit for each such Series B Preferred Unit shall be equal to the greatest amount of such accrued and unpaid distributions per Series B Preferred Unit on any such unit.

(iii) Fractional Series B Preferred Shares are not to be issued upon exchange but, in lieu thereof, the General Partner will pay a cash adjustment based upon the fair market value of the Series B Preferred Shares on the day prior to the exchange date as determined in good faith by the Board of Directors of the General Partner.

C. Adjustment of Exchange Price. In case the General Partner shall be a party to any transaction (including, without limitation, a merger, consolidation, statutory share exchange, tender offer for all or substantially all of the General Partner's capital stock or sale of all or substantially all of the General Partner's assets), in each case as a result of which the Series

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B Preferred Shares will be converted into the right to receive shares of capital stock, other securities or other property (including cash or any combination thereof), each Series B Preferred Unit will thereafter be exchangeable into the kind and amount of shares of capital stock and other securities and property receivable (including cash or any combination thereof) upon the consummation of such transaction by a holder of that number of Series B Preferred Shares or fraction thereof into which one Series B Preferred Unit was exchangeable immediately prior to such transaction. The General Partner may not become a party to any such transaction unless the terms thereof are consistent with the foregoing.

Section 17.9 No Conversion Rights

The Series B Preferred Units shall not be convertible into any other class or series of interest in the Partnership.

Section 17.10 No Sinking Fund

No sinking fund shall be established for the retirement or redemption of Series B Preferred Units.

ARTICLE 18. SERIES J PREFERRED UNITS

Section 18.1 Designation and Number

A series of Partnership Units in the Partnership designated as the 7.95% Series J Cumulative Redeemable Preferred Units (the "Series J Preferred Units") is hereby established. The number of Series J Preferred Units shall be

Section 18.2 Ranking

The Series J Preferred Units shall, with respect to distribution rights and rights upon voluntary or involuntary liquidation, winding up or dissolution of the Partnership, rank (i) senior to the Common Units and to all Partnership Units the terms of which provide that such Partnership Units shall rank junior to the Series J Preferred Units; (ii) on a parity with the Series A Preferred Units, the Series B Preferred Units and all other Parity Preferred Units; and (iii) junior to all Partnership Units which rank senior to the Series J Preferred Units.

Section 18.3 Distributions

A. Payment of Distributions. Subject to the rights of holders of Parity Preferred Units (including the Series A Preferred Units and the Series B Preferred Units) as to the payment of distributions, pursuant to Section 5.1, Section 16.3.A and Section 17.3.A hereof, holders of Series J Preferred Units will be entitled to receive, when, as and if declared by the Partnership acting through the General Partner, out of Available Cash, cumulative preferential cash distributions in an amount equal to the Series J Priority Return. Such distributions will be payable (A) quarterly in arrears, on the 15th day of January, April, July and October of each year

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and (B) in the event of (i) an exchange of Series J Preferred Units into Series J Preferred Shares, or (ii) a redemption of Series J Preferred Units, on the exchange date or redemption date, as applicable (each a "Series J Preferred Unit Distribution Payment Date"), commencing on the first of such payment dates to occur following their original date of issuance. If any date on which distributions are to be made on the Series J Preferred Units is not a Business Day, then payment of the distribution to be made on such date will be made on the next succeeding day that is a Business Day (and without any interest or other payment in respect of any such delay) except that, if such Business Day is in the next succeeding calendar year, such payment shall be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date. Distributions on the Series J Preferred Units will be made to the holders of record of the Series J Preferred Units on the relevant record dates, which will be fifteen (15) days prior to the relevant Preferred Unit Distribution Payment Date (the "Series J Preferred Unit Partnership Record Date").

B. Distributions Cumulative. Notwithstanding the foregoing, distributions on the Series J Preferred Units will accrue whether or not the terms and provisions of any agreement of the Partnership at any time prohibit the current payment of distributions, whether or not the Partnership has earnings, whether or not there are funds legally available for the payment of such distributions and whether or not such distributions are authorized. Accrued but unpaid distributions on the Series J Preferred Units will accumulate as of the Preferred Unit Distribution Payment Date on which they first become payable.

C. Priority as to Distributors.

(i) So long as any Series J Preferred Units are outstanding, no distribution of cash or other property shall be authorized, declared, paid or set apart for payment on or with respect to any class or series of Partnership Interest represented by Junior Units, nor shall any Junior Units or Parity Preferred Units (including the Series A Preferred Units and the Series B Preferred Units) be redeemed, purchased or otherwise acquired for any consideration (or any monies be paid to or made available for a sinking fund for the redemption of any such Junior Units or Parity Preferred Units) by the Partnership (except by conversion into or exchange for other Junior Units or Parity Preferred Units) unless, in each case, full cumulative distributions have been or contemporaneously are authorized and paid or authorized and a sum sufficient for the payment thereof set apart for such payment on the Series J Preferred Units and all classes and series of outstanding Parity Preferred Units for all distribution periods. The foregoing sentence will not prohibit (a) distributions payable solely in Junior Units, (b) the exchange of Junior Units or Parity Preferred Units (including the Series A Preferred Units and the Series B Preferred Units) into Partnership Interests of the Partnership ranking junior to the Series J Preferred Units as to distributions, or (c) the redemption of Partnership Interests corresponding to Series J Preferred Shares, Parity Preferred Stock (including Series A Preferred Shares and Series B Preferred Shares) with respect to distributions or Junior Stock to be purchased by the General Partner pursuant to the Charter to preserve the General Partner's status as a real estate investment trust, provided that such redemption shall be upon the same terms as the corresponding stock purchase pursuant to the Charter.

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(ii) So long as distributions have not been paid in full (or a sum

sufficient for such full payment is not so set apart) upon the Series J Preferred Units and any other Parity Preferred Units (including the Series A Preferred Units and the Series B Preferred Units), all distributions authorized and declared on the Series J Preferred Units and all classes or series of outstanding Parity Preferred Units (including the Series A Preferred Units and the Series B Preferred Units) shall be authorized and declared pro rata so that the amount of distributions authorized and declared per Series J Preferred Unit and such other classes or series of Parity Preferred Units shall in all cases bear to each other the same ratio that accrued distributions per Series J Preferred Unit and such other classes or series of Parity Preferred Units (which shall not include any accumulation in respect of unpaid distributions for prior distribution periods if such class or series of Parity Preferred Units do not have cumulative distribution rights) bear to each other. No interest, or sum of money in lieu of interest, shall be payable in respect of any distributions or payments on Series J Preferred Units which may be in arrears.

(iii) Notwithstanding anything to the contrary set forth herein, distributions on Partnership Interests held by either (a) the General Partner or (b) any other holder of Partnership Interest in the Partnership, in each case ranking junior to or on parity with the Series J Preferred Units may be made, without preserving the priority of distributions described in Sections 18.3.C(i) and (ii), but (i) only to the extent such distributions are required to preserve the real estate investment trust status of the General Partner and (ii) in the case of any holder other than the General Partner only to the extent required by the Partnership Agreement.

D. No Further Rights. Holders of Series J Preferred Units shall not be entitled to any distributions, whether payable in cash, other property or otherwise, in excess of the full cumulative distributions described herein.

Section 18.4 Liquidation Proceeds

A. Distributions. Upon voluntary or involuntary liquidation, dissolution or winding-up of the Partnership, distributions on the Series J Preferred Units shall be made in accordance with Article 13 of this Agreement.

B. Notice. Written notice of any such voluntary or involuntary liquidation, dissolution or winding-up of the Partnership, stating the payment date or dates when, and the place or places where, the amounts distributable in such circumstances shall be payable, shall be given by the General Partner pursuant to Section 13.6 hereof.

C. No Further Rights. After payment of the full amount of the liquidating distributions to which they are entitled, Holders of Series J Preferred Units will have no right or claim to any of the remaining assets of the Partnership.

D. Consolidation, Merger or Certain Other Transactions. None of a consolidation or merger of the Partnership with or into another entity, a merger of another entity with or into the Partnership, or a sale, lease, transfer or conveyance of all or substantially all of the Partnership's property or business shall be considered a liquidation, dissolution or winding up of the Partnership.

Section 18.5 Redemption

A. Redemption. The Series J Preferred Units may not be redeemed prior to September 21, 2006. On or after such date, the Partnership shall have the right to redeem the Series J Preferred Units, in whole or in part, at any time or from time to time, upon not less than 30 nor more than 60 days' written notice, at a redemption price, payable in cash, equal to the Capital Account balance of the holder of Series J Preferred Units (the "Redemption Price"); provided, however, that no redemption pursuant to this Section 18.5 will be permitted if the Redemption Price does not equal or exceed the original Capital Contribution of such holder plus the cumulative Priority Return to the redemption date to the extent not previously distributed. If fewer than all of the outstanding Series J Preferred Units are to be redeemed, the Series J Preferred Units to be redeemed shall be selected pro rata (as nearly as practicable without creating fractional units).

B. Limitation on Redemption. (i) The Redemption Price of the Series J Preferred Units (other than the portion thereof consisting of accumulated but unpaid distributions) is payable solely out of the sale proceeds of capital stock of the General Partner, which will be contributed by the General Partner to the Partnership as an additional capital contribution, or out of the sale of limited partner interests in the Partnership and from no other source. For purposes of the preceding sentence, "capital stock" means any equity securities (including Common Stock and Preferred Stock (as such terms are defined in the Charter)), depository shares, interests, participation or other ownership interests (however designated) and any rights (other than debt securities convertible into or exchangeable for equity securities) or options to purchase any of the foregoing.

(ii) The Partnership may not redeem fewer than all of the outstanding Series J Preferred Units unless all accumulated and unpaid distributions have been paid on all Series J Preferred Units for all quarterly distribution periods terminating on or prior to the date of redemption.

C. Procedures for Redemption. (i) Notice of redemption will be (i) faxed, and (ii) mailed by the Partnership, by certified mail, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date, addressed to the respective holders of record of the Series J Preferred Units at their respective addresses as they appear on the records of the Partnership. No failure to give or defect in such notice shall affect the validity of the proceedings for the redemption of any Series J Preferred Units except as to the holder to whom such notice was defective or not given. In addition to any information required by law, each such notice shall state: (a) the redemption date, (b) the Redemption Price, (c) the aggregate number of Series J Preferred Units to be redeemed and if fewer than all of the outstanding Series J Preferred Units are to be redeemed, the number of Series J Preferred Units to be redeemed held by such holder, which number shall equal such holder's pro rata share (based on the percentage of the aggregate number of outstanding Series J Preferred Units that the total number of Series J Preferred Units held by such holder represents) of the aggregate number of Series J Preferred Units to be redeemed, (d) the place or places where such Series J Preferred Units are to be surrendered for payment of the Redemption Price, (e) that distributions on the Series J Preferred Units to be

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redeemed will cease to accumulate on such redemption date and (f) that payment of the Redemption Price will be made upon presentation and surrender of such Series J Preferred Units.

(ii) If the Partnership gives a notice of redemption in respect of Series J Preferred Units (which notice will be irrevocable) then, by 12:00 noon, New York City time, on the redemption date, the Partnership will deposit irrevocably in trust for the benefit of the Series J Preferred Units being redeemed funds sufficient to pay the applicable Redemption Price and will give irrevocable instructions and authority to pay such Redemption Price to the holders of the Series J Preferred Units upon surrender of the Series J Preferred Units by such holders at the place designated in the notice of redemption. On and after the date of redemption, distributions will cease to accumulate on the Series J Preferred Units or portions thereof called for redemption, unless the Partnership defaults in the payment thereof. If any date fixed for redemption of Series J Preferred Units is not a Business Day, then payment of the Redemption Price payable on such date will be made on the next succeeding day that is a Business Day (and without any interest or other payment in respect of any such delay) except that, if such Business Day falls in the next calendar year, such payment will be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date fixed for redemption. If payment of the Redemption Price is improperly withheld or refused and not paid by the Partnership, distributions on such Series J Preferred Units will continue to accumulate from the original redemption date to the date of payment, in which case the actual payment date will be considered the date fixed for redemption for purposes of calculating the applicable Redemption Price.

Section 18.6 Voting Rights

A. General. Holders of the Series J Preferred Units will not have any voting rights or right to consent to any matter requiring the consent or approval of the Limited Partners, except as set forth below and in Section 7.3.E.

B. Certain Voting Rights. So long as any Series J Preferred Units remain outstanding, the Partnership shall not, without the affirmative vote of the holders of at least two-thirds of the Series J Preferred Units outstanding at the time (i) authorize or create, or increase the authorized or issued amount of, any class or series of Partnership Interests ranking prior to the Series J Preferred Units with respect to payment of distributions or rights upon liquidation, dissolution or winding-up or reclassify any Partnership Interests of the Partnership into any such Partnership Interest, or create, authorize or issue any obligations or security convertible into or evidencing the right to purchase any such Partnership Interests, (ii) authorize or create, or increase the authorized or issued amount of any Parity Preferred Units or reclassify any Partnership Interest of the Partnership into any such Partnership Interest or create, authorize or issue any obligations or security convertible into or evidencing the right to purchase any such Partnership Interests but only to the extent such Parity Preferred Units are issued to an affiliate of the Partnership, other than the General Partner to the extent the issuance of such interests was to allow the General Partner to issue corresponding preferred stock to persons who are not affiliates of the Partnership or (iii) either consolidate, merge into or with, or convey, transfer or lease its assets substantially as an entirety to, any corporation or other entity or amend, alter or repeal the provisions of the Partnership Agreement (including, without limitation, this Article 18), whether by merger, consolidation or otherwise, in each case in a manner that would materially and

adversely affect the powers, special rights, preferences, privileges or voting power of the Series J Preferred Units or the holders thereof; provided, however, that with respect to the occurrence of any event set forth in (iii) above, so long as (a) the Partnership is the surviving entity and the Series J Preferred Units remain outstanding with the terms thereof unchanged, or (b) the resulting, surviving or transferee entity (I) is a partnership, limited liability company or other pass-through entity organized under the laws of any state, (II) is not taxable as a corporation for U.S. federal income tax purposes and (III) substitutes the Series J Preferred Units for other interests in such entity having substantially the same terms and rights as the Series J Preferred Units, including with respect to distributions, voting rights and rights upon liquidation, dissolution or winding-up, then the occurrence of any such event shall not be deemed to materially and adversely affect such rights, privileges or voting powers of the holders of the Series J Preferred Units; and provided further, that any increase in the amount of Partnership Interests or the creation or issuance of any other class or series of Partnership Interests represented by Junior Units or Parity Preferred Units are not issued to an affiliate of the Partnership, other than the General Partner to the extent the issuance of such interests was to allow the General Partner to issue corresponding preferred stock to persons who are not affiliates of the Partnership, shall not be deemed to materially and adversely affect such rights, preferences, privileges or voting powers.

Section 18.7 Transfer Restrictions

The Series J Preferred Units shall be subject to the provisions of Article 11 hereof; provided, however, that the Series J Preferred Units shall not be subject to the right of first refusal of the General Partner as described in Section 11.3 hereof. No transfer of Series J Preferred Units, or other action by the holder or holders of such Units, is permitted, without the consent of the General Partner which consent may be given or withheld in its sole and absolute discretion, if such transfer or other action would result in more than two partners holding all outstanding Series J Preferred Units within the meaning of Treasury Regulation Section 1.7704-1(h)(1)(ii) (without regard to Treasury Regulation Section 1.7704-1(h)(3)(ii)); provided, however, that the General Partner's consent may not be unreasonably withheld if (a) such transfer or other action would not result in more than five partners holding all outstanding Series J Preferred Units within the meaning of Treasury Regulation Section 1.7704-1(h)(1)(ii) (without regard to Treasury Regulation Section 1.7704-1(h)(3)(ii)) and (b) the General Partner cannot rely on Treasury Regulation Section 1.7704-1(h) to avoid classification of Operating Partnership as a PTP. In addition, no transfer may be made to any person if such transfer would cause the exchange of the Series J Preferred Units for Series J Preferred Shares, as provided herein, to be required to be registered under the Securities Act of 1933, as amended, or any state securities laws. If (i) the holders of 51% of the Series J Preferred Units conclude based on results or projected results that there exists (in the reasonable judgment of such holders) an imminent and substantial risk that such holder's interest in the Partnership represents or will represent more than 19.5% of the total profits or capital interests in the Partnership for a taxable year (the "19.5% Limit"), (ii) such holders deliver to the General Partner an opinion of independent counsel to the effect that there is a substantial risk that such holder's interest in the Partnership represents or will represent more than the 19.5% Limit (determined in accordance with Regulations Section 1.731-2(e)(4)), and (iii) the General Partner agrees with the conclusions referred to in clauses (i) and (ii) of this sentence, such agreement not to be unreasonably

withheld, then such holders shall, subject to the above limitations, be permitted to transfer so much of their Series J Preferred Units as may be appropriate to alleviate the risk of not satisfying the 19.5% Limit to the trust described in Exhibit J, with such holders having the rights set forth in such Exhibit.

Section 18.8 Exchange Rights

A. Right to Exchange. (i) Series J Preferred Units will be exchangeable in whole but not in part unless expressly otherwise provided herein at anytime on or after September 21, 2011, at the option of the holders of 51% of all outstanding Series J Preferred Units, for authorized but previously unissued Series J Preferred Shares at an exchange rate of one Series J Preferred Share from the General Partner for one Series J Preferred Unit, subject to adjustment as described below (the "Exchange Price"), provided that the Series J Preferred Units will become exchangeable at any time, in whole but not in part unless expressly otherwise provided herein, at the option of the holders of 51% of all outstanding Series J Preferred Units for Series J Preferred Shares (x) if at any time full distributions shall not have been timely made on any Series J Preferred Unit with respect to six (6) prior quarterly distribution periods, whether or not consecutive, provided, however, that a distribution in respect of

Series J Preferred Units shall be considered timely made if made within two (2) Business Days after the applicable Preferred Unit Distribution Payment Date if at the time of such late payment there shall not be any prior quarterly distribution periods in respect of which full distributions were not timely made, or (y) at any time (A) the holders of 51% of the Series J Preferred Units conclude (in the reasonable judgment of such holders) that the Partnership, if it otherwise were taxable as a real estate investment trust, either (1) will not or likely will not satisfy the income tests of Section 856 of the Code for the year in which such determination is made or (2) will not or likely will not satisfy the asset tests of Section 856 of the Code as of the end of the calendar quarter in which such determination is made, which failure will not or is unlikely to be (or is subsequently not) cured as permitted under Section 856 of the Code, (B) the holders deliver to the General Partner an opinion of a nationally recognized independent counsel to the effect of the conclusion set forth in clause (A) of this sentence, (C) such failure would create a meaningful risk that a holder of the Series J Preferred Units would fail to maintain its qualification as a real estate investment trust and (D) the General Partner agrees with the conclusions referred to in clauses (A) and (B) of this sentence, such agreement not to be unreasonably withheld. Furthermore, the Series J Preferred Units, if the holders of 51% of all outstanding Series J Preferred Units so determine, may be exchanged in whole but not in part (regardless of whether held by one or more holders) for Series J Preferred Shares if (1) the holders of 51% of all outstanding Series J Preferred Units conclude based on results or projected results that there exists (in the reasonable judgment of such holder) an imminent and substantial risk that the holder's interest in the Partnership represents or will represent more than the 19.5% Limit, (2) such holders deliver to the General Partner an opinion of independent counsel to the effect that there is a substantial risk that its interest in the Partnership does not or will not satisfy the 19.5% Limit and (3) the General Partner agrees with the conclusions referred to in clauses (1) and (2) of this sentence, such agreement not to be unreasonably withheld; provided, however, that if, as a result of such conclusion, such holders' interest in the Partnership is reduced pursuant to the last sentence of Section 18.7 hereof (which procedure shall be available to such holders to the exclusion of the procedure under this sentence for so long as, on a cumulative basis, sales of 10% or fewer of the Series J Preferred Units

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originally issued by the Partnership would in the opinion of the above-referenced counsel reduce the risk that such holders' interest in the Partnership would not satisfy the 19.5% Limit to less than a substantial risk, and thereafter shall be a permitted alternative to the procedure pursuant to this sentence) or the risk of such holder not satisfying the 19.5% Limit otherwise is reduced below a substantial risk, then an exchange in whole under this sentence shall not be permitted unless and until a change in facts occurs and a further determination by such holders is made under this sentence.

(ii) Notwithstanding anything to the contrary set forth in Section 18.8.A(i), if an Exchange Notice (as defined herein) has been delivered to the General Partner, then the General Partner may, at its option, within ten (10) Business Days after receipt of the Exchange Notice, elect to cause the Partnership to redeem all or a portion of the outstanding Series J Preferred Units for cash in an amount equal to the original Capital Contribution per Series J Preferred Unit and all accrued and unpaid distributions thereon to the date of redemption. If the General Partner elects to redeem fewer than all of the outstanding Series J Preferred Units, the number of Series J Preferred Units held by each holder to be redeemed shall equal such holder's pro rata share (based on the percentage of the aggregate number of outstanding Series J Preferred Units that the total number of Series J Preferred Units held by such holder represents) of the aggregate number of Series J Preferred Units being redeemed.

(iii) In the event an exchange of all Series J Preferred Units pursuant to Section 18.8.A would violate the provisions on ownership limitation of the General Partner set forth in Section 7 of the Third Article of the Articles Supplementary to the Charter with respect to Series J Preferred Shares (the "Series J Articles Supplementary"), each holder of Series J Preferred Units shall be entitled to exchange, pursuant to the provisions of Section 18.8.B, a number of Series J Preferred Units which would comply with the provisions on the ownership limitation of the General Partner set forth in such Section 7 of the Series J Articles Supplementary, with respect to such holder, and any Series J Preferred Units not so exchanged (the "Excess Units") shall be redeemed by the Partnership for cash in an amount equal to the original Capital Contribution per Excess Unit, plus any accrued and unpaid distributions thereon to the date of redemption subject to any restriction thereon contained in any debt instrument or agreement of the Partnership. In the event an exchange would result in Excess Units, as a condition to such exchange, each holder of such units agrees to provide representations and covenants reasonably requested by the General Partner relating to (i) the widely held nature of the interests in such holder, sufficient to assure the General Partner that the holder's ownership of stock of the General Partner (without regard to the limits described above) will not cause any individual to own in excess of 9.0% of the stock of the General Partner; and (ii) to the extent such holder can so represent and covenant

without obtaining information from its owners, the holder's ownership of tenants of the Partnership and its affiliates. For purposes of determining the number of Excess Units under this Section 18.8.A(iii), the "Beneficial Ownership Limit" and "Constructive Ownership Limit" set forth in the Series J Articles Supplementary shall be deemed to be 9.0%. To the extent the General Partner would not be able to pay the cash set forth above in exchange for the Excess Units, and to the extent consistent with the Charter, the General Partner agrees that it will grant to the holders of the Series J Preferred Units exceptions to the Beneficial Ownership Limit and Constructive Ownership Limit set forth in the Series J Articles Supplementary sufficient to allow such holders to exchange all of their Series J Preferred Units for Series J Preferred Stock, provided such holders furnish to the General Partner representations acceptable

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to the General Partner in its sole and absolute discretion which assure the General Partner that such exceptions will not jeopardize the General Partner's tax status as a REIT for purposes of federal and applicable state law. Notwithstanding any provision of this Agreement to the contrary, no Series J Limited Partner shall be entitled to effect an exchange of Series J Preferred Units for Series J Preferred Shares to the extent that ownership or right to acquire such shares would cause the Partner or any other Person or, in the opinion of counsel selected by the General Partner, may cause the Partner or any other Person, to violate the restrictions on ownership and transfer of Series J Preferred Shares set forth in the Charter, taking into account any exceptions thereto granted by the Company in accordance with the terms of the Charter. To the extent any such attempted exchange for Series J Preferred Shares would be in violation of the previous sentence, it shall be void ab initio and such Series J Limited Partner shall not acquire any rights or economic interest in the Series J Preferred Shares otherwise issuable upon such exchange.

(iv) The redemption of Series J Preferred Units described in Section 18.8.A(ii) and (iii) shall be subject to the provisions of Section 18.5.B(i) and Section 18.5.C(ii); provided, however, that the term "Redemption Price" in such Sections 18.5.B(i) and 18.5.C(ii) shall be read to mean the original Capital Contribution per Series J Preferred Unit being redeemed as set forth on Exhibit A plus all accrued and unpaid distributions to the redemption date.

B. Procedure for Exchange and/or Redemption of Series J Preferred Units.

(i) Any exchange shall be exercised pursuant to a notice of exchange (the "Exchange Notice") delivered to the General Partner by the Partners representing at least 51% of the outstanding Series J Preferred Units (or by Contributor in the case of an exchange pursuant to the last sentence of Section 18.8.A.(i) hereof) by (a) fax and (b) by certified mail postage prepaid. The General Partner may effect any exchange of Series J Preferred Units, or exercise its option to cause the Partnership to redeem any portion of the Series J Preferred Units for cash pursuant to Section 18.8.A(ii) or redeem Excess Units pursuant to Section 18.8.A(iii), by delivering to each holder of record of Series J Preferred Units, within ten (10) Business Days following receipt of the Exchange Notice, (a) if the General Partner elects to cause the Partnership to acquire any of the Series J Preferred Units then outstanding, (1) certificates representing the Series J Preferred Shares being issued in exchange for the Series J Preferred Units of such holder being exchanged and (2) a written notice (a "Redemption Notice") stating (A) the redemption date, which may be the date of such Redemption Notice or any other date which is not later than sixty (60) days following the receipt of the Exchange Notice, (B) the redemption price, (C) the place or places where the Series J Preferred Units are to be surrendered and (D) that distributions on the Series J Preferred Units will cease to accrue on such redemption date, or (b) if the General Partner elects to cause the Partnership to redeem all of the Series J Preferred Units then outstanding in exchange for cash, a Redemption Notice. Series J Preferred Units shall be deemed canceled (and any corresponding Partnership Interest represented thereby deemed terminated) simultaneously with the delivery of shares of Series J Preferred Shares (with respect to Series J Preferred Units exchanged) or simultaneously with the redemption date (with respect to Series J Preferred Units redeemed). Holders of Series J Preferred Units shall deliver any canceled certificates representing Series J Preferred Units which have been exchanged or redeemed to the office of General Partner (which currently is located at Pier 1, Bay 1, San Francisco, California 94111) within ten (10) Business Days of the exchange or redemption with

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respect thereto. Notwithstanding anything to the contrary contained herein, any and all Series J Preferred Units to be exchanged for Series J Preferred Stock pursuant to this Section 18.8 shall be so exchanged in a single transaction at one time. As a condition to exchange, the General Partner may require the holders of Series J Preferred Units to make such representations as may be reasonably necessary for the General Partner to establish that the issuance of Series J Preferred Shares pursuant to the exchange shall not be required to be registered under the Securities Act or any state securities laws. Any Series J

Preferred Shares issued pursuant to this Section 18.8 shall be delivered as shares which are duly authorized, validly issued, fully paid and nonassessable, free of any pledge, lien, encumbrance or restriction other than those provided in the Charter, the Bylaws of the General Partner, the Securities Act and relevant state securities or blue sky laws.

The certificates representing the Series J Preferred Shares issued upon exchange of the Series J Preferred Units shall contain the following legend:

THE SHARES REPRESENTED BY THIS CERTIFICATE MAY NOT BE TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF EXCEPT (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND STATE SECURITIES LAWS OR (B) IF THE CORPORATION HAS BEEN FURNISHED WITH A SATISFACTORY OPINION OF COUNSEL FOR THE HOLDER OF THE SHARES REPRESENTED HEREBY, OR OTHER EVIDENCE SATISFACTORY TO THE CORPORATION, THAT SUCH TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION IS EXEMPT FROM THE PROVISIONS OF SECTION 5 OF THE ACT AND STATE SECURITIES LAWS AND THE RULES AND REGULATIONS THEREUNDER.

(ii) In the event of an exchange of Series J Preferred Units for Series J Preferred Shares, an amount equal to the accrued and unpaid distributions to the date of exchange on any Series J Preferred Units tendered for exchange shall (i) accrue on the Series J Preferred Shares into which such Series J Preferred Units are exchanged, and (ii) continue to accrue on such Series J Preferred Units, which shall remain outstanding following such exchange, with the General Partner as the holder of such Series J Preferred Units. Notwithstanding anything to the contrary set forth herein, in no event shall a holder of a Series J Preferred Unit that was validly exchanged for Series J Preferred Shares pursuant to this Section (other than the General Partner holding such Series J Preferred Unit following any such exchange), receive a distribution out of Available Cash of the Partnership, if such holder, after exchange, is entitled to receive a distribution out of Available Cash with respect to the Series J Preferred Shares for which such Series J Preferred Unit was exchanged or redeemed. Further for purposes of the foregoing, in the event of an exchange of Series J Preferred Units for Series J Preferred Shares, if the accrued and unpaid distributions per Series J Preferred Unit is not the same for each Series J Preferred Unit, the accrued and unpaid distributions per Series J Preferred Unit for each such Series J Preferred

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Unit shall be equal to the greatest amount of such accrued and unpaid distributions per Series J Preferred Unit on any such unit.

(iii) Fractional Series J Preferred Shares are not to be issued upon exchange but, in lieu thereof, the General Partner will pay a cash adjustment based upon the fair market value of the Series J Preferred Shares on the day prior to the exchange date as determined in good faith by the Board of Directors of the General Partner.

C. Adjustment of Exchange Price. In case the General Partner shall be a party to any transaction (including, without limitation, a merger, consolidation, statutory share exchange, tender offer for all or substantially all of the General Partner's capital stock or sale of all or substantially all of the General Partner's assets), in each case as a result of which the Series J Preferred Shares will be converted into the right to receive shares of capital stock, other securities or other property (including cash or any combination thereof), each Series J Preferred Unit will thereafter be exchangeable into the kind and amount of shares of capital stock and other securities and property receivable (including cash or any combination thereof) upon the consummation of such transaction by a holder of that number of Series J Preferred Shares or fraction thereof into which one Series J Preferred Unit was exchangeable immediately prior to such transaction. The General Partner may not become a party to any such transaction unless the terms thereof are consistent with the foregoing.

Section 18.9 No Conversion Rights

The Series J Preferred Units shall not be convertible into any other class or series of interest in the Partnership.

Section 18.10 No Sinking Fund

No sinking fund shall be established for the retirement or redemption of Series J Preferred Units.

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

GENERAL PARTNER:

AMB PROPERTY CORPORATION,
a Maryland corporation

By: /s/ Michael A. Coke

Michael A. Coke
Chief Financial Officer and Executive Vice President

LIMITED PARTNERS:

AMB PROPERTY CORPORATION,
as attorney-in-fact for each of the Limited Partners

By: /s/ Michael A. Coke

Michael A. Coke
Chief Financial Officer and Executive Vice President

SERIES J LIMITED PARTNER:

GSEP 2001 REALTY CORP.

By: /s/ Eric Lane

Name: Eric Lane

Title: President and CEO

EXHIBIT A

PARTNERS, CONTRIBUTIONS, AND PARTNERSHIP INTERESTS

I. Common Units

<TABLE>

<CAPTION>

PERCENTAGE NAME OF PARTNER INTEREST	CONTRIBUTION DATE	CASH CONTRIBUTIONS	AGREED VALUE OF CONTRIBUTED PROPERTY	TOTAL CONTRIBUTIONS	COMMON PARTNERSHIP UNITS
----- <S> <C>	----- <C>	----- <C>	----- <C>	----- <C>	----- <C>
General Partner:					
AMB Property Corporation (a) 95.39238%	11/26/97	\$ 73,798,710	\$1,693,339,826	\$ 1,767,138,536	85,645,102
AMB Property Corporation 0.04790%	12/15/98	\$ 930,048	\$ 0	\$ 930,048	43,008
AMB Property Corporation 0.11138%	01/20/99	\$ 1,000	\$ 0	\$ 1,000	100,000
AMB Property Corporation 0.00139%	01/25/99	\$ 26,250	\$ 0	\$ 26,250	1,250
AMB Property Corporation 0.00696%	02/11/99	\$ 131,250	\$ 0	\$ 131,250	6,250
AMB Property Corporation 0.00139%	03/05/99	\$ 26,250	\$ 0	\$ 26,250	1,250
AMB Property Corporation 0.00139%	04/20/99	\$ 26,250	\$ 0	\$ 26,250	1,250
AMB Property Corporation 0.00401%	04/23/99	\$ 0	\$ 88,290	\$ 88,290	3,600
AMB Property Corporation -0.00104%	05/07/99	\$ (20,155)	\$ 0	\$ (20,155)	(932)
AMB Property Corporation 0.53703%	05/12/99	\$ 0	\$ 10,125,213	\$ 10,125,213	482,153
AMB Property Corporation 0.00418%	05/13/99	\$ 78,750	\$ 0	\$ 78,750	3,750
AMB Property Corporation 0.00139%	06/04/99	\$ 26,250	\$ 0	\$ 26,250	1,250
AMB Property Corporation 0.00070%	06/11/99	\$ 13,125	\$ 0	\$ 13,125	625
AMB Property Corporation 0.00070%	06/30/99	\$ 13,125	\$ 0	\$ 13,125	625
AMB Property Corporation 0.00278%	07/02/99	\$ 52,500	\$ 0	\$ 52,500	2,500
AMB Property Corporation 0.01114%	08/03/99	\$ 0	\$ 244,000	\$ 244,000	10,000
AMB Property Corporation 0.00696%	08/06/99	\$ 131,250	\$ 0	\$ 131,250	6,250
AMB Property Corporation 0.04455%	09/15/99	\$ 0	\$ 840,000	\$ 840,000	40,000
AMB Property Corporation -0.00078%	09/15/99	\$ (15,159)	\$ 0	\$ (15,159)	(701)
AMB Property Corporation -0.01114%	12/10/99	\$ (198,750)	\$ 0	\$ (198,750)	(10,000)
AMB Property Corporation -0.01114%	12/10/99	\$ (197,500)	\$ 0	\$ (197,500)	(10,000)
AMB Property Corporation -0.09467%	12/10/99	\$ (1,657,500)	\$ 0	\$ (1,657,500)	(85,000)
AMB Property Corporation -0.11138%	12/13/99	\$ (1,950,000)	\$ 0	\$ (1,950,000)	(100,000)
AMB Property Corporation -0.55691%	12/14/99	\$ (9,500,000)	\$ 0	\$ (9,500,000)	(500,000)
AMB Property Corporation -0.05569%	12/16/99	\$ (950,000)	\$ 0	\$ (950,000)	(50,000)
AMB Property Corporation -0.10704%	12/16/99	\$ (1,813,888)	\$ 0	\$ (1,813,888)	(96,100)
AMB Property Corporation -0.05569%	12/17/99	\$ (937,500)	\$ 0	\$ (937,500)	(50,000)
AMB Property Corporation -0.52561%	12/17/99	\$ (8,730,150)	\$ 0	\$ (8,730,150)	(471,900)
AMB Property Corporation -0.05569%	12/20/99	\$ (918,750)	\$ 0	\$ (918,750)	(50,000)
AMB Property Corporation -0.02294%	12/20/99	\$ (375,950)	\$ 0	\$ (375,950)	(20,600)
AMB Property Corporation -1.63276%	01/07/00	\$ (28,777,960)	\$ 0	\$ (28,777,960)	(1,465,926)
AMB Property Corporation 0.17339%	02/29/00	\$ 0	\$ 0	\$ 0	155,675
AMB Property Corporation 0.01392%	03/31/00	\$ 262,500	\$ 0	\$ 262,500	12,500
AMB Property Corporations 0.00557%	05/01/00	\$ 105,000	\$ 0	\$ 105,000	5,000

AMB Property Corporation 0.00557%	05/02/00	\$ 105,000	\$ 0	\$ 105,000	5,000
AMB Property Corporation 0.00139%	05/03/00	\$ 26,250	\$ 0	\$ 26,250	1,250
AMB Property Corporation 0.00278%	05/05/00	\$ 52,500	\$ 0	\$ 52,500	2,500
AMB Property Corporation 0.00111%	05/05/00	\$ 0	\$ 0	\$ 0	1,000
AMB Property Corporation 0.00070%	05/10/00	\$ 13,125	\$ 0	\$ 13,125	625
AMB Property Corporation 0.00139%	05/31/00	\$ 26,250	\$ 0	\$ 26,250	1,250
AMB Property Corporation 0.00557%	06/09/00	\$ 105,000	\$ 0	\$ 105,000	5,000
AMB Property Corporation 0.01313%	06/13/00	\$ 254,334	\$ 0	\$ 254,334	11,790
AMB Property Corporation 0.22992%	07/06/00	\$ 0	\$ 4,774,010	\$ 4,774,010	206,425
AMB Property Corporation 0.00676%	07/14/00	\$ 128,747	\$ 0	\$ 128,747	6,072
AMB Property Corporation 0.00278%	07/19/00	\$ 52,500	\$ 0	\$ 52,500	2,500
AMB Property Corporation 0.00557%	07/21/00	\$ 105,000	\$ 0	\$ 105,000	5,000
AMB Property Corporation 0.00557%	07/26/00	\$ 105,000	\$ 0	\$ 105,000	5,000
AMB Property Corporation 0.00139%	08/10/00	\$ 26,250	\$ 0	\$ 26,250	1,250
AMB Property Corporation 0.00139%	08/11/00	\$ 26,250	\$ 0	\$ 26,250	1,250
AMB Property Corporation 0.00835%	08/25/00	\$ 157,500	\$ 0	\$ 157,500	7,500
AMB Property Corporation 0.00167%	09/06/00	\$ 31,594	\$ 0	\$ 31,594	1,500
AMB Property Corporation 0.00501%	09/11/00	\$ 94,500	\$ 0	\$ 94,500	4,500
AMB Property Corporation 0.00028%	09/12/00	\$ 5,250	\$ 0	\$ 5,250	250
AMB Property Corporation 0.00278%	09/15/00	\$ 52,500	\$ 0	\$ 52,500	2,500
AMB Property Corporation -0.00033%	10/01/00	\$ (7,152)	\$ 0	\$ (7,152)	(298)
AMB Property Corporation 0.00067%	11/27/00	\$ 12,600	\$ 0	\$ 12,600	600
AMB Property Corporation 0.00557%	11/28/00	\$ 5,000	\$ 0	\$ 5,000	5,000
AMB Property Corporation 0.00418%	11/29/00	\$ 78,750	\$ 0	\$ 78,750	3,750
AMB Property Corporation 0.00069%	12/01/00	\$ 0	\$ 0	\$ 0	622
AMB Property Corporation 0.01313%	12/05/00	\$ 250,250	\$ 0	\$ 250,250	11,789

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<TABLE> <CAPTION>					
PERCENTAGE NAME OF PARTNER INTEREST	CONTRIBUTION DATE	CASH CONTRIBUTIONS	AGREED VALUE OF CONTRIBUTED PROPERTY	TOTAL CONTRIBUTIONS	COMMON PARTNERSHIP UNITS
----- -----	-----	-----	-----	-----	-----
<S> <C>	<C>	<C>	<C>	<C>	<C>
AMB Property Corporation 0.00418%	12/06/00	\$ 78,750	\$ 0	\$ 78,750	3,750
AMB Property Corporation 0.00067%	12/13/00	\$ 12,600	\$ 0	\$ 12,600	600
AMB Property Corporation 0.00056%	12/15/00	\$ 10,500	\$ 0	\$ 10,500	500
AMB Property Corporation 0.00065%	01/30/01	\$ 12,446	\$ 0	\$ 12,446	584
AMB Property Corporation 0.00229%	02/27/01	\$ 46,193	\$ 0	\$ 46,193	2,053
AMB Property Corporation 0.21888%	02/27/01	\$ 0	\$ 0	\$ 0	196,517
AMB Property Corporation 0.00556%	02/28/01	\$ 107,952	\$ 0	\$ 107,952	4,992
AMB Property Corporation 0.00173%	02/28/01	\$ 0	\$ 36,750	\$ 36,750	1,554

AMB Property Corporation 0.04134%	03/07/01	\$ 0	\$ 872,202	\$ 872,202	37,115
AMB Property Corporation 0.00070%	03/07/01	\$ 13,125	\$ 0	\$ 13,125	625
AMB Property Corporation 0.04084%	03/08/01	\$ 774,736	\$ 0	\$ 774,736	36,667
AMB Property Corporation 0.62292%	03/23/01	\$ 0	\$ 11,752,188	\$ 11,752,188	559,268
AMB Property Corporation -0.02785%	04/18/01	\$ (568,750)	\$ 0	\$ (568,750)	(25,000)
AMB Property Corporation 0.00111%	05/17/01	\$ 0	\$ 0	\$ 0	1,000
AMB Property Corporation 0.00089%	05/21/01	\$ 16,800	\$ 0	\$ 16,800	800
AMB Property Corporation 0.04589%	05/22/01	\$ 0	\$ 0	\$ 0	41,204
AMB Property Corporation 0.00511%	06/14/01	\$ 95,586	\$ 0	\$ 95,586	4,584
AMB Property Corporation -0.00051%	07/01/01	\$ 11,248	\$ 0	\$ 11,248	(461)
AMB Property Corporation 0.00125%	07/12/01	\$ 23,520	\$ 0	\$ 23,520	1,120
AMB Property Corporation 0.00028%	07/13/01	\$ 5,094	\$ 0	\$ 5,094	250
AMB Property Corporation 0.01499%	07/16/01	\$ 286,424	\$ 0	\$ 286,424	13,459
AMB Property Corporation 0.00111%	07/26/01	\$ 21,000	\$ 0	\$ 21,000	1,000
AMB Property Corporation 0.00078%	07/27/01	\$ 14,700	\$ 0	\$ 14,700	700
AMB Property Corporation 0.00479%	08/02/01	\$ 90,300	\$ 0	\$ 90,300	4,300
AMB Property Corporation 0.00056%	08/03/01	\$ 11,500	\$ 0	\$ 11,500	500
AMB Property Corporation 0.00028%	08/08/01	\$ 5,000	\$ 0	\$ 5,000	250
AMB Property Corporation 0.00031%	08/09/01	\$ 5,775	\$ 0	\$ 5,775	275
AMB Property Corporation 0.00418%	08/10/01	\$ 78,750	\$ 0	\$ 78,750	3,750
AMB Property Corporation 0.00056%	08/14/01	\$ 11,406	\$ 0	\$ 11,406	500
AMB Property Corporation 0.00167%	08/15/01	\$ 31,500	\$ 0	\$ 31,500	1,500
AMB Property Corporation 0.00070%	08/17/01	\$ 14,063	\$ 0	\$ 14,063	625
AMB Property Corporation 0.02228%	08/22/01	\$ 420,000	\$ 0	\$ 420,000	20,000
AMB Property Corporation -0.02785%	09/20/01	\$ (597,500)	\$ 0	\$ (597,500)	(25,000)
-		-----	-----	-----	-----
Total General Partner 94.44451%		22,318,712	1,722,072,479	1,744,391,191	84,794,085

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PERCENTAGE NAME OF PARTNER INTEREST	CONTRIBUTION		AGREED VALUE OF CONTRIBUTED		TOTAL	COMMON PARTNERSHIP
	DATE	CASH CONTRIBUTIONS	PROPERTY	CONTRIBUTIONS	UNITS	
----- --	-----	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>	<C>
<C>						
Limited Partners:						
David Brown 0.06101%	11/26/97	\$ 0	\$ 1,150,359	\$ 1,150,359	54,779	
Daniel Sarhad 0.00033%	11/26/97	\$ 0	\$ 6,174	\$ 6,174	294	
Craig Duncan 0.01148%	11/26/97	\$ 0	\$ 216,447	\$ 216,447	10,307	
GP Met Phase I 0.09410%	11/26/97	\$ 0	\$ 1,774,164	\$ 1,774,164	84,484	
GP Met 4 & 12 0.07883%	11/26/97	\$ 0	\$ 1,486,212	\$ 1,486,212	70,772	
Holbrook W. Goodale 54 Trust	11/26/97	\$ 0	\$ 1,118,754	\$ 1,118,754	53,274	

0.05934%	Charles R. Wichman 54 Trust	11/26/97	\$	0	\$	1,118,754	\$	1,118,754	53,274
0.05934%	Frederick B. Wichman 54 Trust	11/26/97	\$	0	\$	1,118,754	\$	1,118,754	53,274
0.05934%	Holbrook W. Goodale 57 Trust	11/26/97	\$	0	\$	3,919,734	\$	3,919,734	186,654
0.20790%	Charles R. Wichman 57 Trust	11/26/97	\$	0	\$	3,919,734	\$	3,919,734	186,654
0.20790%	Frederick B. Wichman 57 Trust	11/26/97	\$	0	\$	3,919,734	\$	3,919,734	186,654
0.20790%	Holbrook W. Goodale 58 Trust	11/26/97	\$	0	\$	3,919,734	\$	3,919,734	186,654
0.20790%	Charles R. Wichman 58 Trust	11/26/97	\$	0	\$	3,919,734	\$	3,919,734	186,654
0.20790%	Frederick B. Wichman 58 Trust	11/26/97	\$	0	\$	3,919,734	\$	3,919,734	186,654
0.62332%	Allmerica	11/26/97	\$	0	\$	11,752,188	\$	11,752,188	559,628
0.53703%	Gamble	11/26/97	\$	0	\$	10,125,213	\$	10,125,213	482,153
0.57645%	Campanelli Investment Properties (b)	03/30/98	\$	0	\$	12,435,871	\$	12,435,871	517,547
0.48797%	Campanelli Enterprises (c)	03/30/98	\$	0	\$	10,334,678	\$	10,334,678	438,110
0.09041%	Steve Liefschultz	03/31/98	\$	0	\$	1,990,798	\$	1,990,798	81,174
0.02883%	Stephen M. Vincent	03/31/98	\$	0	\$	634,825	\$	634,825	25,884
0.01208%	Alan Wilensky	03/31/98	\$	0	\$	266,073	\$	266,073	10,849
0.03662%	Craig Gagnon	03/31/98	\$	0	\$	806,404	\$	806,404	32,880
0.00288%	Seefried Properties, Inc.	06/04/98	\$	0	\$	61,250	\$	61,250	2,590
0.03109%	Monique Brouillet Seefried	06/04/98	\$	0	\$	660,275	\$	660,275	27,916
0.01506%	Robert S. Rakusin	06/04/98	\$	0	\$	319,725	\$	319,725	13,518
0.00692%	Gerald L. Daws	06/04/98	\$	0	\$	147,000	\$	147,000	6,215
0.00173%	Thomas Ellis	06/04/98	\$	0	\$	36,750	\$	36,750	1,554
	James E. Hayes as trustee of the James E. Hayes Living Trust under Agreement dated August 22, 1995	06/30/98	\$	0	\$	580,747	\$	580,747	23,801
0.02651%	Lawrence J. Hayes	06/30/98	\$	0	\$	580,747	\$	580,747	23,801
0.39375%	Lincoln Property Company No. 238 Ltd.	09/24/98	\$	0	\$	8,320,955	\$	8,320,955	353,520
0.13065%	Lincoln Property Company No. 287, LTD	09/24/98	\$	0	\$	2,760,957	\$	2,760,957	117,300
0.03500%	Lincoln Property Company No. 355, LTD	09/24/98	\$	0	\$	739,600	\$	739,600	31,422
0.03633%	Lincoln Property Company No. 440, LTD	09/24/98	\$	0	\$	767,640	\$	767,640	32,614
0.18376%	Lincoln Property Company No. 1179	09/24/98	\$	0	\$	3,883,230	\$	3,883,230	164,981
-0.00200%	Alan Wilensky	12/31/98	\$	0	\$	(44,145)	\$	(44,145)	(1,800)
0.00100%	Julie H. Wilensky	12/31/98	\$	0	\$	22,073	\$	22,073	900
0.00100%	Constance J. Wilensky	12/31/98	\$	0	\$	22,073	\$	22,073	900
-0.00200%	Alan Wilensky	01/31/99	\$	0	\$	(44,145)	\$	(44,145)	(1,800)
0.00100%	Julie H. Wilensky	01/31/99	\$	0	\$	22,073	\$	22,073	900
0.00100%	Constance J. Wilensky	01/31/99	\$	0	\$	22,073	\$	22,073	900
0.00011%	William H. Winstead III	02/09/99	\$	0	\$	2,376	\$	2,376	99
0.00019%	Donald A. Manekin	02/09/99	\$	0	\$	4,056	\$	4,056	169
0.00013%	Bernard Manekin	02/09/99	\$	0	\$	2,808	\$	2,808	117
0.00012%	Harold Manekin	02/09/99	\$	0	\$	2,592	\$	2,592	108
0.00001%	Vivian Manekin	02/09/99	\$	0	\$	144	\$	144	6
0.00001%	Francine U. Manekin	02/09/99	\$	0	\$	144	\$	144	6
	RA & DM, Inc.	02/09/99	\$	0	\$	96	\$	96	4

0.00000%								
RA & FM, Inc.	02/09/99	\$	0	\$	888	\$	888	37
0.00004%								
Richard M. Alter	02/09/99	\$	0	\$	7,080	\$	7,080	295
0.00033%								
Robert Manekin	02/09/99	\$	0	\$	1,080	\$	1,080	45
0.00005%								
Richard P. Manekin	02/09/99	\$	0	\$	1,536	\$	1,536	64
0.00007%								
Charles H. Manekin	02/09/99	\$	0	\$	672	\$	672	28
0.00003%								
Louis C. LaPenna	02/09/99	\$	0	\$	432	\$	432	18
0.00002%								
Sandy Manekin Sirota	02/09/99	\$	0	\$	912	\$	912	38
0.00004%								
Julie H. Wilensky	04/23/99	\$	0	\$	(44,145)	\$	(44,145)	(1,800)
-0.00200%								
Constance J. Wilensky	04/23/99	\$	0	\$	(44,145)	\$	(44,145)	(1,800)
-0.00200%								
William H. Winstead III	04/30/99	\$	0	\$	888,379	\$	888,379	37,016
0.04123%								
Donald A. Manekin	04/30/99	\$	0	\$	1,479,701	\$	1,479,701	61,654
0.06867%								
Bernard Manekin	04/30/99	\$	0	\$	1,046,686	\$	1,046,686	43,612
0.04858%								

</TABLE>

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<TABLE>
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PERCENTAGE NAME OF PARTNER INTEREST	CONTRIBUTION DATE	CASH CONTRIBUTIONS	AGREED VALUE OF CONTRIBUTED PROPERTY	TOTAL CONTRIBUTIONS	COMMON PARTNERSHIP UNITS
----- -----	-----	-----	-----	-----	-----
<S> <C>	<C>	<C>	<C>	<C>	<C>
Harold Manekin 0.04486%	04/30/99	\$ 0	\$ 966,601	\$ 966,601	40,275
Vivian Manekin 0.00259%	04/30/99	\$ 0	\$ 55,873	\$ 55,873	2,328
Francine U. Manekin 0.00259%	04/30/99	\$ 0	\$ 55,873	\$ 55,873	2,328
RA & DM, Inc. 0.00432%	04/30/99	\$ 0	\$ 93,122	\$ 93,122	3,880
RA & FM, Inc. 0.00565%	04/30/99	\$ 0	\$ 121,732	\$ 121,732	5,072
Richard M. Alter 0.12891%	04/30/99	\$ 0	\$ 2,777,815	\$ 2,777,815	115,742
Robert Manekin 0.02645%	04/30/99	\$ 0	\$ 569,904	\$ 569,904	23,746
Richard P. Manekin 0.02645%	04/30/99	\$ 0	\$ 569,904	\$ 569,904	23,746
Charles H. Manekin 0.01145%	04/30/99	\$ 0	\$ 246,772	\$ 246,772	10,282
Louis C. LaPenna 0.00739%	04/30/99	\$ 0	\$ 159,238	\$ 159,238	6,635
Sandy Manekin Sirota 0.01595%	04/30/99	\$ 0	\$ 343,618	\$ 343,618	14,317
Gamble -0.53703%	05/12/99	\$ 0	\$ (10,125,213)	\$ (10,125,213)	(482,153)
Campanelli Investment Properties, LLC 0.02076%	05/21/99	\$ 0	\$ 450,811	\$ 450,811	18,638
CBDV Investors, L.L.C. 0.23698%	05/26/99	\$ 0	\$ 5,000,000	\$ 5,000,000	212,766
Gerald L. Daws -0.00692%	06/04/99	--	\$ (147,000)	\$ (147,000)	(6,215)
CBDV Investors, L.L.C. -0.23698%	07/30/99	--	\$ (5,000,000)	\$ (5,000,000)	(212,766)
Tiger Lafayette, L.L.C. 0.15430%	07/30/99	\$ 0	\$ 3,255,596	\$ 3,255,596	138,536
Divco Western Commercial, L.L.C. 0.04134%	07/30/99	\$ 0	\$ 872,202	\$ 872,202	37,115
ICCL East, L.L.C. 0.04134%	07/30/99	\$ 0	\$ 872,202	\$ 872,202	37,115
Lawrence J. Hayes -0.01114%	08/03/99	--	\$ (244,000)	\$ (244,000)	(10,000)
GP Met 4 & 12 -0.04455%	09/15/99	--	\$ (840,000)	\$ (840,000)	(40,000)

Lincoln Property Company No. 238 Ltd. 0.00001%	09/30/99	\$	0	\$	282	\$	282	12
Lincoln Property Company No. 287, Ltd 0.00126%	09/30/99	\$	0	\$	26,668	\$	26,668	1,133
Lincoln Property Company No. 355, Ltd. 0.00217%	09/30/99	\$	0	\$	45,780	\$	45,780	1,945
Lincoln Property Company No. 440, Ltd. 0.00050%	09/30/99	\$	0	\$	10,639	\$	10,639	452
Lincoln Property Company No. 1179 0.00011%	09/30/99	\$	0	\$	2,354	\$	2,354	100
Lincoln Property Company No. 238 Ltd. -0.39377%	09/30/99	\$	0	\$	(8,321,259)	\$	(8,321,259)	(353,532)
Lincoln Property Company No. 287, Ltd -0.11872%	09/30/99	\$	0	\$	(2,508,862)	\$	(2,508,862)	(106,590)
Lincoln Property Company No. 355, Ltd. -0.03623%	09/30/99	\$	0	\$	(765,722)	\$	(765,722)	(32,532)
Lincoln Property Company No. 440, Ltd. -0.03609%	09/30/99	\$	0	\$	(762,733)	\$	(762,733)	(32,405)
Lincoln Property Company No. 1179 -0.17100%	09/30/99	\$	0	\$	(3,613,595)	\$	(3,613,595)	(153,525)
Mack Pogue 0.00468%	09/30/99	\$	0	\$	98,834	\$	98,834	4,199
Edgar M. Thrift, Jr 0.09496%	09/30/99	\$	0	\$	2,006,831	\$	2,006,831	85,261
Preston Butcher 0.30945%	09/30/99	\$	0	\$	6,539,424	\$	6,539,424	277,830
Gary J. Rossi 0.00534%	09/30/99	\$	0	\$	112,933	\$	112,933	4,798
Stuart L. Leeder 0.00221%	09/30/99	\$	0	\$	46,698	\$	46,698	1,984
Mack Pogue Inc. 0.24008%	09/30/99	\$	0	\$	5,073,438	\$	5,073,438	215,547
Edward D. O'Brien 0.03520%	09/30/99	\$	0	\$	743,761	\$	743,761	31,599
David Brent Pogue 0.06389%	09/30/99	\$	0	\$	1,350,252	\$	1,350,252	57,366
Lincoln Property Company No. 287, Ltd. -0.01319%	11/30/99	\$	0	\$	(278,763)	\$	(278,763)	(11,843)
Lincoln Property Company No. 355, Ltd. -0.00093%	11/30/99	\$	0	\$	(19,658)		(19,658)	(835)
Lincoln Property Company No. 440, Ltd. -0.00074%	11/30/99	\$	0	\$	(15,546)	\$	(15,546)	(661)
Lincoln Property Company No. 1179 -0.01287%	11/30/99	\$	0	\$	(271,989)	\$	(271,989)	(11,556)
Douglas D. Abbey 0.34759%	01/07/00	\$	0	\$	0	\$	0	312,071
Luis A. Belmonte (Trust) 0.04123%	01/07/00	\$	0	\$	0	\$	0	37,013
T. Robert Burke 0.26231%	01/07/00	\$	0	\$	0	\$	0	235,506
S. Davis Carniglia 0.06946%	01/07/00	\$	0	\$	0	\$	0	62,366
John H. Diserens 0.08798%	01/07/00	\$	0	\$	0	\$	0	78,988
Bruce H. Freedman 0.02881%	01/07/00	\$	0	\$	0	\$	0	25,868
Jean C. Hurley 0.03587%	01/07/00	\$	0	\$	0	\$	0	32,206
Barbara J. Linn 0.06240%	01/07/00	\$	0	\$	0	\$	0	56,028
Hamid R. Moghadam 0.43230%	01/07/00	\$	0	\$	0	\$	0	388,126
Craig A. Severance 0.10153%	01/07/00	\$	0	\$	0	\$	0	91,158
W. Blake Baird 0.02848%	01/07/00	\$	0	\$	0	\$	0	25,569
Steven J. Callaway 0.00570%	01/07/00	\$	0	\$	0	\$	0	5,114
Steve E. Campbell 0.00380%	01/07/00	\$	0	\$	0	\$	0	3,409
Michael A. Coke 0.00940%	01/07/00	\$	0	\$	0	\$	0	8,439
Martin J. Coyne 0.00380%	01/07/00	\$	0	\$	0	\$	0	3,409
David G. Doyno 0.00380%	01/07/00	\$	0	\$	0	\$	0	3,409
David S. Fries 0.01699%	01/07/00	\$	0	\$	0	\$	0	15,257
Kent D. Greenawalt 0.00570%	01/07/00	\$	0	\$	0	\$	0	5,114
Jane L. Harris 0.00759%	01/07/00	\$	0	\$	0	\$	0	6,818

</TABLE>

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PERCENTAGE NAME OF PARTNER INTEREST	CONTRIBUTION	CASH	AGREED VALUE OF CONTRIBUTED		TOTAL	COMMON PARTNERSHIP
	DATE	CONTRIBUTIONS	PROPERTY		CONTRIBUTIONS	UNITS
-----	-----	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>		<C>	<C>
Carlie P. Headapohl 0.00380%	01/07/00	\$ 0	\$ 0	\$ 0	\$ 0	3,409
Tyler W. Higgins (Trust) 0.00759%	01/07/00	\$ 0	\$ 0	\$ 0	\$ 0	6,818
Steven T. Kimball 0.00380%	01/07/00	\$ 0	\$ 0	\$ 0	\$ 0	3,409
John T. Meyer 0.00570%	01/07/00	\$ 0	\$ 0	\$ 0	\$ 0	5,114
John T. Roberts, Jr 0.00940%	01/07/00	\$ 0	\$ 0	\$ 0	\$ 0	8,439
John L. Rossi 0.00380%	01/07/00	\$ 0	\$ 0	\$ 0	\$ 0	3,409
Cynthia J. Sarver 0.00380%	01/07/00	\$ 0	\$ 0	\$ 0	\$ 0	3,409
Christine G. Schadlich 0.00750%	01/07/00	\$ 0	\$ 0	\$ 0	\$ 0	6,733
Andrew N. Singer 0.00570%	01/07/00	\$ 0	\$ 0	\$ 0	\$ 0	5,114
Gayle P. Starr 0.00570%	01/07/00	\$ 0	\$ 0	\$ 0	\$ 0	5,114
William Steinberg 0.00759%	01/07/00	\$ 0	\$ 0	\$ 0	\$ 0	6,818
K.C. Swartzel 0.00759%	01/07/00	\$ 0	\$ 0	\$ 0	\$ 0	6,818
Celia M. Tanaka 0.00380%	01/07/00	\$ 0	\$ 0	\$ 0	\$ 0	3,409
Janice G. Thacher 0.00228%	01/07/00	\$ 0	\$ 0	\$ 0	\$ 0	2,045
GP Met 4 +12 -0.03427%	07/06/00	\$ 0	\$ (646,212)	\$ (646,212)	\$ (646,212)	(30,772)
ICCL East, L.L.C -0.04134%	07/06/00	\$ 0	\$ (872,202)	\$ (872,202)	\$ (872,202)	(37,115)
Tiger Lafayette, L.L.C -0.15430%	07/06/00	\$ 0	\$ (3,255,596)	\$ (3,255,596)	\$ (3,255,596)	(138,536)
AFCO Cargo DFW Limited Partnership 0.04959%	11/07/00	\$ 0	\$ 1,046,849	\$ 1,046,849	\$ 1,046,849	44,523
WEST*PAC Limited Partnership 0.00638%	11/07/00	\$ 0	\$ 134,609	\$ 134,609	\$ 134,609	5,725
AFCO Cargo SEA Limited Partnership 0.04959%	11/07/00	\$ 0	\$ 1,046,848	\$ 1,046,848	\$ 1,046,848	44,523
Campanelli Investment Properties, LLC -0.03792%	11/09/00	\$ 0	\$ (798,804)	\$ (798,804)	\$ (798,804)	(34,046)
Thomas Ellis -0.00173%	02/28/01	\$ 0	\$ (36,750)	\$ (36,750)	\$ (36,750)	(1,554)
Divco Western Commercial, L.L.C -0.04134%	03/07/01	\$ 0	\$ (872,202)	\$ (872,202)	\$ (872,202)	(37,115)
Allmerica -0.62332%	03/23/01	\$ 0	\$ (11,752,188)	\$ (11,752,188)	\$ (11,752,188)	(559,628)
Campanelli Investment Properties, LLC -0.07584%	08/17/01	--	\$ (1,597,608)	\$ (1,597,608)	\$ (1,597,608)	(68,092)
Joseph Campanelli 0.03792%	08/17/01	\$ 0	\$ 798,804	\$ 798,804	\$ 798,804	34,046
Nicholas Campanelli 0.03792%	08/17/01	\$ 0	\$ 798,804	\$ 798,804	\$ 798,804	34,046
Joseph Campanelli -0.03792%	08/17/01	--	\$ (798,804)	\$ (798,804)	\$ (798,804)	(34,046)
Nicholas Campanelli -0.03792%	08/17/01	--	\$ (798,804)	\$ (798,804)	\$ (798,804)	(34,046)
Campanelli Investment Properties, LLC -0.40325%	09/07/01	\$ 0	\$ (8,494,501)	\$ (8,494,501)	\$ (8,494,501)	(362,046)
Joseph Campanelli 0.09133%	09/07/01	\$ 0	\$ 1,923,924	\$ 1,923,924	\$ 1,923,924	82,000
Nicholas Campanelli 0.09133%	09/07/01	\$ 0	\$ 1,923,924	\$ 1,923,924	\$ 1,923,924	82,000
Alfred Campanelli Revocable Holding Trust 0.12925%	09/07/01	\$ 0	\$ 2,722,729	\$ 2,722,729	\$ 2,722,729	116,046
Trust B u/w Michael Campanelli	09/07/01	\$ 0	\$ 1,923,924	\$ 1,923,924	\$ 1,923,924	82,000

0.09133%						
Joseph Campanelli	09/07/01	\$	0	\$	(1,818,750)	\$ (1,818,750) (75,000)
-0.08354%						
Nicholas Campanelli	09/07/01	\$	0	\$	(1,818,750)	\$ (1,818,750) (75,000)
-0.08354%						
Edward D. O'Brien	09/18/01	\$	0	\$	(557,838)	\$ (557,838) (23,700)
-0.02640%						

Total Limited Partners		\$	0	\$	79,820,463	\$ 79,820,463 4,987,828
5.55549%						

Total General Partner			22,318,712		1,801,892,942	1,824,211,654 89,781,913
and Limited Partners						
100.0%						
=====						

- (a) Excludes 229,411 of Sub OP and Long Gate LLC shares/units and preferred partnership units.
- (b) Includes 934 units reserved.
- (c) Includes 8,268 units reserved.

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Reconciliation:	
Total Units per above	89,781,913
Plus Sub OP & Long Gate LLC shares/units excluded (a)	229,411
Total Shares & Units as of 09/20/01	90,011,324
</TABLE>	

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EXHIBIT A

PARTNERS, CONTRIBUTIONS, AND PARTNERSHIP INTERESTS

II. SERIES A PREFERRED UNITS

<TABLE>					
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	Contribution	Cash	Agreed Value of Contributed	Total	Partnership
Percentage	Date	Contributions	Property	Contributions	Units
Name of Partner Interest					

<S>	<C>	<C>	<C>	<C>	<C>
<C>					
GENERAL PARTNER:					
AMB Property Corporation	7/27/98	\$96,100,000	\$0	\$96,100,000	4,000,000
100.00000%					

TOTAL SERIES A PREFERRED UNITS		\$96,100,000	\$0	\$96,100,000	4,000,000
100.00000%					
=====					
</TABLE>					

III. SERIES B PREFERRED UNITS

<TABLE>					
<CAPTION>					
	Contribution	Cash	Agreed Value of Contributed	Total	Partnership
Percentage	Date	Contributions	Property	Contributions	Units
Name of Partner Interest					

	<C>	<C>	<C>	<C>	<C>
LIMITED PARTNER:					
Greene Street 1998 Exchange Fund, L.P. 100.00000%	11/12/98	\$65,000,000	\$0	\$65,000,000	1,300,000

TOTAL SERIES B PREFERRED UNITS 100.00000%		\$65,000,000	\$0	\$65,000,000	1,300,000
=====					

IV. SERIES J PREFERRED UNITS

<TABLE>
<CAPTION>

Percentage Name of Partner Interest	Contribution Date	Cash Contributions	Agreed Value of Contributed Property	Total Contributions	Partnership Units
LIMITED PARTNER:					
GSEP 2001 Realty Corp. 100.00000%	8/21/01	\$40,000,000	\$0	\$40,000,000	800,000

Total Series J Preferred Units 100.00000%		\$40,000,000	\$0	\$40,000,000	800,000
=====					

EXHIBIT B

NOTICE OF REDEMPTION

The undersigned hereby [irrevocably] (i) exchanges _____ Limited Partnership Units in AMB Property, L.P. in accordance with the terms of the Limited Partnership Agreement of AMB Property, L.P. dated as of _____, as amended, and the rights of Redemption referred to therein, (ii) surrenders such Limited Partnership Units and all right, title and interest therein and (iii) directs that the cash (or, if applicable, REIT Shares) deliverable upon Redemption or exchange be delivered to the address specified below, and if applicable, that such REIT Shares be registered or placed in the name(s) and at the address(es) specified below.

Dated: _____
Name of Limited Partner:

(Signature of Limited Partner)

(Street Address)

(City) (State) (Zip Code)

Signature Guaranteed by:

Issue REIT Shares in the name of:

Please insert social security or identifying number:

Address (if different than above):

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EXHIBIT C

CONSTRUCTIVE OWNERSHIP DEFINITION

The term "Constructively Owns" means ownership determined through the application of the constructive ownership rules of Section 318 of the Code, as modified by Section 856(d)(5) of the Code. Generally, these rules provide the following:

a. an individual is considered as owning the Ownership Interest that is owned, actually or constructively, by or for his spouse, his children, his grandchildren, and his parents;

b. an Ownership Interest that is owned, actually or constructively, by or for a partnership, limited liability company or estate is considered as owned proportionately by its partners, members or beneficiaries;

c. an Ownership Interest that is owned, actually or constructively, by or for a trust is considered as owned by its beneficiaries in proportion to the actuarial interest of such beneficiaries (provided, however, that in the case of a "grantor trust" the Ownership Interest will be considered as owned by the grantors);

d. if ten percent (10%) or more in value of the stock in a corporation is owned, actually or constructively, by or for any person, such person shall be considered as owning the Ownership Interest that is owned, actually or constructively, by or for such corporation in that proportion which the value of the stock which such person so owns bears to the value of all the stock in such corporation;

e. an Ownership Interest that is owned, actually or constructively, by or for a partner or member which actually or constructively owns a 25% or greater capital interest or profits interest in a partnership or limited liability company, or by or for a beneficiary of an estate or trust, shall be considered as owned by the partnership, limited liability company, estate, or trust (or, in the case of a grantor trust, the grantors);

f. if ten percent (10%) or more in value of the stock in a corporation is owned, actually or constructively, by or for any person, such corporation shall be considered as owning the Ownership Interest that is owned, actually or constructively, by or for such person;

g. if any person has an option to acquire an Ownership Interest (including an option to acquire an option or any one of a series of such options), such Ownership Interest shall be considered as owned by such person;

h. an Ownership Interest that is constructively owned by a person by reason of the application of the rules described in paragraphs (a) through (g) above shall, for purposes of applying paragraphs (a) through (g), be considered as actually owned by such person provided, however, that (i) an Ownership Interest constructively owned by an individual by reason of paragraph (a) shall not be considered as owned by him for purposes of again applying paragraph (a) in order to make another the constructive owner of such Ownership Interest, (ii) an Ownership Interest constructively owned by a partnership, estate, trust, or corporation by reason of the application of paragraphs (e) or (f) shall not be considered as owned by it for purposes of applying paragraphs (b), (c), or (d) in order to make another the constructive owner of such Ownership Interest, (iii) if an Ownership Interest may be considered as owned by an individual under paragraphs (a) or (g), it shall be considered as owned by him under paragraph (g) and (iv) for purposes of the above described rules, an S corporation shall be treated as a partnership and any stockholder of the S corporation shall be treated as a partner of such partnership except that this rule shall not apply for purposes of determining whether stock in the S corporation is constructively owned by any person.

i. For purposes of the above summary of the constructive ownership rules, the term "Ownership Interest" means the ownership of stock with respect to a corporation and, with respect to any other type of entity, the ownership of an interest in either its assets or net profits.

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EXHIBIT D-1

FORM OF PARTNERSHIP UNIT CERTIFICATE

CERTIFICATE FOR PARTNERSHIP UNITS OF

AMB PROPERTY, L.P.

No. _____ UNITS

AMB Property Corporation as the General Partner of AMB Property, L.P., a Delaware limited partnership (the "Operating Partnership"), hereby certifies that _____ is a Limited Partner of the Operating Partnership whose Partnership Interests therein, as set forth in the Agreement of Limited Partnership of AMB Property, L.P., dated as of _____, 200_ (as it may be amended, modified or supplemented from time to time in accordance with its terms, (the "Partnership Agreement"), under which the Operating Partnership is existing and as filed in the office of the Delaware [State Department of Assessments and Taxation] (copies of which are on file at the Operating Partnership's principal offices at Pier 1, Bay 1, San Francisco, California, 94111, represent _____ units of limited partnership interest in the Operating Partnership (the "Partnership Units").

THE PARTNERSHIP UNITS REPRESENTED BY THIS CERTIFICATE OR INSTRUMENT MAY NOT BE TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF UNLESS SUCH TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION COMPLIES WITH THE PROVISIONS OF THE PARTNERSHIP AGREEMENT (A COPY OF WHICH IS ON FILE WITH THE OPERATING PARTNERSHIP). EXCEPT AS OTHERWISE PROVIDED IN THE PARTNERSHIP AGREEMENT, NO TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION OF THE PARTNERSHIP UNITS REPRESENTED BY THIS CERTIFICATE MAY BE MADE EXCEPT (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR (B) IF THE OPERATING PARTNERSHIP HAS BEEN FURNISHED WITH A SATISFACTORY OPINION OF COUNSEL FOR THE HOLDER OF THE PARTNERSHIP UNITS REPRESENTED BY THIS CERTIFICATE THAT SUCH TRANSFER, SALE ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION IS EXEMPT FROM THE PROVISIONS OF SECTION 5 OF THE ACT AND THE RULES AND REGULATIONS IN EFFECT THEREUNDER.

DATED: _____, 200_.

AMB PROPERTY CORPORATION

General Partner of
AMB Property, L.P.

ATTEST:

By: _____ By: _____

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EXHIBIT D-2

FORM OF PARTNERSHIP UNIT CERTIFICATE

CERTIFICATE FOR PERFORMANCE UNITS OF

AMB PROPERTY, L.P.

No. _____ UNITS

AMB Property Corporation as the General Partner of AMB Property, L.P., a Delaware limited partnership (the "Operating Partnership"), hereby certifies that _____ is a Limited Partner of the Operating Partnership whose Partnership Interests therein, as set forth in the Agreement of Limited Partnership of AMB Property, L.P., dated as of _____, 200_ (as it may be amended, modified or supplemented from time to time in accordance with its terms, (the "Partnership Agreement"), under which the Operating Partnership is existing and as filed in the office of the Delaware [State Department of Assessments and Taxation] (copies of which are on file at the Operating Partnership's principal offices at Pier 1, Bay 1, San Francisco, California 9411, represent performance units (as defined in the Partnership Agreement) of limited partnership interest in the Operating Partnership (the "Performance Units").

THE PERFORMANCE UNITS REPRESENTED BY THIS CERTIFICATE OR INSTRUMENT MAY NOT BE TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF UNLESS SUCH TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION COMPLIES WITH THE PROVISIONS OF THE PARTNERSHIP AGREEMENT (A COPY OF WHICH IS ON FILE WITH THE OPERATING PARTNERSHIP). EXCEPT AS OTHERWISE PROVIDED IN THE PARTNERSHIP AGREEMENT, NO TRANSFER, SALE, ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION OF THE PERFORMANCE UNITS REPRESENTED BY THIS

CERTIFICATE MAY BE MADE EXCEPT (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR (B) IF THE OPERATING PARTNERSHIP HAS BEEN FURNISHED WITH A SATISFACTORY OPINION OF COUNSEL FOR THE HOLDER OF THE PERFORMANCE UNITS REPRESENTED BY THIS CERTIFICATE THAT SUCH TRANSFER, SALE ASSIGNMENT, PLEDGE, HYPOTHECATION OR OTHER DISPOSITION IS EXEMPT FROM THE PROVISIONS OF SECTION 5 OF THE ACT AND THE RULES AND REGULATIONS IN EFFECT THEREUNDER.

DATED: _____, 200_.

AMB PROPERTY CORPORATION

General Partner of
AMB Property, L.P.

ATTEST:

By: _____ By: _____

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EXHIBIT E

SCHEDULE OF PARTNERS' OWNERSHIP

WITH RESPECT TO TENANTS

None.

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EXHIBIT F

SCHEDULE OF REIT SHARES

ACTUALLY OR CONSTRUCTIVELY OWNED BY 25% LIMITED PARTNERS

OTHER THAN THOSE ACQUIRED PURSUANT TO AN EXCHANGE

None.

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EXHIBIT G

PERFORMANCE UNITS

The Performance Units issued by the Partnership pursuant to Section 4.3.F. were issued to the following Persons in the following amounts on January 7, 2000:

1. The first 3,000,000 Performance Units were issued 90% to the "Old PLPs" (as defined below) and 10% to the "New PLPs" (as defined below).

2. Any Performance Units issued in excess of those set forth in paragraph 1 above were issued 80% to the Old PLPs and 20% to the New PLPs.

3. The Performance Units allocable to each group of PLPs pursuant to paragraphs 1 and 2 above were allocated among the PLPs within such group in accordance with each PLP's percentage interest as set forth in the definitions below.

4. The receipt of Performance Units by a PLP was not subject to any vesting requirements.

Definitions

"Old PLPs" means the Persons set forth on Schedule G-1 attached hereto, with the percentage interest so indicated.

"New PLPs" means the Persons set forth on Schedule G-2 attached hereto, with the

percentage interest so indicated.

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Schedule G-1

OLD PLPs

<TABLE> <CAPTION> Name of Old PLP -----	Percentage -----
<S>	<C>
Douglas D. Abbey	23.6537%
Luis A. Belmonte	2.8055%
T. Robert Burke	17.8504%
S. Davis Carniglia	4.7271%
John H. Diserens	5.9870%
Bruce H. Freedman	1.9607%
Jean Collier Hurley	2.4411%
Barbara J. Linn	4.2467%
Hamid R. Moghadam	29.4184%
Craig A. Severance	6.9094%

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SCHEDULE G-2

NEW PLPs

<TABLE> <CAPTION> Name of New PLP -----	Percentage -----
<S>	<C>
W. Blake Baird	17.4419%
Steven J. Callaway	3.4884%
Steve E. Campbell	2.3256%
Michael A. Coke	5.7558%
Martin J. Coyne	2.3256%
David G. Doyno	2.3256%
David S. Fries	10.4070%
Kent D. Greenawalt	3.4884%
Jane L. Harris	4.6512%
Carlie P. Headapohl	2.3256%
Tyler W. Higgins	4.6512%
Steven T. Kimball	2.3256%
John T. Meyer	3.4884%
John T. Roberts, Jr.	5.7558%
John L. Rossi	2.3256%
Cynthia J. Sarver	2.3256%
Christine G. Schadlich	4.5930%
Andrew N. Singer	3.4884%
Gayle P. Starr	3.4884%
William Steinberg	4.6512%
K.C. Swartzel	4.6512%
Celia M. Tanaka	2.3256%
Janice G. Thacher	1.3953%

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EXHIBIT H

SCHEDULE OF CERTAIN AGREEMENTS RELATING TO
PROPERTIES WITH RESTRICTIONS ON DISPOSITION
PURSUANT TO SECTION 7.3.F

1. Joint Venture Interest Exchange /Contribution Agreement, dated November 26, 1997, by and among AMB Property, L.P., David Brown, Daniel Sarhad and Craig Duncan.
2. Joint Venture Interest Exchange/Contribution Agreement, dated November

- 26, 1997, by and among AMB Property, L.P., GP Met Phase One 95, Ltd. and GP Met 4/12, Ltd.
3. Agreement for Transfer of Realty and Assets, dated November 26, 1997, by and among AMB Property, L.P. and Holbrook W. Goodale, Charles R. Wichman and Frederick B. Wichman as Trustees for the Wichman Family Trusts.
 4. Contribution Agreement, dated November 26, 1997, between AMB Property, L.P. and Linder Skokie Real Estate Corporation. (Allmerica Portfolio)
 5. Agreement for Transfer of Realty and Assets, dated November 26, 1997, by and among AMB Property, L.P., Launce E. Gamble and George F. Gamble.
 6. Contribution Agreement, dated March 30, 1998, by and among AMB Property, L.P. and the other parties named therein. (Campanelli Portfolio)
 7. Contribution Agreement, dated March 31, 1998, by and among AMB Property, L.P., Steve Liefschultz, Stephen M. Vincent, Alan Wilensky and Craig Gagnon.
 8. Contribution Agreement, dated June 4, 1998 by and among AMB Property, L.P. and the other parties named therein. (Southfield Portfolio)
 9. Amended and Restated Contribution Agreement, dated as of August 6, 1998, by and among AMB Property, L.P., AMB Property Corporation and the other parties named therein. (Willow Park Portfolio)
 10. Portfolio Contribution Agreement, dated as of November 17, 1998, by and among AMB Property, L.P., AMB Property Corporation and the individuals named therein, as amended by the First Amendment, dated as of February 1, 1999, and the Second Amendment, dated as of April 30, 1999. (Manekin Portfolio)
 11. Purchase and Sale Agreement, dated as of December 4, 1998, by and between AMB Property, L.P. and CBDV Investors, L.L.C. (WOCAC Portfolio)

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EXHIBIT I

SCHEDULE OF CERTAIN AGREEMENTS CONTAINING

LIMITATIONS ON GENERAL PARTNERS GENERAL AUTHORITY

1. Contribution Agreements, dated March 30, 1998, by and among AMB Property, L.P. and the other parties named therein. (Campanelli Portfolio)
2. AMB Property, L.P., First Amendment to Amended and Restated Agreement of Limited Partnership, dated as of March 30, 1998.
3. Contribution Agreement, dated March 31, 1998, by and among AMB Property, L.P. and Steve Liefschultz, Stephen M. Vincent, Alan Wilensky and Craig Gagnon.
4. AMB Property, L.P., Second Amendment to Amended and Restated Agreement of Limited Partnership, dated as of March 31, 1998.
5. Contribution Agreement, dated June 4, 1998 by and among AMB Property, L.P. and the other parties named therein. (Southfield Portfolio)
6. AMB Property, L.P. Third Amendment to Amended and Restated Agreement of Limited Partnership, dated as of June 4, 1998.
7. Contribution Agreement, dated May 21, 1998, by and among AMB Property, L.P. and the other parties named therein. (Alsip Industrial Portfolio)
8. AMB Property, L.P. Fourth Amendment to Amended and Restated Agreement of Limited Partnership, dated as of June 30, 1998.
9. Amended and Restated Contribution Agreement dated as of August 6, 1998, by and among AMB Property, L.P., AMB Property Corporation and the other parties named therein. (Willow Park Portfolio)
10. AMB Property, L.P. First Amendment to Second Amended and Restated Agreement of Limited Partnership, dated as of September 24, 1998.
11. Portfolio Contribution Agreement, dated as of November 17, 1998, by and among AMB Property, L.P., AMB Property Corporation and the individuals named therein, as amended by the First Amendment, dated as of February

1, 1999, and the Second Amendment, dated as of April 30, 1999. (Manekin Portfolio)

12. Purchase and Sale Agreement, dated as of December 4, 1998, by and between AMB Property, L.P. and CBDV Investors, L.L.C. (WOCAC Portfolio)

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13. AMB Property, L.P. Fourth Amendment to Third Amended and Restated Agreement of Limited Partnership, dated as of February 1, 1999.
14. AMB Property, L.P. Fifth Amendment to Third Amended and Restated Agreement of Limited Partnership, dated as of April 30, 1999.
15. AMB Property, L.P. Sixth Amendment to Third Amended and Restated Agreement of Limited Partnership, dated as of May 21, 1999.
16. AMB Property, L.P. Ninth Amendment to Third Amended and Restated Agreement of Limited Partnership, dated as of September 30, 1999.
17. AMB Property, L.P. Fourth Amended and Restated Agreement of Limited Partnership, dated as of August 10, 2000.
18. AMB Property, L.P. First Amendment to Fourth Amended and Restated Agreement of Limited Partnership dated as of November 7, 2000.

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EXHIBIT J

RESTRICTIONS ON OWNERSHIP AND TRANSFER TO PRESERVE TAX BENEFIT

(a) Definitions. for the purposes of this Exhibit J, the following terms shall have the following meanings:

"Charitable Beneficiary" shall mean one or more beneficiaries of a Trust, as determined pursuant to subsection (c)(vi), each of which shall be an organization described in Sections 170(b)(1)(A), 170(c)(2) and 501(c)(3) of the Code.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Constructive Ownership" shall mean ownership of Partnership Units by a Person who is or would be treated as an owner of such Partnership Units either actually or constructively through the application of Section 318 of the Code, as modified by Section 856(d)(5) of the Code. The terms "Constructive Owner," "Constructively Owns" and "Constructively Owned" shall have the correlative meanings.

"Exempted Person" shall mean any Person exempted from time to time by the General Partner in its sole and absolute discretion.

"Market Price" shall mean the market price of the Partnership Units on the relevant date as determined in good faith by the General Partner; provided, however, if the General Partner has outstanding shares of capital stock which correspond to such Partnership Units, the Market Price of each such Partnership Unit shall be equal to the Value of a share of such capital stock, subject to adjustment if the right to exchange such Partnership Units for such stock is other than one-to-one.

"Ownership Limit" shall mean 24.9% of the capital or profits interests of the Partnership.

"Person" shall mean an individual, corporation, partnership, limited liability company, estate, trust (including a trust qualified under Section 401(a) or 501(c)(17) of the Code), a portion of a trust permanently set aside for or to be used exclusively for the purposes described in Section 642(c) of the Code, association, private foundation within the meaning of Section 509(a) of the Code, joint stock company or other entity.

"Purported Beneficial Transferee" shall mean, with respect to any purported Transfer (or other event) which results in a transfer to a Trust, as provided in subsection (b)(ii), the Purported Record Transferee, unless the Purported Record Transferee would have acquired or owned Partnership Units for another Person who is the beneficial transferee or owner of such Partnership Units, in which case the Purported Beneficial Transferee shall be such Person.

"Purported Record Transferee" shall mean, with respect to any purported Transfer (or other event) which results in a transfer to a Trust, as provided in subsection (b) (ii), the holder of the Partnership Units as set forth or to be set forth in Exhibit A to the Partnership Agreement, and any Assignee of such Partnership Units, if such Transfer or ownership had been valid under subsection (b) (i).

"Restriction Termination Date" shall mean the first day after the date hereof on which the General Partner determines, in its sole and absolute discretion, that compliance with subsection (b) (i) is no longer necessary or advisable.

"Transfer" shall mean any sale, transfer, gift, assignment, devise or other disposition of Partnership Units, (including (i) the granting of any option or entering into any agreement for the sale, transfer or other disposition of Partnership Units or (ii) the sale, transfer, assignment or other disposition of any securities (or rights convertible into or exchangeable for Partnership Units), whether voluntary or involuntary, whether such transfer has occurred of record or beneficially or Constructively (including but not limited to transfers of interests in other entities which results in changes in Constructive Ownership of Partnership Units), and whether such transfer has occurred by operation of law or otherwise.

"Trust" shall mean each of the trusts provided for in subsection (c).

"Trustee" shall mean any Person unaffiliated with the Partnership, or a Purported Beneficial Transferee, or a Purported Record Transferee, that is appointed by the Partnership to serve as trustee of a Trust.

Capitalized terms used and not defined herein shall have the meanings ascribed to them in the Fourth Amended and Restated Agreement of Limited Partnership of AMB Property, L.P. (the "Partnership Agreement"), as such agreement may be amended from time to time. All references to "Section" refer to the Partnership Agreement.

(b) Restriction on Ownership and Transfers.

(i) Prior to the Restriction Termination Date, no Person, other than an Exempted Person, shall at any time Constructively Own Partnership Units in excess of the Ownership Limit if the representations contained in Section 3.4.D are not at such time true and correct.

(ii) If, prior to the Restriction Termination Date, any Transfer or other event occurs that, if effective, would result in any Person Constructively Owning Partnership Units in violation of subsection (b) (i), (1) then that number of Partnership Units that otherwise would cause such Person to violate subsection (b) (i) (rounded up to the nearest whole Partnership Unit) shall be automatically transferred (provided such Transfer is not in violation of the restrictions on transfer set forth in the Partnership Agreement, except to the extent the General Partner waives such restrictions) to a Trust for the benefit of a Charitable Beneficiary, as described in subsection (c),

effective as of the close of business on the business day prior to the date of such Transfer or other event, and such Purported Beneficial Transferee shall thereafter have no rights in such Partnership Units or (2) if, for any reason, the transfer to the Trust described in clause (1) of this sentence is not automatically effective as provided therein to prevent any Person from Constructively Owning Partnership Units in violation of subsection (b) (i), then the Transfer of that number of Partnership Units that otherwise would cause any Person to violate subsection (b) (i) shall be void ab initio, and the Purported Beneficial Transferee shall have no rights in such Partnership Units.

(c) Transfers of Partnership Units in Trust.

(i) Upon any purported Transfer or other event described in subsection (b) (ii), such Partnership Units shall be deemed to have been transferred to the Trustee in his capacity as trustee of a Trust for the exclusive benefit of one or more Charitable Beneficiaries. Such transfer to the Trustee shall be deemed to be effective as of the close of business on the business day prior to the purported Transfer or other event that results in a transfer to the Trust pursuant to subsection (b) (ii). The Trustee shall be appointed by the Partnership and shall be a Person unaffiliated with the Partnership, any Purported Beneficial Transferee, or any Purported Record Transferee. Each Charitable Beneficiary shall be designated by the Partnership as provided in subsection (c) (vi).

(ii) Partnership Units held by the Trustee shall be issued and outstanding Partnership Units of the Partnership. The Purported Beneficial Transferee or Purported Record Transferee shall have no rights in the Partnership Units held by the Trustee. The Purported Beneficial Transferee or Purported Record Transferee shall not benefit economically from ownership of any Partnership Units held in trust by the Trustee, shall have no rights to distributions or allocations with respect to Partnership Units held in the Trust and shall not possess any rights to vote or other rights attributable to the Partnership Units held in the Trust.

(iii) The Trustee shall have all voting rights and rights to distributions and allocations with respect to Partnership Units held in the Trust, which rights shall be exercised for the exclusive benefit of the Charitable Beneficiary. Any distribution paid prior to the discovery by the Partnership that Partnership Units have been transferred to the Trustee shall be paid to the Trustee upon demand, and any distribution with respect to such Partnership Units shall be paid when due to the Trustee. Any distributions so paid over to the Trustee shall be held in trust for the Charitable Beneficiary.

The Purported Record Transferee and Purported Beneficial Transferee shall have no voting rights with respect to the Partnership Units held in the Trust and, subject to Delaware law, effective as of the date the Partnership Units has been transferred to the Trustee, the Trustee shall have the authority (at the Trustee's sole discretion) (i) to rescind as void any vote cast by a Purported Record Transferee with respect to such Partnership Units prior to the discovery by the Partnership that the Partnership Units has been transferred to the Trustee and (ii) to recast such vote in accordance with the desires of the Trustee acting for the benefit of the Charitable Beneficiary; provided, however, that if the Partnership has already taken irreversible action, then the Trustee shall not have the authority to rescind and recast such vote. Notwithstanding any other provision of this Exhibit J to the contrary, until the Partnership has received notification that the Partnership Units have been transferred into a Trust, the Partnership shall be entitled to rely on its Partnership

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Unit transfer and other unitholder records for purposes of preparing Exhibit A to the Partnership Agreement, lists of unitholders entitled to vote at meetings, and otherwise conducting votes of Partners.

(iv) Within 20 days of receiving notice from the Partnership that Partnership Units have been transferred to the Trust, the Trustee of the Trust shall, in accordance with the terms of (and subject to the limitations contained in) the Partnership Agreement, sell the Partnership Units held in the Trust to a Person, designated by the Trustee, whose ownership of the Partnership Units will not violate the ownership limitations set forth in subsection (b) (i). Upon such sale, the interest of the Charitable Beneficiary in the Partnership Units sold shall terminate and the Trustee shall distribute the net proceeds of the sale to the Purported Record Transferee and to the Charitable Beneficiary as provided in this subsection (c) (iv). The Purported Record Transferee shall receive the lesser of (1) the price paid by the Purported Record Transferee for the Partnership Units in the transaction that resulted in such transfer to the Trust (or, if the event which resulted in the transfer to the Trust did not involve a purchase of such Partnership Units at Market Price, the Market Price of such Partnership Units on the day of the event which resulted in the transfer of such Partnership Units to the Trust) and (2) the price per Partnership Unit received by the Trustee (net of any commissions and other expenses of sale) from the sale or other disposition of the Partnership Units held in the Trust. Any net sales proceeds in excess of the amount payable to the Purported Record Transferee shall be immediately paid to the Charitable Beneficiary together with any distributions thereon. If, prior to the discovery by the Partnership that Partnership Units have been transferred to the Trustee, such Partnership Units are sold by a Purported Record Transferee then (i) such Partnership Units shall be deemed to have been sold on behalf of the Trust and (ii) to the extent that the Purported Record Transferee received an amount for such Partnership Units that exceeds the amount that such Purported Record Transferee was entitled to receive pursuant to this subsection (c) (iv), such excess shall be paid to the Trustee upon demand. The expenses described in item (2) above shall include any expenses of administering the Trust, any transfer of Partnership Units thereto or disposition of Partnership Units thereby, which shall be allocated equitably among the Partnership Units which are transferred to the Trust.

(v) Partnership Units transferred to the Trustee shall be deemed to have been offered for sale to the Partnership, or its designee, at a price per Partnership Unit equal to the lesser of (i) the price paid by the Purported Record Transferee for the Partnership Units in the transaction that resulted in such transfer to the Trust (or, if the event which resulted in the transfer to the Trust did not involve a purchase of such Partnership Units at Market Price, the Market Price of such Partnership Units on the day of the event which resulted in the transfer of such Partnership Units to the Trust) and (ii) the Market Price on the date the Partnership, or its designee, accepts such offer. The Partnership shall have the right to accept such offer until the Trustee has

sold the Partnership Units held in the Trust pursuant to subsection (c) (iv). Upon such a sale to the Partnership, the interest of the Charitable Beneficiary in the Partnership Units sold shall terminate and the Trustee shall distribute the net proceeds of the sale to the Purported Record Transferee and any distributions held by the Trustee with respect to such Partnership Units shall thereupon be paid to the Charitable Beneficiary.

(vi) By written notice to the Trustee, the Partnership shall designate one or more nonprofit organizations to be the Charitable Beneficiary of the interest in the Trust such that the

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Partnership Units held in the Trust would not violate the restrictions set forth in subsection (b) (i) in the hands of such Charitable Beneficiary.

(d) Remedies For Breach. If the General Partner shall at any time determine in good faith that a Transfer or other event has taken place in violation of subsection (b) or that a Person intends to acquire, has attempted to acquire or may acquire beneficial ownership (determined without reference to any rules of attribution) or Constructive Ownership of any Partnership Units of the Partnership in violation of subsection (b), the General Partner shall take such action as it deems advisable to refuse to give effect or to prevent such Transfer, including, but not limited to, causing the Partnership to redeem Partnership Units, refusing to give effect to such Transfer on the books of the Partnership or instituting proceedings to enjoin such Transfer; provided, however, that any Transfers (or, in the case of events other than a Transfer, ownership or Constructive Ownership) in violation of subsection (b) (i), shall automatically result in the transfer to a Trust as described in subsection (b) (ii).

(e) Notice of Restricted Transfer. Any Person who acquires or attempts to acquire or own Partnership Units in violation of subsection (b), or any Person who is a Purported Beneficial Transferee such that an automatic transfer to a Trust results under subsection (b) (ii), shall immediately give written notice to the Partnership of such event and shall provide to the Partnership such other information as the Partnership may request in order to determine the effect, if any, of such Transfer or attempted Transfer on such Person's compliance with subsection (b) (i).

(f) Owners Required To Provide Information. Prior to the Restriction Termination Date each Person who is a beneficial owner or Constructive Owner of Partnership Units and each Person who is holding Partnership Units for a beneficial owner or Constructive Owner shall provide to the Partnership such information that the Partnership may request, in good faith, in order to determine the Partnership's status as a partnership (as opposed to a corporation) or the General Partner's status as a REIT for federal income tax purposes.

(g) Remedies Not Limited. Nothing contained in this Exhibit J shall limit the authority of the General Partner to take such other action as it deems necessary or advisable to protect the Partnership and the interests of its Partners by preservation of the Partnership's status as a partnership (as opposed to a corporation) or the General Partner's status as a REIT for federal income tax purposes.

(h) Ambiguity. In the case of an ambiguity in the application of any of the provisions of this Exhibit J, including any definition contained in subsection (a), the General Partner shall have the power to determine the application of the provisions of this Exhibit J with respect to any situation based on the facts known to it. In the event that a provision of this Exhibit J requires an action by the General Partner and Exhibit J fails to provide specific guidance with respect to such action, the General Partner shall have the power to determine the action to be taken so long as such action is not contrary to the provisions of Exhibit J. Absent a decision to the contrary by the General Partner (which the General Partner may make in its sole and absolute discretion), if a Person would have (but for the remedies set forth in subsection (b)) acquired Constructive Ownership of Partnership Units in violation of subsection (b) (i), such remedies (as applicable) shall apply first to the Partnership Units which, but for such remedies, would have been actually owned

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by such Person, and second to Partnership Units which, but for such remedies, would have been Constructively Owned (but not actually owned) by such Person, pro rata among the Persons who actually own such Partnership Units based upon the relative number of the Partnership Units held by each such Person.

