

## Section 1: 10-K (FORM 10-K)

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
Washington, DC 20549

**Form 10-K**

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
[NO FEE REQUIRED]

**For the fiscal year ended December 31, 2008**

**OR**

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
[NO FEE REQUIRED]

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

**Commission file number 1-10899**

**Kimco Realty Corporation**

(Exact name of registrant as specified in its charter)

Maryland

(State of incorporation)

13-2744380

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

3333 New Hyde Park Road, New Hyde Park, NY 11042-0020

(Address of principal executive offices - zip code)

(516) 869-9000

(Registrant's telephone number, including area code)

Securities Registered pursuant to Section 12(g) of the Act:

Name of each exchange on  
which registered

Common Stock, par value \$.01 per share.

New York Stock Exchange

Depository Shares, each representing one-tenth of a share of 6.65% Class F Cumulative Redeemable Preferred Stock, par value \$1.00 per share.

New York Stock Exchange

Depository Shares, each representing one-hundredth of a share of 7.75% Class G Cumulative Redeemable Preferred Stock, par value \$1.00 per share.

New York Stock Exchange

Securities Registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes [ ] No [X]

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in the definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12-b of the Exchange Act.

Large Accelerated Filer ☒ Accelerated Filer ☐ Non-Accelerated Filer ☐ Smaller Reporting Company ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the voting stock held by non-affiliates of the Registrant was approximately \$8.3 billion based upon the closing price on the New York Stock Exchange for such stock on June 30, 2008.

(APPLICABLE ONLY TO CORPORATE REGISTRANTS)

Indicate the number of shares outstanding of each of the Registrant's classes of common stock, as of the latest practicable date.

271,084,295 shares as of February 19, 2009.

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## DOCUMENTS INCORPORATED BY REFERENCE

Part III incorporates certain information by reference to the Registrant's definitive proxy statement to be filed with respect to the Annual Meeting of Stockholders expected to be held on May 12, 2009.

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PART I

FORWARD-LOOKING STATEMENTS

This annual report on Form 10-K, together with other statements and information publicly disseminated by Kimco Realty Corporation (the "Company" or "Kimco") contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and includes this statement for purposes of complying with these safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe the Company's future plans, strategies and expectations, are generally identifiable by use of the words "believe," "expect," "intend," "anticipate," "estimate," "project" or similar expressions. You should not rely on forward-looking statements since they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond the Company's control and which could materially affect actual results, performances or achievements. Factors which may cause actual results to differ materially from current expectations include, but are not limited to, (i) general economic and local real estate conditions, including real estate values, (ii) the inability of major tenants to continue paying their rent obligations due to bankruptcy, insolvency or general downturn in their business, (iii) financing risks, such as the inability to obtain equity, debt or other sources of financing on favorable terms, (iv) changes in governmental laws and regulations, (v) the level and volatility of interest rates and foreign currency exchange rates, (vi) the availability of suitable acquisition opportunities, (vii) valuation of joint venture investments, (viii) valuation of marketable securities and other investments and (ix) increases in operating costs. Accordingly, there is no assurance that the Company's expectations will be realized.

Item 1. Business

General

Kimco Realty Corporation, a Maryland corporation, is one of the nation's largest owners and operators of neighborhood and community shopping centers. The terms "Kimco", the "Company", "we", "our" and "us" each refer to Kimco Realty Corporation and our subsidiaries unless the context indicates otherwise. The Company is a self-administered real estate investment trust ("REIT") and its management has owned and operated neighborhood and community shopping centers for over 50 years. The Company has not engaged, nor does it expect to retain, any REIT advisors in connection with the operation of its properties. As of December 31, 2008, the Company had interests in 1,950 properties, totaling approximately 182.2 million square feet of gross leasable area ("GLA") located in 45 states, Puerto Rico, Canada, Mexico, Chile, Brazil and Peru. The Company's ownership interests in real estate consist of its consolidated portfolio and in portfolios where the Company owns an economic interest, such as properties in the Company's investment management programs, where the Company partners with institutional investors and also retains management (See Note 7 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K). The Company believes its portfolio of neighborhood and community shopping center properties is the largest (measured by GLA) currently held by any publicly traded REIT.

The Company's executive offices are located at 3333 New Hyde Park Road, New Hyde Park, New York 11042-0020 and its telephone number is (516) 869-9000.

The Company's web site is located at <http://www.kimcorealty.com>. The information contained on our web site does not constitute part of this annual report on Form 10-K. On the Company's web site you can obtain, free of charge, a copy of our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act of 1934, as amended, as soon as reasonably practicable, after we file such material electronically with, or furnish it to, the Securities and Exchange Commission (the "SEC").

History

The Company began operations through its predecessor, The Kimco Corporation, which was organized in 1966 upon the contribution of several shopping center properties owned by its principal stockholders. In 1973, these principals formed the Company as a Delaware corporation, and, in 1985, the operations of The Kimco Corporation were merged into the Company. The Company completed its initial public stock offering (the "IPO") in November 1991, and, commencing with its taxable year which began January 1, 1992, elected to qualify as a REIT in accordance with Sections 856 through 860 of the Internal Revenue Code of 1986, as amended (the "Code"). In 1994, the Company reorganized as a Maryland corporation.

The Company's growth through its first 15 years resulted primarily from the ground-up development and construction of its shopping centers. By 1981, the Company had assembled a portfolio of 77 properties that provided an established source of income and positioned the Company for an expansion of its asset base. At that time, the Company revised its growth strategy to focus on the acquisition of existing shopping centers and creating value through the redevelopment and re-tenanting of those properties. As a result of this strategy, a majority of the operating shopping centers added to the Company's portfolio since 1981, have been through the acquisition of existing shopping centers.

During 1998, the Company, through a merger transaction, completed the acquisition of The Price REIT, Inc., a Maryland corporation, (the "Price REIT"). Prior to the merger, Price REIT was a self-administered and self-managed equity REIT that was primarily focused on the acquisition, development, management and redevelopment of large retail community shopping center properties concentrated in the western part of the United States. In connection with the merger, the Company acquired interests in 43 properties, located in 17 states. With the completion of the Price REIT merger, the Company expanded its presence in certain western states including Arizona, California and Washington. In addition, Price REIT had strong ground-up development capabilities. These development capabilities, coupled with the Company's own construction management expertise, provide the Company the ability to pursue ground-up development opportunities on a selective basis.

Also during 1998, the Company formed Kimco Income REIT ("KIR"), an entity in which the Company held a 99.99% limited partnership interest. KIR was established for the purpose of investing in high-quality properties financed primarily with individual non-recourse mortgages. The Company believed that these properties were appropriate for financing with greater leverage than the Company traditionally used. At the time of formation, the Company contributed 19 properties to KIR, each encumbered by an individual non-recourse mortgage. During 1999, KIR sold a significant interest in the partnership to institutional investors, thus establishing the Company's investment management program. The Company holds a 45.0% non-controlling limited partnership interest in KIR and accounts for its investment in KIR under the equity method of accounting. (See Note 7 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K.)

The Company has expanded its investment management program through the establishment of other various institutional joint venture programs in which the Company has non-controlling interests ranging generally from 5% to 45%. The Company's largest joint venture, Kimco Prudential Joint Venture ("KimPru"), was formed in 2006, in connection with the Pan Pacific Retail Properties Inc. ("Pan Pacific") merger transaction, with Prudential Real Estate Investors ("PREI"), which holds approximately \$3.4 billion in undepreciated real estate assets at book value. The Company earns management fees, acquisition fees, disposition fees and promoted interests based on value creation. (See Note 7 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K.)

In connection with the Tax Relief Extension Act of 1999 (the "RMA"), which became effective January 1, 2001, the Company is permitted to participate in activities from which it was previously precluded in order to maintain its qualification as a REIT, so long as these activities are conducted in entities which elect to be treated as taxable subsidiaries under the Code, subject to certain limitations. As such, the Company, through its taxable REIT subsidiaries, is engaged in various retail real estate related opportunities, including (i) merchant building through its wholly-owned taxable REIT subsidiaries, which are primarily engaged in the ground-up development of neighborhood and community shopping centers and subsequent sale thereof upon completion (see Recent Developments - Ground-Up Development), (ii) retail real estate advisory and disposition services, which primarily focus on leasing and disposition strategies for real estate property interests of both healthy and distressed retailers and (iii) acting as an agent or principal in connection with tax-deferred exchange transactions. The Company will consider other investments through taxable REIT subsidiaries should suitable opportunities arise.

The Company has continued its geographic expansion with investments in Canada, Mexico, Puerto Rico, Chile, Brazil and Peru. During October 2001, the Company formed the RioCan Venture ("RioCan Venture") with RioCan Real Estate Investment Trust ("RioCan", Canada's largest publicly traded REIT measured by GLA) in which the Company has a 50% non-controlling interest, to acquire retail properties and development projects in Canada. The Company accounts for this investment under the equity method of accounting. The Company has expanded its presence in Canada with the establishment of other joint venture arrangements. During 2002, the Company, along with various strategic co-investment partners, began acquiring operating and development properties located in Mexico. During 2006, the Company acquired interests in shopping center properties located in Puerto Rico through joint ventures in which the Company holds controlling ownership interests. During 2007, the Company acquired an interest in four shopping center properties located in Chile through a joint venture in which the Company holds a non-controlling ownership interest. During 2008, the Company acquired interests in two shopping center properties in Brazil through a joint venture in which the Company holds a controlling ownership interest and a land parcel for ground-up development located in Peru through a joint venture in which the Company holds a controlling interest. (See Notes 3 and 7 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K.)

In addition, the Company continues to capitalize on its established expertise in retail real estate by establishing other ventures in which the Company owns a smaller equity interest and provides management, leasing and operational support for those properties. The Company also provides preferred equity capital for real estate entrepreneurs and provides real estate capital and advisory services to both healthy and distressed retailers. The Company also makes selective investments in secondary market opportunities where a security or other investment is, in management's judgment, priced below the value of the underlying assets, however, these investments are subject to volatility within the equity and debt markets.

#### **Investment and Operating Strategy**

The Company's investment objective has been to increase cash flow, current income and, consequently, the value of its existing portfolio of properties and to seek continued growth through (i) the strategic re-tenanting, renovation and expansion of its existing centers and (ii) the selective acquisition of established income-producing real estate properties and properties requiring significant re-tenanting and redevelopment, primarily in neighborhood and community shopping centers in geographic regions in which the Company presently operates. The Company has and will continue to consider investments in other real estate sectors and in geographic markets where it does not presently operate should suitable opportunities arise.

The Company's neighborhood and community shopping center properties are designed to attract local area customers and typically are anchored by a discount department store, a supermarket or a drugstore tenant offering day-to-day necessities rather than high-priced luxury items. The Company may either purchase or lease income-producing properties in the future and may also participate with other entities in property ownership through partnerships, joint ventures or similar types of co-ownership. Equity investments may be subject to existing mortgage financing and/or other indebtedness. Financing or other indebtedness may be incurred simultaneously or subsequently in connection with such investments. Any such financing or indebtedness would have priority over the Company's equity interest in such property. The Company may make loans to joint ventures in which it may or may not participate.

In addition to property or equity ownership, the Company provides property management services for fees relating to the management, leasing, operation, supervision and maintenance of real estate properties.

While the Company has historically held its properties for long-term investment and accordingly has placed strong emphasis on its ongoing program of regular maintenance, periodic renovation and capital improvement, it is possible that properties in the portfolio may be sold, in whole or in part, as circumstances warrant, subject to REIT qualification rules.

The Company seeks to reduce its operating and leasing risks through diversification achieved by the geographic distribution of its properties and a large tenant base. As of December 31, 2008, the Company's single largest neighborhood and community shopping center accounted for only 1.0% of the Company's annualized base rental revenues and only 0.9% of the Company's total shopping center GLA. At December 31, 2008, the Company's five largest tenants were The Home Depot, TJX Companies, Sears Holdings, Kohl's and Wal-Mart, which represent approximately 3.3%, 2.8%, 2.5%, 2.2% and 1.8%, respectively, of the Company's annualized base rental revenues, including the proportionate share of base rental revenues from properties in which the Company has less than a 100% economic interest.

In connection with the RMA, which became effective January 1, 2001, the Company has expanded its investment and operating strategy to include new real estate-related opportunities which the Company was precluded from previously in order to maintain its qualification as a REIT. As such, the Company established a merchant building business through its wholly owned taxable REIT subsidiaries, which make selective acquisitions of land parcels for the ground-up development primarily of neighborhood and community shopping centers and subsequent sale thereof upon completion. Additionally, the Company has developed a business which specializes in providing capital, real estate advisory services and disposition services of real estate controlled by both healthy and distressed and/or bankrupt retailers. These services may include assistance with inventory and fixture liquidation in connection with going-out-of-business sales. The Company may participate with other entities in providing these advisory services through partnerships, joint ventures or other co-ownership arrangements. The Company, as part of its investment strategy, will selectively seek investments for its taxable REIT subsidiaries as suitable opportunities arise.

The Company emphasizes equity real estate investments including preferred equity investments, but may, at its discretion, invest in mortgages, other real estate interests and other investments. The mortgages in which the Company may invest may be either first mortgages, junior mortgages or other mortgage-related securities. The Company provides mortgage financing to retailers with significant real estate assets, in the form of leasehold interests or fee-owned properties, where the Company believes the underlying value of the real estate collateral is in excess of its loan balance. In addition, the Company will acquire debt instruments at a discount in the secondary market where the Company believes the asset value of the enterprise is greater than the current value, however, these investments are subject to volatility within the equity and debt markets.

The Company may legally invest in the securities of other issuers, for the purpose, among others, of exercising control over such entities, subject to the gross income and asset tests necessary for REIT qualification. The Company may, on a selective basis, acquire all or substantially all securities or assets of other REITs or similar entities where such investments would be consistent with the Company's investment policies. In any event, the Company does not intend that its investments in securities will require it to register as an "investment company" under the Investment Company Act of 1940.

The Company has authority to offer shares of capital stock or other senior securities in exchange for property and to repurchase or otherwise reacquire its common stock or any other securities and may engage in such activities in the future. At all times, the Company intends to make investments in such a manner as to be consistent with the requirements of the Code to qualify as a REIT unless, because of circumstances or changes in the Code (or in Treasury Regulations), the Board of Directors determines that it is no longer in the best interests of the Company to qualify as a REIT.

### **Capital Strategy and Resources**

The Company intends to maintain strong debt service coverage and fixed charge coverage ratios as part of its commitment to maintaining its investment-grade debt ratings. It is management's intention that the Company continually have access to the capital resources necessary to expand and develop its business. Accordingly, the Company may, from time-to-time, seek to obtain funds through additional common and preferred equity offerings, unsecured debt financings and/or mortgage/construction loan financings and other capital alternatives in a manner consistent with its intention to operate with a conservative debt structure.

Since the completion of the Company's IPO in 1991, the Company has utilized the public debt and equity markets as its principal source of capital for its expansion needs. Since the IPO, the Company has completed additional offerings of its public unsecured debt and equity, raising in the aggregate over \$6.1 billion. Proceeds from public capital market activities have been used for repaying indebtedness, acquiring interests in neighborhood and community shopping centers, funding ground-up development projects, expanding and improving properties in the portfolio and other investments, among other things. The Company also has revolving credit facilities totaling approximately \$1.7 billion available for general corporate purposes. At December 31, 2008, the Company had approximately \$707.7 million outstanding on these facilities.

Capital markets have experienced extreme volatility and deterioration since the third quarter 2008. As available, the Company will continue to access these markets. In addition to capital markets, the Company had over 390 unencumbered property interests in its portfolio as of December 31, 2008. The Company has capacity within its bond and other debt covenants to raise up to \$1.3 billion in secured financing on these unencumbered properties.

In March 2006, the Company was added to the S & P 500 Index, an index containing the stock of 500 Large Cap companies, most of which are U.S. corporations. For further discussion regarding capital strategy and resources, see Management's Discussion and Analysis of Results of Operations and Financial Condition - Financing Activities.

### **Competition**

As one of the original participants in the growth of the shopping center industry and one of the nation's largest owners and operators of neighborhood and community shopping centers, the Company has established close relationships with a large number of major national and regional retailers and maintains a broad network of industry contacts. Management is associated with and/or actively participates in many shopping center and REIT industry organizations. Notwithstanding these relationships, there are numerous regional and local commercial developers, real estate companies, financial institutions and other investors who compete with the Company for the acquisition of properties and other investment opportunities and in seeking tenants who will lease space in the Company's properties.

### **Operating Practices**

Nearly all operating functions, including leasing, legal, construction, data processing, maintenance, finance and accounting, are administered by the Company from its executive offices in New Hyde Park, New York and supported by the Company's regional offices.

The Company believes it is critical to have a management presence in its principal areas of operation and, accordingly, the Company maintains regional offices in various cities throughout the United States. As of December 31, 2008, a total of 680 persons are employed at the Company's executive and regional offices.

The Company's regional offices are generally staffed by a regional business leader and the operating personnel necessary to both function as local representatives for leasing and promotional purposes, to complement the corporate office's administrative and accounting efforts and to ensure that property inspection and maintenance objectives are achieved. The regional offices are important in reducing the time necessary to respond to the needs of the Company's tenants. Leasing and maintenance personnel from the corporate office also conduct regular inspections of each shopping center.

As of December 31, 2008, the Company also employs a total of 54 persons at several of its larger properties in order to more effectively administer its maintenance and security responsibilities.

### **Qualification as a REIT**

The Company has elected, commencing with its taxable year which began January 1, 1992, to qualify as a REIT under the Code. If, as the Company believes, it is organized and operates in such a manner so as to qualify and remain qualified as a REIT under the Code, the Company generally will not be subject to federal income tax, provided that distributions to its stockholders equal at least the amount of its REIT taxable income as defined under the Code.

In connection with the RMA, the Company's taxable subsidiaries may participate in activities from which the Company was previously precluded, subject to certain limitations. The primary activities of the Company's taxable REIT subsidiaries during 2008 included, but were not limited to, (i) the ground-up development of shopping center properties and subsequent sale thereof upon completion (see Recent Developments - Ground-Up Development), (ii) real estate advisory and disposition services, including the Company's investment in Albertson's described below and (iii) acting as an agent or principal in connection with tax deferred exchange transactions. The Company was subject to federal and state income taxes on the income from these activities.

#### **Recent Developments**

The following describes the Company's significant transactions completed during the year ended December 31, 2008. (See Notes 3, 4, 5, 7 and 10 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K.)

#### **Operating Properties -**

##### *Acquisitions -*

During 2008, the Company acquired, in separate transactions, eight operating properties, comprising an aggregate 1.0 million square feet of GLA for an aggregate purchase price of approximately \$194.5 million, including the assumption of approximately \$96.2 million of non-recourse mortgage debt encumbering four of the properties.

##### *Dispositions -*

During 2008, the Company disposed of seven operating properties and a portion of four operating properties, in separate transactions, for an aggregate sales price of approximately \$73.0 million, which resulted in an aggregate gain of approximately \$20.0 million. In addition, the Company partially recognized deferred gains of approximately \$1.2 million on three properties relating to their transfer and partial sale in connection with the Kimco Income Fund II transaction described below.

During 2007, the Company transferred 11 operating properties to a wholly-owned consolidated entity, Kimco Income Fund II ("KIF II"), for an aggregate purchase price of approximately \$278.2 million, including non-recourse mortgage debt of \$180.9 million, encumbering 11 of the properties. During 2008, the Company transferred an additional three properties for \$73.9 million, including \$50.6 million in non-recourse mortgage debt. During 2008, the Company sold a 26.4% non-controlling ownership interest in the entity to third parties for approximately \$32.5 million, which approximated the Company's cost. The Company continues to consolidate this entity.

##### *Redevelopments -*

The Company has an ongoing program to reformat and re-tenant its properties to maintain or enhance its competitive position in the marketplace. During 2008, the Company substantially completed the redevelopment and re-tenanting of various operating properties.

The Company expended approximately \$68.9 million in connection with these major redevelopments and re-tenanting projects during 2008. The Company is currently involved in redeveloping several other shopping centers in the existing portfolio. The Company anticipates its capital commitment toward these and other redevelopment projects will be approximately \$50.0 million to \$80.0 million during 2009.

#### **Ground-Up Development -**

The Company is engaged in ground-up development projects which consist of (i) merchant building through the Company's wholly-owned taxable REIT subsidiaries, which develop neighborhood and community shopping centers and the subsequent sale after completion, (ii) U.S. ground-up development projects which will be held as long-term investments by the Company and (iii) various ground-up development projects located in Latin America for long-term investment (see Recent Developments - International Real Estate Investments and Note 3 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K). The ground-up development projects generally have significant pre-leasing prior to the commencement of construction. As of December 31, 2008, the Company had in progress a total of 47 ground-up development projects, consisting of 11 merchant building projects, of which seven are anticipated to be substantially complete during the first half of 2009, one U.S. ground-up development project, 29 ground-up development projects located throughout Mexico, three ground-up development projects located in Chile, two ground-up development projects located in Brazil and one ground-up development project located in Peru.

*Merchant Building -*

As of December 31, 2008, the Company had in progress 11 merchant building projects, of which seven are anticipated to be substantially complete during the first half of 2009, located in six states. During 2008, the Company expended approximately \$111.9 million in connection with construction costs and the purchase of land related to these projects and those sold during 2008. As part of the Company's ongoing analysis of its merchant building projects, the Company has determined that for two of its projects, located in Miramar, FL and Middleburg, FL, the estimated recoverable value will not exceed their estimated cost. This is primarily due to adverse changes in local market conditions and the uncertainty of their recovery in the future. As a result, the Company has recorded an aggregate pre-tax adjustment of property carrying value on these projects for the year ended December 31, 2008, of \$7.9 million, representing the excess of the carrying values of the projects over their estimated fair values. The Company anticipates its capital commitment toward its merchant building projects will be approximately \$70.0 million to \$75.0 million during 2009. The proceeds from the sale of completed ground-up development projects during 2009, proceeds from construction loans and availability under the Company's revolving lines of credit are expected to be sufficient to fund these anticipated capital requirements.

*Acquisitions -*

During 2008, the Company acquired three land parcels, in separate transactions, for an aggregate purchase price of approximately \$9.7 million.

During 2008, the Company obtained individual construction loans on three merchant building projects. Additionally, the Company repaid a construction loan on one merchant building project. At December 31, 2008, total loan commitments on the Company's 16 outstanding construction loans aggregated approximately \$364.2 million of which approximately \$268.3 million has been funded. These loans have scheduled maturities ranging from two months to 42 months and bear interest at rates ranging from 1.81% to 3.19% at December 31, 2008. Approximately \$194.0 million of the outstanding loan balance matures in 2009. These maturing loans are anticipated to be repaid with operating cash flows, borrowings under the Company's credit facilities and additional debt financings. In addition, the Company may pursue or exercise existing extension options with lenders where available.

*Dispositions -*

During 2008, the Company sold, in separate transactions, (i) two completed merchant building projects, (ii) 21 out-parcels, (iii) a partial sale of one project and (iv) a partnership interest in one project for aggregate proceeds of approximately \$73.5 million and received approximately \$4.1 million of proceeds from completed earn-out requirements on three previously sold merchant building projects. These sales resulted in gains of approximately \$21.9 million, net of income taxes of \$14.6 million.

*U.S. Long-Term Investment Projects -*

As of December 31, 2008, the Company had in progress one U.S. long-term investment project. The Company anticipates its capital commitment towards this project will be up to \$8 million, before reimbursements, during 2009.

*Kimsouth -*

During June 2006, Kimsouth, a consolidated taxable REIT subsidiary in which the Company holds a 92.5% controlling interest, contributed approximately \$51.0 million to fund its 15% non-controlling interest in a newly formed joint venture with an investment group to acquire a portion of Albertson's Inc.

During 2008, the Albertson's joint venture disposed of 121 operating properties for an aggregate sales price of approximately \$564.0 million, resulting in a gain of approximately \$552.3 million, of which Kimsouth's share was approximately \$73.1 million. During 2008, Kimsouth recognized equity in income, net from the Albertson's joint venture of approximately \$64.4 million before income taxes, including the \$73.1 million in gains and \$15.0 million from cash received in excess of the Company's investment. As a result of these transactions, Kimsouth fully reduced its deferred tax asset valuation allowance and utilized all of its remaining net operating loss ("NOL's") carry-forwards, which provided a tax benefit of approximately \$3.1 million.(See Notes 3 and 22 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K.)

Additionally, during 2008, the Albertson's joint venture acquired six operating properties and four leasehold properties for approximately \$26.0 million, including the assumption of approximately \$5.8 million in non-recourse mortgage debt encumbering one of the properties.



#### Investment and Advances in Real Estate Joint Ventures -

The Company has various institutional and non-institutional joint venture programs in which the Company has various non-controlling interests, which are accounted for under the equity method of accounting. (See Note 7 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K.)

##### *Acquisitions -*

During 2008, the Company acquired 2 operating properties, and one leasehold interest through joint ventures in which the Company has non-controlling interests for an aggregate purchase price of approximately \$13.8 million. The Company's aggregate investment resulting from these transactions was approximately \$7.9 million.

##### *Dispositions -*

During 2008, KimPru sold, in separate transactions, four operating properties for an aggregate sales price of approximately \$45.3 million, which approximated their carrying values. Proceeds from these property sales were used to repay a portion of the outstanding balance on its credit facility. Also during 2008, KIR disposed of one operating property for a sales price of approximately \$1.9 million. This sale resulted in an aggregate loss of approximately \$0.6 million of which the Company's share was approximately \$0.3 million.

##### *Financings -*

During August 2008, KimPru entered into a new \$650.0 million credit facility which matures in August 2009, with the option to extend for one year, and bears interest at a rate of LIBOR plus 1.25%. KimPru is obligated to pay down a minimum of \$165.0 million, among other requirements, in order to exercise the one-year extension option. The required pay down is expected to be sourced from property sales, other debt financings and/or capital contributions by the partners. This facility is guaranteed by the Company with a guarantee from PREI to the Company for 85% of any guaranty payment the Company is obligated to make. Proceeds from this new credit facility were used to repay the outstanding balance of \$658.7 million under an existing \$1.2 billion credit facility, which was scheduled to mature in October 2008 and bore interest at a rate of LIBOR plus 0.45%.

During the year ended December 31, 2008, KIR repaid 16 non-recourse mortgages aggregating approximately \$209.6 million, which were scheduled to mature in 2008 and bore interest at rates ranging from 6.57% to 7.28%. Proceeds from eight individual non-recourse mortgages obtained during 2008, aggregating approximately \$218.3 million, bearing interest at rates ranging from 6.0% to 6.5% with maturity dates ranging from 2015 to 2018 were used to fund these repayments.

In addition, during 2008, two joint venture investments in which the Company holds a 50% interest in each obtained individual non-recourse mortgages totaling \$77.0 million. These mortgages have interest rates ranging from 6.38% to 6.47% and maturities ranging from 2018 to 2019. Proceeds from these mortgages were used to retire \$36.0 million of mortgage debt encumbering two properties held by the joint ventures.

#### International Real Estate Investments -

##### *Canadian Investments -*

During 2008, the Company acquired, in separate transactions, 12 operating properties located in Canada, through three newly formed joint ventures in which the Company has non-controlling interests. These properties were acquired for an aggregate purchase price of approximately CAD \$193.7 million (approximately USD \$187.2 million), including CAD \$105.6 million (approximately USD \$101.7 million) of non-recourse mortgage debt encumbering all 12 of the properties. The Company's aggregate investment in these joint ventures was approximately CAD \$46.1 million (approximately USD \$37.7 million).

During 2008, the Company provided, through three separate Canadian preferred equity investments, an aggregate of approximately CAD \$15.3 million (approximately USD \$12.5 million) to developers and owners of 11 real estate properties.

The Company recognized equity in income from its unconsolidated Canadian investments in real estate joint ventures of approximately \$18.6 million, \$22.5 million and \$21.1 million during 2008, 2007 and 2006, respectively. In addition, income from its Canadian preferred equity investments was approximately \$23.2 million, \$35.1 million and \$13.9 million during 2008, 2007 and 2006, respectively.

*Latin American Investments -*

During 2008, the Company acquired, in separate transactions, one operating property located in Valinhos, Brazil for a purchase price of 29.0 million Brazilian Real ("BRL") (approximately USD \$17.4 million) comprising 121,000 square feet of GLA and one operating property in Santiago, Chile, for a purchase price of 1.5 billion Chilean Pesos ("CLP") (approximately USD \$4.0 million), comprising 26,000 square feet. (See Note 3 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K).

During 2008, the Company acquired (i) 5 land parcels located throughout Mexico for an aggregate purchase price of approximately 368.2 million Mexican Pesos ("MXP") (approximately USD \$33.3 million), (ii) one land parcel located in Lima, Peru for a purchase price of approximately 1.9 million Peruvian Nuevo Sol ("PEN") (approximately USD \$0.7 million), (iii) two land parcels located in Chile for a purchase price of approximately 7.9 billion CLP (approximately USD \$16.1 million) and (iv) one land parcel located in Hortolandia, Brazil for a purchase price of approximately 7.4 BRL (approximately USD \$3.2 million). These nine land parcels will be developed into retail centers aggregating approximately 1.7 million square feet of gross leasable area with a total estimated aggregate project cost of approximately USD \$195.5 million. These projects are inline with budget and on or close to schedule.

During 2008, the Company acquired, through an unconsolidated joint venture investment, 11 land parcels, in separate transactions, located throughout Mexico for an aggregate purchase price of approximately 554.9 million MXP (approximately USD \$48.5 million) which will be held for investment or possible future development.

In addition, during 2008 the Company acquired, in separate transactions, two land parcels located in Chihuahua and San Luis Potosi, Mexico, and one operating property located in Monterrey, Mexico for an aggregate purchase price of approximately \$10.9 million through an existing joint venture in which the Company has non-controlling interests. The Company's aggregate investment in these joint ventures was approximately \$5.5 million.

During 2008, the Company acquired four operating properties located in Santiago, Chile, through a joint venture in which the Company has a non-controlling interest. These properties were acquired for an aggregate purchase price of approximately 2.5 billion CLP (approximately USD \$3.8 million). The Company's aggregate investment in this joint venture is approximately CLP 1.3 billion (approximately USD \$1.9 million).

The Company recognized equity in income from its unconsolidated Mexican investments in real estate joint ventures of approximately \$17.1 million, \$5.2 million and \$11.8 million during 2008, 2007 and 2006, respectively.

The Company recognized equity in income from its unconsolidated Chilean investments in real estate joint ventures of approximately \$0.2 million and \$0.1 million during 2008 and 2007, respectively.

The Company's revenues from its consolidated Mexican subsidiaries aggregated approximately \$20.3 million, \$8.5 million and \$2.4 million during 2008, 2007 and 2006, respectively. The Company's revenues from its consolidated Brazilian subsidiaries aggregated approximately \$0.4 million during 2008.

Other Real Estate Investments -

*Preferred Equity Capital -*

The Company maintains a Preferred Equity program, which provides capital to developers and owners of real estate properties. During 2008, the Company provided, in separate transactions, an aggregate of approximately \$51.9 million in investment capital to developers and owners of 28 real estate properties, including the Canadian investments described above. For the year ended December 31, 2008, the Company earned approximately \$66.8 million, including \$24.6 million of profit participation earned from 10 capital transactions from these investments.

Mortgages and Other Financing Receivables -

During 2008, the Company provided financing to six borrowers for an aggregate amount of up to approximately \$86.3 million, of which \$72.9 million was outstanding as of December 31, 2008. As of December 31, 2008, the Company had 35 loans with total commitments of up to \$208.5 million, of which approximately \$181.2 million has been funded. Availability under the Company's revolving credit facilities are expected to be sufficient to fund these commitments. (See Note 9 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K.)

#### Asset Impairments –

Recent market and economic conditions have been unprecedented and challenging with tighter credit conditions and slower growth throughout 2008. For the year ended December 31, 2008, continued concerns about the systemic impact of the availability and cost of credit, the U.S. mortgage market, inflation, energy costs, geopolitical issues and declining equity and real estate markets have contributed to increased market volatility and diminished expectations for the U.S. economy. These conditions, combined with volatile oil prices, declining business and consumer confidence and increased unemployment have contributed to volatility of unprecedented levels and has led to the unprecedented deterioration of U.S. and international equity markets during the fourth quarter of 2008.

Historically, real estate has been subject to a wide range of cyclical economic conditions that affect various real estate markets and geographic regions with differing intensities and at different times. Different regions of the United States have and may continue to experience varying degrees of economic growth or distress. The decline in market conditions has also had a negative effect on real estate transactional activity as it relates to the acquisition and sale of real estate assets.

As a result of the volatility and declining market conditions described above, the Company for the year ended December 31, 2008, recognized non-cash impairment charges of approximately \$114.8 million, net of income tax benefit of approximately \$31.1 million, of which approximately \$105.1 million of these charges were taken in the fourth quarter of 2008.

Approximately \$92.7 million of the total non-cash impairment charges for the year ended December 31, 2008, were due to the decline in value of certain marketable equity securities and other investments that were deemed to be other-than-temporary. Of the \$92.7 million, approximately \$83.1 million of these impairment charges were taken at the end of the fourth quarter of 2008 resulting from the unprecedented deterioration of the equity markets during the fourth quarter and the uncertainty of their future recoverability.

The Company recognized non-cash impairment charges of \$15.5 million against the carrying value of its investment in its unconsolidated joint ventures with PREI, reflecting an other-than-temporary decline in the fair value of its investment resulting from further significant declines in the real estate markets during the fourth quarter of 2008. Also, impairments of approximately \$6.6 million, net of income tax benefit, were recognized on real estate development projects including Plantations Crossing located in Middleburg, FL and Miramar Town Center located in Miramar, FL, previously described. These development project impairment charges are the result of adverse changes in local market conditions and the uncertainty of their recovery in the future. (See Notes 5, 7 and 10 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K.)

In addition to the impairment charges above, the Company recognized impairment charges during 2008 of approximately \$11.2 million, before income tax benefit of approximately \$4.5 million, relating to certain properties held by an unconsolidated joint venture within the KimPru joint venture that are deemed held-for-sale or were transitioned from held-for-sale to held-for-use properties. These impairment charges are included in Equity in income of joint ventures, net in the Company's Consolidated Statements of Income.

#### Financing Transactions -

During September 2008, the Company completed a primary public stock offering of 11,500,000 shares of the Company's common stock ("Common Stock"). The net proceeds from this sale of Common Stock, totaling approximately \$409.4 million (after related transaction costs of \$0.6 million) were used to partially repay the outstanding balance under the Company's U.S. revolving credit facility.

For discussion regarding financing transactions relating to the Company's unsecured notes, credit facilities, non-recourse mortgage debt and construction loans, see Management's Discussion and Analysis of Results of Operations and Financial Condition - Financing Activities and Contractual Obligations and Other Commitments. (See Notes 11, 12, 13 and 17 of the Notes to Consolidated Financial Statement included in this annual report on Form 10-K.)

#### Exchange Listings

The Company's common stock, Class F Depositary Shares and Class G Depositary Shares are traded on the NYSE under the trading symbols "KIM", "KIMPrF" and "KIMPrG", respectively.

#### Item 1A. Risk Factors

We are subject to certain business and legal risks including, but not limited to, the following:

##### Risks Related to Our Status as a Real Estate Investment Trust

Loss of our tax status as a real estate investment trust could have significant adverse consequences to us and the value of our securities.

We have elected to be taxed as a REIT for federal income tax purposes under the Code. We currently intend to operate so as to qualify as a REIT and believe that our current organization and method of operation complies with the rules and regulations promulgated under the federal income tax code to enable us to qualify as a REIT.

Qualification as a REIT involves the application of highly technical and complex federal income tax code provisions for which there are only limited judicial and administrative interpretations. The determination of various factual matters and circumstances not entirely within our control may affect our ability to qualify as a REIT. New legislation, regulations, administrative interpretations or court decisions could significantly change the tax laws with respect to qualification as a REIT, the federal income tax consequences of such qualification or the desirability of an investment in a REIT relative to other investments. There can be no assurance that we have qualified or will continue to qualify as a REIT for tax purposes.

If we lose our REIT status, we will face serious tax consequences that will substantially reduce the funds available to pay dividends to stockholders. If we fail to qualify as a REIT:

- we would not be allowed a deduction for distributions to stockholders in computing our taxable income and would be subject to federal income tax at regular corporate rates;
- we could be subject to the federal alternative minimum tax and possibly increased state and local taxes;
- unless we were entitled to relief under statutory provisions, we could not elect to be subject to tax as a REIT for four taxable years following the year during which we were disqualified; and
- we would not be required to make distributions to stockholders.

As a result of all these factors, our failure to qualify as a REIT could impair our ability to expand our business and raise capital and could adversely affect the value of our securities.

#### Risks Related to Adverse Global Market and Economic Conditions

Recent market and economic conditions have been unprecedented and challenging with slower growth and tighter credit conditions through the end of 2008. These adverse market conditions and competition may impede our ability to generate sufficient income to pay expenses, maintain properties, pay dividends and refinance debt.

The economic performance and value of our properties is subject to all of the risks associated with owning and operating real estate including:

- changes in the national, regional and local economic climate;
- local conditions, including an oversupply of, or a reduction in demand for, space in properties like those that we own;
- the attractiveness of our properties to tenants;
- the ability of tenants to pay rent;
- competition from other available properties;
- changes in market rental rates;
- the need to periodically pay for costs to repair, renovate and re-let space;
- changes in operating costs, including costs for maintenance, insurance and real estate taxes;
- the fact that the expenses of owning and operating properties are not necessarily reduced when circumstances such as market factors and competition cause a reduction in income from the properties; and
- changes in laws and governmental regulations, including those governing usage, zoning, the environment and taxes.

The retail shopping sector has been negatively affected by recent economic conditions. Adverse economic conditions have forced some weaker retailers, in some cases, to declare bankruptcy and close stores. Certain retailers have announced store closings even though they have not filed for bankruptcy protection. These downturns in the retailing industry likely will have a direct impact on our performance. Continued store closings or declarations of bankruptcy by our tenants may have a material adverse effect on the Company's overall performance. Adverse general or local economic conditions could result in the inability of some tenants of the Company to meet their lease obligations and could otherwise adversely affect the Company's ability to attract or retain tenants.

Our properties consist primarily of community and neighborhood shopping centers and other retail properties. Our performance therefore is generally linked to economic conditions in the market for retail space. In the future, the market for retail space could be adversely affected by:

- weakness in the national, regional and local economies;
- the adverse financial condition of some large retailing companies;
- ongoing consolidation in the retail sector;
- the excess amount of retail space in a number of markets; and
- increasing consumer purchases through catalogues and the internet.

Failure by any anchor tenant with leases in multiple locations to make rental payments to us because of a deterioration of its financial condition or otherwise could impact our performance.

Our performance depends on our ability to collect rent from tenants. At any time, our tenants may experience a downturn in their business that may significantly weaken their financial condition. As a result, our tenants may delay a number of lease commencements, decline to extend or renew leases upon expiration, fail to make rental payments when due, close stores or declare bankruptcy. Any of these actions could result in the termination of the tenants' leases and the loss of rental income attributable to these tenants' leases. In the event of a default by a tenant, we may experience delays and costs in enforcing our rights as landlord under the terms of our leases.

In addition, multiple lease terminations by tenants or a failure by multiple tenants to occupy their premises in a shopping center could result in lease terminations or significant reductions in rent by other tenants in the same shopping centers under the terms of some leases. In that event, we may be unable to re-lease the vacated space at attractive rents or at all, and our rental payments from our continuing tenants could significantly decrease. The occurrence of any of the situations described above, particularly if it involves a substantial tenant with leases in multiple locations, could have a material adverse effect on our performance.

We may be unable to collect balances due from tenants in bankruptcy.

A tenant that files for bankruptcy protection may not continue to pay us rent. A bankruptcy filing by or relating to one of our tenants or a lease guarantor would bar all efforts by us to collect pre-bankruptcy debts from the tenant or the lease guarantor, or their property, unless the bankruptcy court permits us to do so. A tenant or lease guarantor bankruptcy could delay our efforts to collect past due balances under the relevant leases and could ultimately preclude collection of these sums. If a lease is rejected by a tenant in bankruptcy, we would have only a general unsecured claim for damages. As a result, it is likely that we would recover substantially less than the full value of any unsecured claims it holds, if at all.

#### Risks Related to Our Acquisition, Development, Operation, and Sale of Real Property

We may be unable to sell our real estate property investments when appropriate or on favorable terms.

Real estate property investments are illiquid and generally cannot be disposed of quickly. In addition, the federal tax code imposes restrictions on a REIT's ability to dispose of properties that are not applicable to other types of real estate companies. Therefore, we may not be able to vary its portfolio in response to economic or other conditions promptly or on favorable terms.

We may acquire or develop properties or acquire other real estate related companies and this may create risks.

We may acquire or develop properties or acquire other real estate related companies when we believe that an acquisition or development is consistent with our business strategies. We may not succeed in consummating desired acquisitions or in completing developments on time or within budget. We face competition in pursuing these acquisition or development opportunities that could increase our costs. When we do pursue a project or acquisition, we may not succeed in leasing newly developed or acquired properties at rents sufficient to cover the costs of acquisition or development and operations. Difficulties in integrating acquisitions may prove costly or time-consuming and could divert management's attention. Acquisitions or developments in new markets or industries where we do not have the same level of market knowledge may result in poorer than anticipated performance. We may also abandon acquisition or development opportunities that management has begun pursuing and consequently fail to recover expenses already incurred and have devoted management time to a matter not consummated. Furthermore, our acquisitions of new properties or companies will expose us to the liabilities of those properties or companies, some of which we may not be aware at the time of acquisition. In addition, development of our existing properties presents similar risks.

There is a lack of operating history with respect to our recent acquisitions and development of properties and we may not succeed in the integration or management of additional properties.

These properties may have characteristics or deficiencies currently unknown to us that affect their value or revenue potential. It is also possible that the operating performance of these properties may decline under our management. As we acquire additional properties, we will be subject to risks associated with managing new properties, including lease-up and tenant retention. In addition, our ability to manage our growth effectively will require us to successfully integrate our new acquisitions into our existing management structure. We may not succeed with this integration or effectively manage additional properties. Also, newly acquired properties may not perform as expected.

We face competition in leasing or developing properties.

We face competition in the acquisition, development, operation and sale of real property from others engaged in real estate investment. Some of these competitors may have greater financial resources than we do. This could result in competition for the acquisition of properties for tenants who lease or consider leasing space in our existing and subsequently acquired properties and for other real estate investment opportunities.

#### Risks Related to Our Joint Venture and Preferred Equity Investments

We do not have exclusive control over our joint venture and preferred equity investments, such that we are unable to ensure that our objectives will be pursued.

We have invested in some cases as a co-venturer or partner in properties instead of owning directly. In these investments, we do not have exclusive control over the development, financing, leasing, management and other aspects of these investments. As a result, the co-venturer or partner might have interests or goals that are inconsistent with us, take action contrary to our interests or otherwise impede our objectives. If the co-venturer or partner defaults on their obligations, we may be required to fulfill their obligation ourselves. The co-venturer or partner also might become insolvent or bankrupt, which may result in significant losses to us.

We may not be able to recover our investments in our joint venture or preferred equity investments, which may result in significant losses to us.

Our joint venture and preferred equity investments generally own real estate properties for which the economic performance and value is subject to all the risks associated with owning and operating real estate as described above.

#### Risks Related to Our International Operations

We have significant international operations that carry additional risks.

We invest in and conduct operations outside the United States. The risks we face in international business operations include, but are not limited to:

- currency risks, including currency fluctuations;
- unexpected changes in legislative and regulatory requirements;
- potential adverse tax burdens;
- burdens of complying with different permitting standards, labor laws and a wide variety of foreign laws;
- obstacles to the repatriation of earnings and cash;
- regional, national and local political uncertainty;
- economic slowdown and/or downturn in foreign markets;
- difficulties in staffing and managing international operations; and
- reduced protection for intellectual property in some countries.

Each of these risks might impact our cash flow or impair our ability to borrow funds, which ultimately could adversely affect our business, financial condition, operating results and cash flows.

#### Risks Related to Our Financing Activities

We may be unable to obtain financing through the debt and equities market, which would have a material adverse effect on our growth strategy, our results of operations and our financial condition.

The capital and credit markets have become increasingly volatile and constrained as a result of adverse conditions that have caused the failure and near failure of a number of large financial services companies. We cannot assure you that we will be able to access the capital and credit markets to obtain additional debt or equity financing or that we will be able to obtain financing on favorable terms. The inability to obtain financing could have negative effects on our business, such as:

- we could have great difficulty acquiring or developing properties, which would materially adversely affect our business strategy;
- our liquidity could be adversely affected;
- we may be unable to repay or refinance our indebtedness;
- we may need to make higher interest and principal payments or sell some of our assets on unfavorable terms to fund our indebtedness; and
- we may need to issue additional capital stock, which could further dilute the ownership of our existing shareholders.

Financial covenants to which we are subject may restrict our operating and acquisition activities.

Our revolving credit facilities and the indentures under which our senior unsecured debt is issued contain certain financial and operating covenants, including, among other things, certain coverage ratios, as well as limitations on our ability to incur debt, make dividend payments, sell all or substantially all of our assets and engage in mergers and consolidations and certain acquisitions. These covenants may restrict our ability to pursue certain business initiatives or certain acquisition transactions that might otherwise be advantageous. In addition, failure to meet any of the financial covenants could cause an event of default under and/or accelerate some or all of our indebtedness, which would have a material adverse effect on us.

Adverse changes in our credit ratings could impair our ability to obtain additional debt and equity financing on favorable terms, if at all, and could significantly reduce the market price of our publicly traded securities.

#### Risks Related to the Market Price of Our Publicly Traded Securities

Changes in market conditions could adversely affect the market price of our publicly traded securities.

As with other publicly traded securities, the market price of our publicly traded securities depends on various market conditions, which may change from time-to-time. Among the market conditions that may affect the market price of our publicly traded securities are the following:

- the extent of institutional investor interest in us;
- the reputation of REITs generally and the reputation of REITs with portfolios similar to us;
- the attractiveness of the securities of REITs in comparison to securities issued by other entities (including securities issued by other real estate companies);
- our financial condition and performance;
- the market's perception of our growth potential and potential future cash dividends;
- an increase in market interest rates, which may lead prospective investors to demand a higher distribution rate in relation to the price paid for our shares; and
- general economic and financial market conditions.

#### Risks Related to Our Marketable Securities and Mortgage Receivables

We may not be able to recover our investments in marketable securities or mortgage receivables, which may result in significant losses to us.

Our investments in marketable securities are subject to specific risks relating to the particular issuer of the securities, including the financial condition and business outlook of the issuer, which may result in significant losses to us. Marketable securities are generally unsecured and may also be subordinated to other obligations of the issuer. As a result, investments in marketable securities are subject to risks of:

- limited liquidity in the secondary trading market;
- substantial market price volatility resulting from changes in prevailing interest rates;
- subordination to the prior claims of banks and other senior lenders to the issuer;
- the possibility that earnings of the issuer may be insufficient to meet its debt service and distribution obligations; and
- the declining creditworthiness and potential for insolvency of the issuer during periods of rising interest rates and economic downturn.

The issuers of our marketable securities also might become insolvent or bankrupt, which may result in significant losses to us.

These risks may adversely affect the value of outstanding marketable securities and the ability of the issuers to make distribution payments.

We invest in mortgage receivables. Our investments in mortgage receivables normally are not insured or otherwise guaranteed by any institution or agency. In the event of a default by a borrower, it may be necessary for us to foreclose our mortgage or engage in costly negotiations. Delays in liquidating defaulted mortgage loans and repossessing and selling the underlying properties could reduce our investment returns. Furthermore, in the event of default, the actual value of the property securing the mortgage may decrease. A decline in real estate values will adversely affect the value of our loans and the value of the mortgages securing our loans.

Our mortgage receivables may be or become subordinated to mechanics' or materialmen's liens or property tax liens. In these instances we may need to protect a particular investment by making payments to maintain the current status of a prior lien or discharge it entirely. In these cases, the total amount we recover may be less than our total investment, resulting in a loss. In the event of a major loan default or several loan defaults resulting in losses, our investments in mortgage receivables would be materially and adversely affected.

Risks Related to Environmental Regulations

We may be subject to environmental regulations.

Under various federal, state, and local laws, ordinances and regulations, we may be considered an owner or operator of real property and may be responsible for paying for the disposal or treatment of hazardous or toxic substances released on or in our property, as well as certain other potential costs which could relate to hazardous or toxic substances (including governmental fines and injuries to persons and property). This liability may be imposed whether or not we knew about, or were responsible for, the presence of hazardous or toxic substances.

Item 1B. Unresolved Staff Comments

None

Item 2. Properties

Real Estate Portfolio As of December 31, 2008, the Company's real estate portfolio was comprised of interests in approximately 160.8 million square feet of GLA in 1,407 operating properties primarily consisting of neighborhood and community shopping centers, and 16 retail store leases located in 45 states, Puerto Rico, Canada, Mexico, Chile, Brazil, and Peru. This 160.8 million square feet of GLA does not include 16 properties under development comprising 1.2 million square feet of GLA related to the Preferred Equity program, 29 property interests comprising 0.6 million square feet of GLA related to FNC Realty, 402 property interests comprising 2.3 million square feet of GLA related to a net lease portfolio, 49 property interests comprising 2.4 million square feet of GLA related to the NewKirk Portfolio and 13.3 million square feet of planned GLA for 47 ground-up development projects. The Company's portfolio includes interests ranging from 5% to 50% in 481 shopping center properties comprising approximately 73.5 million square feet of GLA relating to the Company's investment management programs and other joint ventures. Neighborhood and community shopping centers comprise the primary focus of the Company's current portfolio. As of December 31, 2008, the Company's total shopping center portfolio, comprised of total GLA of 126.9 million from 893 properties, was approximately 93.9% leased.



The Company's neighborhood and community shopping center properties, which are generally owned and operated through subsidiaries or joint ventures, had an average size of approximately 142,000 square feet as of December 31, 2008. The Company generally retains its shopping centers for long-term investment and consequently pursues a program of regular physical maintenance together with major renovations and refurbishing to preserve and increase the value of its properties. These projects usually include renovating existing facades, installing uniform signage, resurfacing parking lots and enhancing parking lot lighting. During 2008, the Company capitalized approximately \$16.1 million in connection with these property improvements and expensed to operations approximately \$21.4 million.

The Company's neighborhood and community shopping centers are usually "anchored" by a national or regional discount department store, supermarket or drugstore. As one of the original participants in the growth of the shopping center industry and one of the nation's largest owners and operators of shopping centers, the Company has established close relationships with a large number of major national and regional retailers. Some of the major national and regional companies that are tenants in the Company's shopping center properties include The Home Depot, TJX Companies, Sears Holdings, Kohl's, Wal-Mart, Royal Ahold, Best Buy, Bed Bath and Beyond and Costco.

A substantial portion of the Company's income consists of rent received under long-term leases. Most of the leases provide for the payment of fixed-base rentals monthly in advance and for the payment by tenants of an allocable share of the real estate taxes, insurance, utilities and common area maintenance expenses incurred in operating the shopping centers. Although many of the leases require the Company to make roof and structural repairs as needed, a number of tenant leases place that responsibility on the tenant, and the Company's standard small store lease provides for roof repairs to be reimbursed by the tenant as part of common area maintenance. The Company's management places a strong emphasis on sound construction and safety at its properties.

Approximately 22.8% of the Company's leases also contain provisions requiring the payment of additional rent calculated as a percentage of tenants' gross sales above predetermined thresholds. Percentage rents accounted for less than 1% of the Company's revenues from rental property for the year ended December 31, 2008. Additionally, a majority of the Company's leases have built-in contractual rent increases as well as escalation clauses. Such escalation clauses often include increases based upon changes in the consumer price index or similar inflation indices.

Minimum base rental revenues and operating expense reimbursements accounted for approximately 99% of the Company's total revenues from rental property for the year ended December 31, 2008. The Company's management believes that the base rent per leased square foot for many of the Company's existing leases is generally lower than the prevailing market-rate base rents in the geographic regions where the Company operates, reflecting the potential for future growth.

As of December 31, 2008, the Company's consolidated portfolio, comprised of 53.4 million of GLA, was 93.2% leased. For the period January 1, 2008 to December 31, 2008, the Company increased the average base rent per leased square foot in its consolidated portfolio of neighborhood and community shopping centers from \$10.35 to \$10.69, an increase of \$0.34. This increase primarily consists of (i) a \$0.01 increase relating to acquisitions, (ii) a \$0.12 increase relating to dispositions or the transfer of properties to various joint venture entities and (iii) a \$0.21 increase relating to new leases signed net of leases vacated and rent step-ups within the portfolio.

The Company seeks to reduce its operating and leasing risks through geographic and tenant diversity. No single neighborhood and community shopping center accounted for more than 0.9% of the Company's total shopping center GLA or more than 1.0% of total annualized base rental revenues as of December 31, 2008. The Company's five largest tenants at December 31, 2008, were The Home Depot, TJX Companies, Sears Holdings, Kohl's and Wal-Mart, which represent approximately 3.3%, 2.8%, 2.5%, 2.2% and 1.8%, respectively, of the Company's annualized base rental revenues, including the proportionate share of base rental revenues from properties in which the Company has less than a 100% economic interest. The Company maintains an active leasing and capital improvement program that, combined with the high quality of the locations, has made, in management's opinion, the Company's properties attractive to tenants.

The Company's management believes its experience in the real estate industry and its relationships with numerous national and regional tenants gives it an advantage in an industry where ownership is fragmented among a large number of property owners.

**Retail Store Leases** In addition to neighborhood and community shopping centers, as of December 31, 2008, the Company had interests in retail store leases totaling approximately 1.5 million square feet of anchor stores in 16 neighborhood and community shopping centers located in 11 states. As of December 31, 2008, approximately 95.9% of the space in these anchor stores had been sublet to retailers that lease the stores under net lease agreements providing for average annualized base rental payments of \$4.12 per square foot. The average annualized base rental payments under the Company's retail store leases to the landowners of such subleased stores are approximately \$2.13 per square foot. The average remaining primary term of the retail store leases (and, similarly, the remaining primary term of the sublease agreements with the tenants currently leasing such space) is approximately four years, excluding options to renew the leases for terms which generally range from five years to 20 years. The Company's investment in retail store leases is included in the caption Other real estate investments in the Company's Consolidated Balance Sheets.

**Ground-Leased Properties** The Company has interests in 48 consolidated shopping center properties and interests in 26 shopping center properties in unconsolidated joint ventures that are subject to long-term ground leases where a third party owns and has leased the underlying land to the Company (or an affiliated joint venture) to construct and/or operate a shopping center. The Company or the joint venture pays rent for the use of the land and generally is responsible for all costs and expenses associated with the building and improvements. At the end of these long-term leases, unless extended, the land together with all improvements revert to the landowner.

**Ground-Up Development Properties** The Company is engaged in ground-up development projects, which consist of (i) merchant building through the Company's wholly-owned taxable REIT subsidiaries, which develop neighborhood and community shopping centers and the subsequent sale thereof upon completion, (ii) U.S. ground-up development projects which will be held as long-term investments by the Company and (iii) various ground-up development projects located in Latin America for long-term investment (see Recent Developments - International Real Estate Investments and Note 3 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K). The ground-up development projects generally have significant pre-leasing prior to the commencement of the construction. As of December 31, 2008, the Company had in progress a total of 47 ground-up development projects, consisting of 11 merchant building projects, of which seven are anticipated to be substantially complete during the first half of 2009, one U.S. ground-up development project, 29 ground-up development projects located throughout Mexico, three ground-up development projects located in Chile, two ground-up development projects located in Brazil and one ground-up development project located in Peru.

As of December 31, 2008, the Company had in progress 11 merchant building projects located in six states, which are expected to be sold upon completion. These projects had significant pre-leasing prior to the commencement of construction. As of December 31, 2008, the average annual base rent per leased square foot for the merchant building portfolio was \$14.87 and the average annual base rent per leased square foot for new leases executed in 2008 was \$17.58.

**Undeveloped Land** The Company owns certain unimproved land tracts and parcels of land adjacent to certain of its existing shopping centers that are held for possible expansion. At times, should circumstances warrant, the Company may develop or dispose of these parcels.

The table on pages 19 through 40 sets forth more specific information with respect to each of the Company's property interests.

### Item 3. Legal Proceedings

The Company is not presently involved in any litigation nor, to its knowledge, is any litigation threatened against the Company or its subsidiaries that, in management's opinion, would result in any material adverse effect on the Company's ownership, management or operation of its properties taken as a whole, or which is not covered by the Company's liability insurance.

### Item 4. Submission of Matters to a Vote of Security Holders

None.

LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST/ (EXPIRATION)(2)	LAND AREA (ACRES)	LEASEABLE AREA SQ. FT.	PERCENT LEASED (1)	MAJOR LEASES						LEASE EXPIRATION	OPTION EXPIRATION	LEASE EXPIRATION	OPTION EXPIRATION
						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION				
ALABAMA															
HOOVER (11)	2007	JOINT VENTURE	163.90	457,000	68.9	BOOKS-A-MILLION	2020	2035	PETCO	2019	2029	SHOE CARNIVAL	2019	2029	
MOBILE (6)	1986	JOINT VENTURE	48.81	299,730	94.9	ACADEMY SPORTS & OUTDOORS	2021	2031	ROSS DRESS FOR LESS	2015	2035	MARSHALLS	2010	2017	
ALASKA															
ANCHORAGE (11)	2006	JOINT VENTURE	24.63	256,000	38.3	MICHAELS	2017	2037	BED BATH & BEYOND	2019	2039	OLD NAVY	2012	2018	
KENAI	2003	JOINT VENTURE	14.67	146,759	100.0	HOME DEPOT	2018	2048							
ARIZONA															
GLENDALE	2007	FEE	16.52	86,504	98.6	MOR FURNITURE FOR LESS	2016		MICHAELS	2013	2018	ANNA'S LINENS	2015	2025	
GLENDALE (4)	1998	JOINT VENTURE	40.50	333,388	84.5	COSTCO	2011	2046	FLOOR & DECOR	2015	2025	THE 999 FURNITURE STORE	2016	2026	
GLENDALE (6)	2004	FEE	6.42	70,428	97.6	SAFeway	2016	2046							
MARANA	2003	FEE	18.18	191,008	100.0	LOWE'S HOME CENTER	2019	2069							
MESA	2005	GROUND LEASE (2078) JOINT VENTURE	177.80	1,051,731	96.8	WAL-MART	2027	2077	BASS PRO SHOPS OUTDOOR WORLD	2027	2057	HOME DEPOT	2028	2058	
MESA	1998	FEE	19.83	145,452	71.0	ROSS DRESS FOR LESS	2010	2015	CINE MANIA	2014	2019	BLACK ANGUS	2010	2015	
MESA (6)	2004	FEE	29.44	307,375	82.6	SPORTS AUTHORITY	2016	2046	CIRCUIT CITY	2016	2036	MICHAELS	2010	2025	
NORTH PHOENIX	1998	FEE	17.00	230,164	100.0	BURLINGTON COAT FACTORY	2013	2023	GUITAR CENTER	2017	2027	MICHAELS	2012	2022	
PHOENIX	1998	JOINT VENTURE	1.64	16,410	100.0	CHAPMAN BMW	2016	2031							
PHOENIX	1997	FEE	17.50	131,621	91.9	SAFeway	2014	2039	TRADER JOES	2014	2029				
PHOENIX	1998	FEE	26.60	334,265	95.0	COSTCO	2011	2041	PHOENIX RANCH MARKET	2021	2041	FAMSA	2022	2032	
PHOENIX	1998	FEE	13.40	153,180	98.1	HOME DEPOT	2020	2030	JO-ANN FABRICS	2010	2025				
PHOENIX (3)	2006	FEE	9.43	94,379	56.3	DOLLAR TREE	2012	2017							
TUCSON	2003	JOINT VENTURE	17.80	190,174	100.0	LOWE'S HOME CENTER	2019	2069							
CALIFORNIA															
ALHAMBRA	1998	FEE	18.40	195,455	99.1	COSTCO	2027	2057	COSTCO	2027	2057	JO-ANN FABRICS	2009	2019	
ANAHEIM	1995	FEE	1.04	15,396	100.0	NORTHGATE GONZALEZ MARKETS	2022	2032							
ANAHEIM (3)	2006	FEE	8.52	105,085	100.0	STATER BROTHERS	2011	2026	CVS	2012	2022				
ANAHEIM (3)	2006	FEE	19.10	185,247	98.0	RALPH'S	2016	2046	RITE AID	2016	2025	DOLLAR STORE	2009	2014	
ANAHEIM (3)	2006	FEE	36.14	347,236	93.9	MERVYN'S	2012	2022	EL SUPER	2023	2033	OFFICEMAX	2011	2026	
ANGEL'S CAMP (3)	2006	FEE	5.06	77,967	98.1	SAVE-MART	2022	2048	RITE AID	2011	2031				
ANTELOPE (3)	2006	FEE	13.09	119,998	88.5	FOOD MAXX	2009	2022	GOODWILL INDUSTRIES	2014	2029				
BELLFLOWER (3)	2006	GROUND LEASE (2032) JOINT VENTURE	9.11	113,511	100.0	STATER BROTHERS	2017	2032	STAPLES	2012					
CALSBAD (3)	2006	FEE	21.10	160,928	88.3	MARSHALLS	2013	2018	DOLLAR TREE	2014	2024	KIDS 'R' US	2018	2027	
CARMICHAEL	1998	FEE	18.50	213,721	94.6	HOME DEPOT	2013	2022	SPORTS AUTHORITY	2009	2024	LONGS DRUGS	2013	2033	
CHICO	2008	JOINT VENTURE	26.43	264,336	97.2	FOOD MAXX	2014	2024	ASHLEY FURNITURE HOMESTORE	2009	2019	BED, BATH & BEYOND	2014	2029	
CHICO	2006	FEE	1.34	19,560	91.7										
CHICO (5)	2007	JOINT VENTURE	7.30	69,812	100.0	RALEY'S	2024	2039							
CHINO (3)	2006	FEE	13.12	168,264	100.0	DOLLAR TREE	2013	2023	PETSMART	2012	2027	RITE AID	2010	2020	
CHINO (3)	2006	FEE	32.99	341,577	92.3	LA CURACAO	2021	2041	ROSS DRESS FOR LESS	2013	2033	DOS DISCOUNT	2016	2036	
CHINO HILLS	2008	JOINT VENTURE	7.17	73,352	91.3	STATER BROTHERS	2022	2052							
CHINO HILLS (3)	2006	FEE	11.84	128,082	61.0	FRESH & EASY	2028	2043							
CHULA VISTA	1998	FEE	18.95	356,335	100.0	COSTCO	2029	2079	WAL-MART	2025	2086	NAVYCAR	2009		
COLMA (5)	2006	JOINT VENTURE	6.41	213,532	98.9	MARSHALLS	2012		NORDSTROM RACK	2017		BED BATH & BEYOND	2011	2026	
CORONA	2007	FEE	12.28	148,815	92.9	VONS	2013	2038	PETSMART	2014	2034	ANNA'S LINENS	2012	2027	
CORONA	1998	FEE	48.09	491,998	87.8	COSTCO	2012	2042	HOME DEPOT	2010	2029	BALLY TOTAL FITNESS	2013	2018	
COVINA (4)	2000	GROUND LEASE (2054) JOINT VENTURE	26.00	269,433	99.3	HOME DEPOT	2009	2034	STAPLES	2011		PETSMART	2010	2028	
CUPERTINO	2006	FEE	11.45	114,533	92.0	99 RANCH MARKET	2012	2027							
DAILY CITY	2002	FEE	25.64	600,346	87.9	HOME DEPOT	2026	2056	BURLINGTON COAT FACTORY	2012	2022	SAFeway	2014	2024	
DOWNEY (3)	2006	GROUND LEASE (2009)	9.78	114,722	100.0	WAL-MART	2009								
DUBLIN (3)	2006	FEE	12.35	154,728	100.0	ORCHARD SUPPLY HARDWARE	2011		MARSHALLS	2010	2025	ROSS DRESS FOR LESS	2013	2023	
EL CAJON	2003	JOINT VENTURE	10.94	128,343	100.0	KORLS	2024	2053	MICHAELS	2015	2035				
EL CAJON (6)	2004	FEE	10.35	98,396	94.2	RITE AID	2018	2043	ROSS DRESS FOR LESS	2014	2024	PETCO	2009	2014	
ELK GROVE	2006	FEE	0.82	7,880	100.0										
ELK GROVE	2006	FEE	2.31	30,130	96.0										
ELK GROVE (1)	2006	FEE	5.04	34,015	90.2										
ELK GROVE (1)	2006	FEE	8.05	89,216	94.4	BEL AIR MARKET	2025	2050							
ENCINITAS (3)	2006	FEE	9.14	119,738	89.7	ALBERTSONS	2011	2031	TOTAL WOMAN GYM AND ATMOSPHERE	2019	2029				
ESCONDIDO (1)	2006	FEE	23.11	231,157	96.8	LA FITNESS	2017	2032	VONS	2009	2034	CVS	2009	2034	
FAIR OAKS (3)	2006	FEE	9.58	98,625	97.6	RALEY'S	2011	2021							
FOLSOM	2003	JOINT VENTURE	9.46	108,255	100.0	KORLS	2018	2048							

LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST/ (EXPIRATION)(S)	LAND AREA (ACRES)	LEASABLE AREA SQ. FT.	PERCENT LEASED (1)	MAJOR LEASES								
						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION
FREMONT (3)	2006	FEE	11.94	131,239	99.1	SAVE MART	2013	2038	LONGS DRUGS	2011	2021	BALLY TOTAL FITNESS	2014	2029
FREMONT (3)	2007	JOINT VENTURE	51.70	504,666	96.1	SAFEWAY	2025	2050	BED BATH & BEYOND	2010	2025	MARSHALLS	2015	2030
FRESNO (3)	2006	FEE	9.90	102,581	90.4	SAVE MART	2014	2034	RITE AID	2014	2044			
FRESNO (6)	2004	FEE	10.81	121,107	100.0	BED BATH & BEYOND	2010	2025	SPORTMART	2013	2023	ROSS DRESS FOR LESS	2011	2031
FULLERTON (3)	2006	GROUND LEASE (2042)	20.29	270,647	96.4	TOYS'R US/CHUCK E.CHEESE	2017	2042	AMC THEATRES	2012	2037	AMC THEATERS	2012	2037
GARDENA (3)	2006	FEE	6.52	65,987	98.6	TAWA MARKET	2010	2020	RITE AID	2015	2035			
GRANITE BAY (3)	2006	FEE	11.48	140,184	84.9	RALEY'S	2018	2033						
GRASS VALLEY (3)	2006	FEE	29.96	217,525	97.1	RALEY'S	2018		JCPENNEY	2013	2033	COURTHOUSE ATHLETIC CLUB	2009	2014
HACIENDA HEIGHTS (1)	2006	FEE	12.10	135,012	85.9	ALBERTSONS	2016	2071	VIVO DANCE	2012				
HAYWARD (3)	2006	FEE	7.22	80,911	92.3	99 CENTS ONLY STORES	2010	2023	BIG LOTS	2011	2021			
HUNTINGTON BEACH (1)	2006	FEE	12.00	148,756	97.9	VONS	2016	2036	CVS	2015	2030			
JACKSON	2008	JOINT VENTURE	9.23	67,665	100.0	RALEY'S	2024	2049						
LA MIRADA	1998	FEE	31.20	266,572	96.1	TOYS "R" US	2012	2032	U.S. POSTAL SERVICE	2015	2020	MOVIES 7 DOLLAR THEATRE	2013	2018
LA VERNE (3)	2006	GROUND LEASE (2059)	20.11	229,252	98.0	TARGET	2009	2034	VONS	2010	2055			
LAGUNA HILLS	2007	JOINT VENTURE	-	160,000	100.0	MACY'S	2014	2050						
LINCOLN (5)	2007	JOINT VENTURE	13.06	119,559	97.6	SAFEWAY	2026	2066	LONGS DRUGS	2027	2057			
LIVERMORE (3)	2006	FEE	8.08	104,363	89.5	ROSS DRESS FOR LESS	2014	2024	RICHARD CRAFTS	2013	2018	BIG 5 SPORTING GOODS	2012	2022
LOS ANGELES (3)	2006	GROUND LEASE (2070)	0.03	169,744	99.1	KMART	2012	2018	SUPERIOR MARKETS	2023	2038	CVS	2011	2016
LOS ANGELES (3)	2006	GROUND LEASE (2050)	14.57	165,195	94.7	RALPHSFOOD 4 LESS	2012	2037	FACTORY 2 4 U	2011	2016	RITE AID	2010	2025
MANTECA	2006	FEE	1.05	19,455	94.4									
MANTECA (3)	2006	FEE	7.21	96,393	88.8	PAK 'N SAVE	2013		BIG 5 SPORTING GOODS	2018				
MERCED	2006	FEE	1.40	27,250	86.0									
MODESTO (3)	2006	FEE	17.86	214,772	95.8	GOTTSCHALKS	2013	2027	RALEY'S	2009	2024	GOTTSCHALKS	2012	2026
MONTEBELLO (4)	2000	JOINT VENTURE	25.44	251,489	98.8	SEARS	2012	2062	TOYS "R" US	2018	2043	AMC THEATRES	2012	2032
MORAGA (3)	2006	FEE	33.74	163,630	90.2	TJ MAXX	2011	2026	LONGS DRUGS	2010	2035	U.S. POSTAL SERVICE	2011	2031
MORGAN HILL	2003	JOINT VENTURE	8.12	103,362	100.0	HOME DEPOT	2024	2054						
NAPA	2006	GROUND LEASE (2073)	34.47	349,530	100.0	TARGET	2020	2040	HOME DEPOT	2018	2040	RALEY'S	2020	2045
NORTHBRIDGE	2005	FEE	9.25	158,812	74.6	DOW SHOE WAREHOUSE	2016	2028	GELSON'S MARKET	2017	2027			
NOVATO (3)	2003	FEE	11.29	133,862	94.6	SAFEWAY	2025	2060	RITE AID	2013	2023	BIG LOTS	2010	2020
OCEANSIDE (1)	2006	FEE	10.15	88,363	84.8	SMART & FINAL	2024	2034	LONGS DRUGS	2013	2033			
OCEANSIDE (1)	2006	GROUND LEASE (2048)	9.50	92,278	90.4	TRADER JOE'S	2016	2026	LAMPS PLUS	2011				
OCEANSIDE (1)	2006	FEE	42.69	366,775	96.4	STEIN MART	2009	2024	ROSS DRESS FOR LESS	2014		BARNES & NOBLE	2013	2028
ORANGEVALE (3)	2007	JOINT VENTURE	17.33	160,811	95.4	SAVE MART	2024	2064	LONGS DRUGS	2022	2052	U.S. POSTAL SERVICE	2012	
OSNARD (4)	1998	JOINT VENTURE	14.40	171,580	100.0	TARGET	2013		FOOD 4 LESS	2013		24 HOUR FITNESS	2010	2020
PACIFICA (3)	2006	FEE	7.50	104,281	95.0	SAVE MART	2009	2032	RITE AID	2012	2042			
PACIFICA (7)	2004	JOINT VENTURE	13.60	168,871	95.9	SAFEWAY	2018	2038	ROSS DRESS FOR LESS	2010	2020	RITE AID	2021	
PLEASANTON	2007	JOINT VENTURE	-	175,000	100.0	MACY'S	2012	2040						
PORTERVILLE (3)	2006	FEE	8.10	81,010	93.2	VALLARTA SUPERMARKET	2029	2049	COUNTY OF TULARE	2025	2045			
POWAY	2005	FEE	8.33	121,977	93.4	STEIN MART	2013	2028	HOME GOODS	2014	2034	OFFICE DEPOT	2013	2028
RANCHO CUCAMONGA (1)	2006	FEE	5.16	56,019	91.0	CVS	2011	2026						
RANCHO CUCAMONGA (3)	2006	GROUND LEASE (2042)	17.14	308,846	86.8	FOOD 4 LESS	2014	2034	SPORTS CHALET	2010	2020	PETSMART	2009	2029
RANCHO MIRAGE (1)	2006	FEE	16.85	165,156	84.9	VONS	2010	2039	LONGS DRUGS	2010	2029			
RED BLUFF	2006	FEE	4.59	23,200	89.4									
REDDING	2006	FEE	1.75	21,876	77.0									
REDWOOD CITY (6)	2004	FEE	6.38	49,429	100.0	ORCHARD SUPPLY HARDWARE	2019	2029						
RIVERSIDE	2008	JOINT VENTURE	5.02	86,108	97.7	BURLINGTON COAT FACTORY	2009	2028						
ROSEVILLE (5)	2007	JOINT VENTURE	8.97	81,171	98.3	SAFEWAY	2030	2060						
ROSEVILLE (6)	2004	FEE	20.29	188,493	77.0	SPORTS AUTHORITY	2016	2031	ROSS DRESS FOR LESS	2013	2028	STAPLES	2013	2028
SACRAMENTO (3)	2006	FEE	22.12	188,874	91.0	SEAFOOD CITY	2018	2033	BIG 5 SPORTING GOODS	2012	2022			
SACRAMENTO (3)	2006	FEE	13.15	120,893	90.2	UNITED ARTISTS THEATRE	2016	2028	24 HOUR FITNESS	2012	2027			
SAN DIEGO	2007	JOINT VENTURE	-	225,919	100.0	NORDSTROM	2017	2037						
SAN DIEGO	2007	FEE	13.40	49,080	100.0									
SAN DIEGO (3)	2006	GROUND LEASE (2023)	16.36	210,621	91.3	CIRCUIT CITY	2010	2020	TJ MAXX	2010	2015	CVS	2013	2023
SAN DIEGO (4)	2000	JOINT VENTURE	11.24	117,410	100.0	ALBERTSONS	2012		SPORTMART	2013				
SAN DIEGO (5)	2007	JOINT VENTURE	5.94	59,414	98.4									
SAN DIEGO (5)	2007	JOINT VENTURE	12.80	57,406	100.0									
SAN DIEGO (6)	2004	FEE	5.91	35,000	76.0	CLAIM JUMPER	2013	2023						
SAN DIEGO (6)	2004	FEE	42.12	411,375	100.0	PRICE SELF STORAGE	2035		COSTCO	2014	2044	CHARLOTTE RUSSE	2010	

						MAJOR LEASES								
LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST/ (EXPIRATION)(S)	LAND AREA (ACRES)	LEASABLE AREA SQ. FT.	PERCENT LEASED (1)	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION
SAN DIMAS (3)	2006	FEE	13.42	154,000	89.6	OFFICEMAX	2011	2026	ROSS DRESS FOR LESS	2013	2023	PETCO	2012	2027
SAN JOSE (7)	2006	FEE	16.84	183,180	94.5	WAL-MART	2011	2041	WALGREENS	2030				
SAN LEANDRO (3)	2006	FEE	6.23	95,255	100.0	ROSS DRESS FOR LESS	2018		MICHAELS	2013				
SAN LUIS OBISPO	2005	FEE	17.55	174,428	91.2	VONS	2017	2042	MICHAELS	2013	2028	CVS	2017	2047
SAN RAMON (4)	1999	JOINT VENTURE	5.30	41,913	95.4	PETCO	2012	2022						
SANTA ANA	1998	FEE	12.00	134,400	100.0	HOME DEPOT	2015	2035						
SANTA CLARITA (3)	2006	FEE	14.10	96,662	88.7	ALBERTSONS	2012	2042						
SANTA ROSA	2005	FEE	3.63	41,565	91.4	ACE HARDWARE	2009	2019						
SANTIE	2003	JOINT VENTURE	44.45	311,637	97.8	24 HOUR FITNESS	2017		BED BATH & BEYOND	2013	2028	TJ MAXX	2012	2027
SIGNAL HILL (6)	2004	FEE	14.97	181,250	97.7	HOME DEPOT	2014	2034	PETSMART	2014	2024			
STOCKTON	1999	FEE	14.63	152,919	87.2	SUPER UNITED FURNITURE	2014	2019	COSTCO	2013	2033			
TEMECULA (3)	2006	FEE	17.93	199,130	91.1	ALBERTSONS	2015	2045	LONGS DRUGS	2016	2041			
TEMECULA (4)	1999	JOINT VENTURE	40.00	342,336	93.1	KMART	2017	2032	FOOD 4 LESS	2010	2030	TRISTONE THEATRES	2013	2018
TEMECULA (6)	2004	FEE	47.38	345,113	100.0	WAL-MART	2028	2058	KOHL'S	2024	2044	ROSS DRESS FOR LESS	2014	2014
TORRANCE (3)	2007	JOINT VENTURE	6.75	67,504	82.9	ACE HARDWARE	2013	2023	COOKIN' STUFF	2012				
TORRANCE (4)	2000	JOINT VENTURE	26.68	266,847	99.3	HL TORRANCE	2011		LINENS N THINGS	2010	2020	MARSHALLS	2014	2019
TRUCKEE	2006	FEE	3.17	26,553	88.9									
TRUCKEE (5)	2007	GROUND LEASE (2016) JOINT VENTURE	4.92	41,149	100.0									
TURLOCK (3)	2006	FEE	10.11	111,612	94.1	RALEY'S	2018	2033	DECHINA 1 BUFFET, INC.	2014	2024			
TUSTIN	2007	JOINT VENTURE	51.98	485,330	98.6	TARGET	2033		AMC THEATERS	2027		WHOLE FOODS MARKET	2027	
TUSTIN	2003	JOINT VENTURE	9.10	108,413	100.0	KMART	2018	2048						
TUSTIN (3)	2006	FEE	12.90	138,348	91.6	RALPHS	2013	2023	LONGS DRUGS	2022	2032	MICHAELS	2013	
TUSTIN (3)	2006	FEE	15.70	210,743	88.7	VONS	2021	2041	RITE AID	2009	2029	KRAGEN AUTO PARTS	2011	2016
UKIAH (3)	2006	FEE	11.08	110,565	90.8	RALEY'S	2016	2031						
UPLAND (3)	2006	FEE	22.57	271,867	85.2	HOME DEPOT	2014	2029	PAVILIONS	2013	2043	STAPLES	2013	2028
VALENCIA (3)	2006	FEE	13.67	143,333	90.0	RALPHS	2023	2053	LONGS DRUGS	2013	2023			
VALLEJO (3)	2006	FEE	14.15	150,766	92.4	RALEY'S	2017	2032	24 HOUR FITNESS	2013		AARON RENTS	2013	2023
VALLEJO (3)	2006	FEE	6.79	66,000	100.0	SAFEWAY	2015	2045						
VISALIA	2007	JOINT VENTURE	-	136,726	100.0	REGAL SEQUOIA MALL 12	2016		MARSHALLS	2010		BED BATH & BEYOND	2011	
VISALIA (3)	2006	FEE	4.24	46,460	80.5	CHUCK E CHEESE	2013							
VISTA (3)	2006	FEE	12.00	136,672	87.2	ALBERTSONS	2011	2041	CVS	2010	2025			
WALNUT CREEK (3)	2006	FEE	3.23	114,733	92.9	CENTURY THEATRES	2023	2053	COST PLUS	2014	2024			
WESTMINSTER (3)	2006	FEE	16.36	208,660	98.8	PAVILIONS	2017	2047	NEW WORLD AUDIO/VIDEO	2012				
WINDSOR (3)	2006	GROUND LEASE (2054)	13.08	126,187	86.4	SAFEWAY	2014	2054	LONGS DRUGS	2018	2048			
WINDSOR (3)	2006	FEE	9.81	107,769	98.7	RALEY'S	2012	2027	THE 24 HOUR CLUB	2018				
YREKA (3)	2006	FEE	13.97	126,614	97.8	RALEY'S	2014	2029	JCPENNEY	2011		DOLLAR TREE	2013	
COLORADO														
AURORA	1998	FEE	13.90	152,490	82.6	ALBERTSONS	2011	2051	DOLLAR TREE	2012	2027	CROWN LIQUORS	2015	
AURORA	1998	FEE	9.92	44,174	75.8									
AURORA	1998	FEE	13.81	154,055	83.3	ROSS DRESS FOR LESS	2017	2037	TJ MAXX	2012		SPACE AGE FEDERAL	2016	2026
COLORADO SPRINGS	1998	FEE	10.74	107,310	76.2	RANCHO LIBORGO	2018	2043						
DENVER	1998	FEE	1.45	18,405	100.0	SAVE-A LOT	2012	2027						
ENGLEWOOD	1998	FEE	6.48	80,330	91.5	HOBBY LOBBY	2013	2023	OLD COUNTRY BUFFET	2009	2019			
FORT COLLINS	2000	FEE	11.58	115,862	100.0	KOHL'S	2020	2070	GUITAR CENTER	2017	2027			
GREELEY (6)	2005	JOINT VENTURE	14.39	138,818	100.0	BED BATH & BEYOND	2016	2036	MICHAELS	2015	2035	CIRCUIT CITY	2016	2031
GREENWOOD VILLAGE	2003	JOINT VENTURE	21.00	196,726	100.0	HOME DEPOT	2019	2069						
LAKEWOOD	1998	FEE	7.55	82,581	84.3	SAFEWAY	2012	2032						
PUEBLO	2006	JOINT VENTURE	3.26	30,809	0.0									
CONNECTICUT														
BRANFORD (4)	2000	JOINT VENTURE	19.07	190,738	98.6	KOHL'S	2012	2022	SUPER FOODMART	2016	2038			
DEBBY	2005	JOINT VENTURE	20.67	141,258	100.0	LOWE'S HOME CENTER	2029	2069						
ENFIELD (4)	2000	JOINT VENTURE	14.85	148,517	98.7	KOHL'S	2021	2041	BEST BUY	2016	2031	TJ MAXX	2010	2015
FARMINGTON	1998	FEE	16.90	184,572	76.4	SPORTS AUTHORITY	2018	2063	BORDERS BOOKS	2018	2063	TJ MAXX	2010	2015
HAMDEN	1967	JOINT VENTURE	31.69	345,196	90.7	WAL-MART	2019	2039	BON-TON	2012		BOB'S STORES	2016	2036
NORTH HAVEN	1998	FEE	31.70	331,919	98.1	HOME DEPOT	2014	2029	BFS	2011	2041	NPECT DISCOUNT	2013	
WATERBURY	1993	FEE	13.10	141,443	100.0	RAYMOOR & PLANKAN FURNITURE	2017	2037	STOP & SHOP	2013	2043			

LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST/ (EXPIRATION)(S)	LAND AREA (ACRES)	LEASABLE AREA SQ. FT.)	PERCENT LEASED (1)	MAJOR LEASES								
						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION
DELAWARE														
ELSMERE	1979	GROUND LEASE (2076)	17.14	106,530	100.0	VALUE CITY	2013	2038						
WILMINGTON (7)	2004	GROUND LEASE (2052) JOINT VENTURE	25.85	145,805	100.0	SHOPRITE	2014	2044	SPORTS AUTHORITY	2013	2023	RAYMOOR & FLANGAN FURNITURE	2019	2044
FLORIDA														
ALTAMONTE SPRINGS	1998	FEE	19.40	233,817	84.3	BAER'S FURNITURE	2024	2034	DSW SHOE WAREHOUSE	2012	2032	MICHAELS	2012	2022
ALTAMONTE SPRINGS	1995	FEE	5.58	94,193	71.4	ORIENTAL MARKET	2012	2022	THOMASVILLE HOME	2011	2021			
BOCA RATON	1967	FEE	9.85	73,549	90.2	WINN DIXIE	2013	2033						
BONITA SPRINGS (5)	2006	JOINT VENTURE	0.50	79,676	88.0	PUBLIX	2022	2052						
BOYNTON BEACH (4)	1999	JOINT VENTURE	18.00	194,028	98.6	BEALLS	2011	2056	ALBERTSONS	2015	2040			
BRADENTON	1968	JOINT VENTURE	6.20	30,938	86.1	GRAND CHINA BUFFET	2009	2014						
BRADENTON	1998	FEE	19.63	162,997	89.5	PUBLIX	2012	2032	TJ MAXX	2014	2019	JO-ANN FABRICS	2014	2024
BRANDON (4)	2001	JOINT VENTURE	29.70	143,785	100.0	BED BATH & BEYOND	2010	2020	ROSS DRESS FOR LESS	2015	2025	THOMASVILLE HOME	2010	2020
CAPE CORAL (5)	2006	JOINT VENTURE	-	125,110	96.9	PUBLIX	2022	2052	ROSS DRESS FOR LESS	2013	2033	STAPLES	2013	2033
CAPE CORAL (5)	2006	JOINT VENTURE	2.32	42,030	90.4									
CLEARWATER	2005	FEE	20.73	207,071	91.3	HOME DEPOT	2023	2068	JO-ANN FABRICS	2014	2034	STAPLES	2014	2034
CORAL SPRINGS	1997	FEE	9.80	86,342	98.5	TJ MAXX	2012	2017	ANNA'S LINENS	2012	2027	PARTY SUPERMARKET	2011	2016
CORAL SPRINGS	1994	FEE	5.90	55,597	35.2									
CORAL WAY	1992	JOINT VENTURE	8.73	87,305	100.0	WINN DIXIE	2011	2036	STAPLES	2016	2031			
CUTLER RIDGE	1998	JOINT VENTURE	3.76	37,640	100.0	POTAMKIN CHEVROLET	2015	2050						
DELRAY BEACH (5)	2006	JOINT VENTURE	-	50,966	100.0	PUBLIX	2025	2055						
EAST ORLANDO	1971	GROUND LEASE (2068)	11.63	131,981	94.8	SPORTS AUTHORITY	2010	2020	OFFICE DEPOT	2010	2025	C-TOWN	2013	2028
FERN PARK	1968	FEE	12.00	131,646	36.8	ALDI	2018	2038	DEALS	2014	2029			
FORT LAUDERDALE (6)	2004	FEE	22.88	229,034	98.5	REGAL CINEMAS	2017	2057	OFFICE DEPOT	2011	2026	JUST FOR SPORTS	2017	2023
FORT MEYERS (5)	2006	JOINT VENTURE	7.42	74,286	79.4	PUBLIX	2023	2053						
HALLAH	1998	JOINT VENTURE	2.36	23,625	100.0	POTAMKIN CHEVROLET	2015	2050						
HOLLYWOOD (6)	2002	JOINT VENTURE	5.00	50,000	100.0	HOME GOODS	2010	2025	MICHAELS	2018	2030			
HOLLYWOOD (6)	2004	FEE	10.45	141,097	87.4	AZOPHARMA	2014	2020	AZOPHARMA	2014	2020	C'ST PAPER, INC.	2012	2017
HOLLYWOOD (6)	2004	FEE	98.93	871,723	99.3	HOME DEPOT	2019	2069	KMART	2019	2069	BFS	2019	2069
HOMESTEAD	1972	GROUND LEASE (2093) JOINT VENTURE	21.00	209,214	98.9	PUBLIX	2014	2034	MARSHALLS	2011	2026	OFFCEMAX	2013	2028
JACKSONVILLE	2002	JOINT VENTURE	5.10	51,002	100.0	MICHAELS	2013	2033	HOME GOODS	2010	2020			
JACKSONVILLE	1999	FEE	18.42	205,696	99.5	BURLINGTON COAT FACTORY	2013	2018	OFFCEMAX	2012	2012	TJ MAXX	2012	2017
JACKSONVILLE (11)	2005	JOINT VENTURE	147.50	121,080	62.0	HOBREGGO	2018	2033	HAVERTY'S	2013	2023	FOREVER 21	2022	2037
JACKSONVILLE (5)	2006	JOINT VENTURE	-	72,840	96.2	PUBLIX	2053							
JENSEN BEACH	1994	FEE	20.67	173,319	79.9	SERVICE MERCHANDISE	2010	2070	MARSHALLS	2010	2020	DOLLAR TREE	2013	2028
JENSEN BEACH (8)	2006	JOINT VENTURE	19.77	205,672	86.4	HOME DEPOT	2025	2030	JO-ANN FABRICS	2020	2035			
KEY LARGO (4)	2000	JOINT VENTURE	21.50	207,232	97.9	KMART	2014	2064	PUBLIX	2014	2029	BEALLS OUTLET	2011	
KISSIMEE	1996	FEE	18.42	90,840	80.5	OFFCEMAX	2012	2027	DEALS	2013	2028			
LAKELAND	2006	FEE	10.42	86,022	100.0	SPORTS AUTHORITY	2011	2026	LAKELAND SQUARE 10 THEATRE	2009		CHUCK E CHEESE	2016	2026
LAKELAND	2001	FEE	22.93	229,383	82.4	STEIN MART	2011	2026	ROSS DRESS FOR LESS	2012		MARSHALLS	2021	2036
LARGO	1992	FEE	29.44	215,916	95.2	PUBLIX	2014	2029	AMC THEATRES	2011	2036	OFFICE DEPOT	2009	2019
LARGO	1968	FEE	11.98	149,472	100.0	WAL-MART	2012	2027	ALDI	2018	2038			
LAUDERDALE LAKES	1968	JOINT VENTURE	10.04	115,341	98.9	SAVE-A-LOT	2012	2017	THINK THRIFT	2012	2017			
LAUDERHILL	1978	FEE	17.79	181,416	92.3	BABIES R US	2014		STAPLES	2017	2037	99CENT STUFF	2013	2018
LEESBURG	1969	GROUND LEASE (2017)	1.25	13,468	88.9									
MARGATE	1993	FEE	34.07	260,729	66.1	SAM ASH MUSIC	2011		OFFICE DEPOT	2010	2025	DOLLAR TREE	2010	2020
MELBOURNE	1968	GROUND LEASE (2022)	11.53	168,737	95.9	SUBMITTORDER CO	2010	2022	WALGREENS	2045		GOODWILL INDUSTRIES	2012	
MELBOURNE	1998	FEE	13.23	144,399	100.0	JO-ANN FABRICS	2016	2031	BED BATH & BEYOND	2013	2028	MARSHALLS	2010	
MERRITT ISLAND (5)	2006	JOINT VENTURE	-	60,103	100.0	PUBLIX	2023	2053						
MIAMI	1962	JOINT VENTURE	13.98	79,273	92.4	BABIES R US	2011	2021	FIRESTONE TIRE	2009				
MIAMI	1998	JOINT VENTURE	8.49	86,900	100.0	POTAMKIN CHEVROLET	2015	2050						
MIAMI	1998	JOINT VENTURE	1.71	17,117	100.0	LEHMAN TOYOTA	2015	2050						
MIAMI	1998	JOINT VENTURE	2.91	29,166	100.0	LEHMAN TOYOTA	2015	2050						
MIAMI	1995	FEE	5.44	63,664	91.8	PETCO	2016	2021	PARTY CITY	2012	2017			
MIAMI	2007	FEE	33.35	349,873	88.8	PUBLIX	2011	2031	OFFICE DEPOT	2010	2015	MICHAELS	2010	2015
MIAMI	1986	FEE	7.78	83,380	98.7	PUBLIX	2009	2029	WALGREENS	2018				
MIAMI	1968	FEE	8.23	104,908	100.0	HOME DEPOT	2029	2059	WALGREENS	2009				
MIAMI (5)	2007	JOINT VENTURE	7.50	59,880	100.0	PUBLIX	2027	2062						
MIAMI (5)	2006	JOINT VENTURE	-	63,595	96.5	PUBLIX	2023	2053						

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						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION
MIAMI (6)	2004	FEE	31.16	402,801	96.7	KMART	2012	2042	EL DORADO FURNITURE	2017	2032	SYMS	2011	2041
MIDDLEBURG (11)	2005	JOINT VENTURE	36.30	82,000	34.1	DOLLAR TREE	2013	2028						
MIRAMAR (11)	2005	JOINT VENTURE	36.70	156,000	34.6	24-HOUR FITNESS	2023	2038						
MOUNT DORA	1997	FEE	12.44	120,430	100.0	KMART	2013	2063						
NORTH LAUDERDALE (1)	2007	JOINT VENTURE	28.85	250,209	95.2	HOME DEPOT	2019	2049	CHANCELLOR ACADEMY	2011	2016	PUBLIX	2011	2031
NORTH MIAMI BEACH	1985	FEE	15.92	108,795	94.9	PUBLIX	2019	2039	WALGREENS	2008				
OCALA	1997	FEE	27.17	260,435	88.5	KMART	2011	2021	BEST BUY	2009	2034	SERVICE MERCHANDISE	2012	2032
ORANGE PARK	2003	JOINT VENTURE	5.02	90,299	100.0	BED BATH & BEYOND	2015	2025	MICHAELS	2010	2030			
ORLANDO	1968	GROUND LEASE (2017) JOINT VENTURE	7.75	113,367	100.0	24-HOUR FITNESS	2023	2038	TJ MAXX	2018	2038			
ORLANDO	1968	JOINT VENTURE	10.00	113,262	99.4	HEN	2009		PARTY CITY	2012	2017			
ORLANDO	1996	FEE	11.70	132,456	100.0	ROSS DRESS FOR LESS	2013	2028	BIG LOTS	2014		ALDI	2018	2038
ORLANDO	1994	FEE	28.00	236,466	80.4	OLD TIME POTTERY	2010	2020	SPORTS AUTHORITY	2011	2031	USA BABY	2013	2018
ORLANDO (4)	2000	JOINT VENTURE	18.00	179,865	99.4	KMART	2014	2064	PUBLIX	2012	2037			
ORLANDO (6)	2004	FEE	14.02	154,356	92.6	MARSHALLS	2013	2028	OFF BROADWAY SHOES	2013	2023	GOLFSMITH GOLF CENTER	2014	2024
OVIEDO (5)	2006	JOINT VENTURE	7.80	76,993	100.0	PUBLIX	2020	2050						
PLANTATION	1974	JOINT VENTURE	4.59	60,414	95.6	WHOLE FOODS MARKET	2014	2019						
POMPANNO BEACH	2007	JOINT VENTURE	10.31	101,173	94.4	KMART	2012	2017						
POMPANNO BEACH	1968	JOINT VENTURE	6.55	66,613	98.2	SAVE-A LOT	2015	2030						
POMPANNO BEACH (9)	2004	JOINT VENTURE	18.60	140,312	89.4	WINN DIXIE	2018	2043	CVS	2020	2040			
PORT RICHEY (4)	1998	JOINT VENTURE	14.34	101,294	62.0	CIRCUIT CITY	2011	2031	STAPLES	2011	2026			
REVERA BEACH	1968	JOINT VENTURE	5.06	46,390	92.2	FURNITURE KINGDOM	2009	2014	GOODWILL INDUSTRIES	2013				
SANFORD	1989	FEE	40.90	195,689	89.8	ARBY'S	2027	2047	ROSS DRESS FOR LESS	2012	2032	OFFICE DEPOT	2009	2019
SARASOTA	1970	FEE	10.00	102,455	100.0	TJ MAXX	2012	2017	OFFCEMAX	2014	2024	DOLLAR TREE	2012	2032
SARASOTA	1989	FEE	11.98	129,700	94.0	SWEETBAY	2020	2040	ACE HARDWARE	2013	2023	ANTHONY'S LADIES WEAR	2012	2017
SARASOTA (5)	2006	JOINT VENTURE	-	65,320	88.5	PUBLIX	2063							
ST. AUGUSTINE	2005	JOINT VENTURE	1.45	62,000	91.9	HOBBY LOBBY	2019	2032						
ST. PETERSBURG	1968	GROUND LEASE (2014) JOINT VENTURE	9.01	118,574	100.0	KASH N KARRY	2017	2037	TJ MAXX	2012	2014	YOU FIT	2018	2028
TALLAHASSEE	1998	FEE	12.79	105,655	58.7	STEIN MART	2018	2033						
TAMPA	2004	FEE	22.42	197,181	96.2	LOWE'S HOME CENTER	2026	2066						
TAMPA	1997/2004	FEE	23.86	205,634	97.0	AMERICAN SIGNATURE	2019	2044	STAPLES	2013	2018	ROSS DRESS FOR LESS	2012	2022
TAMPA (4)	2001	JOINT VENTURE	73.00	340,460	95.7	BEST BUY	2016	2031	JO-ANN FABRIC'S	2016	2031	BED BATH & BEYOND	2015	2030
TAMPA (9)	2007	JOINT VENTURE	10.02	100,200	92.9	PUBLIX	2011	2026						
WEST PALM BEACH	1967	JOINT VENTURE	7.57	81,073	98.4	WINN DIXIE	2010	2030						
WEST PALM BEACH	1995	FEE	7.93	79,964	93.8	BARBER'S US	2011	2021						
WEST PALM BEACH (6)	2004	FEE	33.03	337,537	83.3	KMART	2018	2068	WINN DIXIE	2019	2049	ROSS DRESS FOR LESS	2014	2029
WINTER HAVEN	1973	JOINT VENTURE	13.90	95,188	98.7	BIG LOTS	2010	2020	JO-ANN FABRIC'S	2011	2016	BUDDY'S HOME FURNISHINGS	2015	2025
YULEE (11)	2003	JOINT VENTURE	82.10	76,000	63.2	PETCO	2018	2028						
GEORGIA														
ALPHARETTA	2008	JOINT VENTURE	15.42	130,515	95.7	KROGER	2020	2050						
ATLANTA	2008	JOINT VENTURE	31.02	354,214	88.4	DAYS INN	2014	2034	KROGER	2021	2056	GOODYEAR TIRE	2010	2030
ATLANTA (9)	2007	JOINT VENTURE	10.09	175,835	82.7	MARSHALLS	2014	2034	BEST BUY	2014	2029	OFF BROADWAY SHOE WAREHOUSE	2013	2019
AUGUSTA	1995	FEE	11.32	112,537	87.1	TJ MAXX	2010	2015	ROSS DRESS FOR LESS	2013	2033	RUGGED WEARHOUSE	2013	2018
AUGUSTA (4)	2001	JOINT VENTURE	32.61	531,815	99.0	SPORTS AUTHORITY	2012	2027	HHGREGG	2017	2027	BED BATH & BEYOND	2013	2028
DULUTH (5)	2006	JOINT VENTURE	7.80	78,025	92.3	WHOLE FOODS MARKET	2027	2057						
SAVANNAH	2008	JOINT VENTURE	18.01	197,957	81.4	ROSS DRESS FOR LESS	2016	2036	COST PLUS	2016	2031	DOLLAR TREE	2013	2028
SAVANNAH	1995	GROUND LEASE (2045)	8.46	80,378	84.9	PUBLIX	2028	2063	STAPLES	2015	2030			
SAVANNAH	1993	FEE	22.22	187,076	97.2	BED BATH & BEYOND	2013	2028	TJ MAXX	2010	2015	MARSHALLS	2013	2022
SNELLVILLE (4)	2001	JOINT VENTURE	35.60	311,033	93.9	KOHL'S	2022	2062	BELK	2015	2035	HHGREGG	2019	2034
VALDOSTA	2004	JOINT VENTURE	17.53	175,396	100.0	LOWE'S HOME CENTER	2019	2069						
HAWAII														
KIHEI	2006	FEE	4.55	17,897	83.3									

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						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION			
ILLINOIS																	
AURORA	1998	FEE	17.89	91,182	100.0	CERMAK PRODUCE AURORA	2022	2042									
AURORA (50)	2005	JOINT VENTURE	34.73	361,991	78.0	BEST BUY	2011	2026	VALUE CITY	2014	2019	GOLFSMITH	2016	2031			
BATAVIA (4)	2002	JOINT VENTURE	31.71	272,410	87.2	KOHL'S	2019	2049	HOBBY LOBBY	2009	2019	OFFICEMAX	2014	2034			
BELLEVILLE	1998	GROUND LEASE (2037)	20.34	100,160	100.0	KMART	2024	2054	WESTFIELD PLAZA ASSOCIATES	2009	2052						
BLOOMINGTON	2003	JOINT VENTURE	10.95	73,951	100.0	JEWEL-OSCO	2014	2039									
BLOOMINGTON	1972	FEE	16.09	188,250	100.0	SCHNUCK MARKETS	2014	2029	TOYS "R" US	2015	2045	BARNES & NOBLE	2010	2015			
BRADLEY	1996	FEE	5.35	80,535	100.0	CARSON PIRIE SCOTT	2014	2034									
CALUMET CITY	1997	FEE	16.98	159,667	97.9	MARSHALLS	2014	2029	BEST BUY	2012	2032	BED BATH & BEYOND	2014	2024			
CHAMPAIGN	1998	FEE	9.04	111,985	100.0	HOBBY LOBBY	2017	2027	CABLE CLINIC	2013	2028						
CHAMPAIGN (4)	2001	JOINT VENTURE	9.29	111,720	100.0	BEST BUY	2016	2031	DECK'S SPORTING GOODS	2016	2031	MICHAELS	2010	2025			
CHICAGO	1997	GROUND LEASE (2040)	17.48	102,011	100.0	BURLINGTON COAT FACTORY	2020	2035	RAINBOW SHOPS	2011	2021	BEAUTY ONE	2010	2015			
CHICAGO	1997	FEE	6.04	86,894	100.0	KMART	2024	2054									
COUNTRYSIDE	1997	FEE	27.67	117,085	100.0	HOME DEPOT	2023	2053									
CRESTWOOD	1997	GROUND LEASE (2051)	26.75	79,903	100.0	SEARS	2024	2051									
CRYSTAL LAKE	1998	FEE	6.13	80,390	100.0	HOBBY LOBBY	2014	2024	MONKEY JOES	2019	2029						
DOWNERS GROVE	1998	GROUND LEASE (2062)	5.00	100,000	100.0	HOME DEPOT EXPO	2022	2062									
DOWNERS GROVE	1997	FEE	12.04	141,906	100.0	TJ MAXX	2014	2024	BEST BUY	2015	2030	BEST BUY	2012	2032			
DOWNERS GROVE	1999	FEE	24.76	145,153	92.7	DOMINICK'S	2009	2019	DOLLAR TREE	2013	2023	WALGREENS	2022				
ELGIN	1972	FEE	18.69	186,432	99.3	ELGIN MALL	2013	2023	ELGIN FARMERS PRODUCTS	2020	2030	AARON SALES & LEASE OWNERSHIP	2012	2022			
FAIRVIEW HEIGHTS	1998	GROUND LEASE (2054)	19.05	192,073	100.0	KMART	2024	2054	OFFICEMAX	2015	2025	WALGREENS	2010	2029			
FOREST PARK	1997	GROUND LEASE (2021)	9.29	98,371	100.0	KMART	2021										
GENEVA	1996	FEE	8.18	110,188	100.0	GANDER MOUNTAIN	2013	2028									
KILDEER (5)	2006	JOINT VENTURE	23.30	167,477	97.6	BED BATH & BEYOND	2012	2032	CIRCUIT CITY	2017	2042	OLD NAVY	2011	2016			
MATTESON	1997	FEE	17.01	157,885	81.2	SPORTMART	2014	2029	MARSHALLS	2010	2025	BORDERS BOOKS	2024	2039			
MOUNT PROSPECT	1997	FEE	16.80	192,547	100.0	KOHL'S	2024	2054	HOBBY LOBBY	2016	2026	POOL-A-RAMA	2011	2018			
MUNDELEN	1998	FEE	7.62	89,692	100.0	BURLINGTON COAT FACTORY	2018	2033									
NAPERVILLE	1997	FEE	9.00	102,227	100.0	BURLINGTON COAT FACTORY	2013	2033									
NORRIDGE	1997	GROUND LEASE (2047)	11.69	116,914	100.0	KMART	2012	2047									
OAK LAWN	1997	FEE	15.43	176,037	100.0	KMART	2024	2054	CHUCK E CHEESE	2016	2026						
OAKBROOK TERRACE	1997/2001	GROUND LEASE (2049)	15.59	176,263	83.0	HOME DEPOT	2024	2044	LOYOLA UNIV. MEDICAL CENTER	2011	2016	POMPEI BAKERY	2011	2021			
ORLAND PARK	1997	FEE	18.83	131,546	11.2												
OTTAWA	1970	FEE	8.97	60,080	0.0	VALUE CITY	2012	2022									
PEORIA	1997	GROUND LEASE (2031)	20.45	156,067	100.0	KMART	2014	2021	MARSHALLS	2009	2024						
ROCKFORD	2008	JOINT VENTURE	8.90	89,047	61.8	BEST BUY	2016	2031									
ROLLING MEADOWS	2003	FEE	5.72	37,225	100.0	FAIR LANES ROLLING MEADOWS	2013										
SCHAUMBURG	1998	JOINT VENTURE	7.30														
SCHAUMBURG	2003	JOINT VENTURE	62.99	628,752	98.5	GALYAN'S TRADING COMPANY	2013	2038	CARSON PIRIE SCOTT	2021	2071	LOWE'S THEATRES	2019	2039			
SKOKIE	1997	FEE	5.84	58,455	100.0	MARSHALLS	2010	2025	OLD NAVY	2010	2015						
STREAMWOOD	1998	FEE	5.61	81,000	100.0	VALUE CITY	2015	2030									
WOODBRIDGE	1998	FEE	13.10	172,436	86.7	WOODGROVE THEATERS, INC.	2012	2022	KOHL'S	2010	2030	SHOE CARNIVAL	2014	2019			
INDIANA																	
EVANSVILLE	1986	FEE	14.20	192,933	82.8	BURLINGTON COAT FACTORY	2012	2027	OFFICEMAX	2012	2027	FAMOUS FOOTWEAR	2010	2025			
GREENWOOD	1970	FEE	25.68	168,577	86.4	BABY SUPERSTORE	2011	2021	TOYS "R" US	2011	2036	TJ MAXX	2015				
GRIFFITH	1997	FEE	10.57	114,684	100.0	KMART	2024	2054									
INDIANAPOLIS	1963	JOINT VENTURE	17.42	165,255	96.7	KROGER	2026	2066	AJ WRIGHT	2012	2027	CVS	2021	2031			
LAFAYETTE	1997	FEE	24.34	238,288	74.4	HOME DEPOT	2026	2056	JO-ANN FABRICS	2014	2020						
LAFAYETTE	1971	FEE	12.37	90,500	92.9	KROGER	2026	2056									
MISHAWAKA	1998	FEE	7.47	80,523	100.0	HIREGREG	2018	2038									
SOUTH BEND	1997	JOINT VENTURE	14.59	145,992	97.1	BED BATH & BEYOND	2015	2040	DSW SHOE WAREHOUSE	2020	2035	PETSMART	2015	2030			
SOUTH BEND	1998	FEE	1.82	81,668	100.0	MENARD	2010	2030									
IOWA																	
CLIVE	1996	FEE	8.80	90,000	100.0	KMART	2021	2051									
COUNCIL BLUFFS (11)	2006	JOINT VENTURE	56.20	303,000	48.8	HOBBY LOBBY	2023	2038	BED BATH & BEYOND	2019	2039	PETSMART	2018	2043			
DAVENPORT	1997	GROUND LEASE (2028)	9.10	91,035	100.0	KMART	2024	2054									
DES MOINES	1999	FEE	23.00	140,059	83.4	BEST BUY	2013	2022	OFFICEMAX	2013	2018	PETSMART	2017	2042			
DUBUQUE	1997	GROUND LEASE (2019)	6.50	82,979	100.0	SHOPKO	2018	2019									
SOUTHEAST DES MOINES	1996	FEE	9.56	111,847	100.0	HOME DEPOT	2020	2065									
WATERLOO	1996	FEE	8.97	104,074	100.0	HOBBY LOBBY	2014	2024	TJ MAXX	2014	2024	SHOE CARNIVAL	2015	2025			

LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST/ (EXPIRATION)(2)	LAND AREA (ACRES)	LEASEABLE AREA SQ. FT.	PERCENT LEASED (1)	MAJOR LEASES							
						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION
KANSAS													
EAST WICHITA (4)	1996	JOINT VENTURE	6.50	96,011	100.0	DICK'S SPORTING GOODS	2018	2033	GORDMANS	2012	2032		
OVERLAND PARK	2006	FEE	14.48	120,164	100.0	HOME DEPOT	2010	2050					
WICHITA (4)	1998	JOINT VENTURE	13.50	133,771	100.0	BEST BUY	2010	2025	TJ MAXX	2010	2020	MICHAELS	2010 2025
KENTUCKY													
BELLEVEUE	1976	FEE	6.04	53,695	100.0	KROGER	2010	2035					
FLORENCE (7)	2004	JOINT VENTURE	8.18	99,578	67.7	DICK'S SPORTING GOODS	2018	2033					
HINKLEVILLE	1994	GROUND LEASE (2039)	1.96	85,229	0.0								
LEXINGTON	1993	FEE	33.80	234,943	93.6	BEST BUY	2014	2024	BED BATH & BEYOND	2013	2038	TOYS "R" US	2013 2038
LOUISIANA													
BATON ROUGE	2005	FEE	9.43	67,755	90.6	WAL-MART	2024	2034					
BATON ROUGE	1997		18.58	349,907	98.4	BURLINGTON COAT FACTORY	2009	2024	STEIN MART	2011	2016	K&G MEN'S COMPANY	2017 2032
HARVEY	2008	JOINT VENTURE	14.90	181,660	77.5	BEST BUY	2017	2032	LINENS N THINGS	2012	2032	BARNES & NOBLE	2012 2022
HOUMA	1999	FEE	10.10	98,586	100.0	OLD NAVY	2009	2014	OFFICEMAX	2013	2028	MICHAELS	2014 2019
LAFAYETTE	1997	FEE	21.94	244,768	85.3	STEIN MART	2010	2020	TJ MAXX	2014	2019	PETSMART	2014 2019
MAINE													
BANGOR	2001	FEE	8.64	86,422	100.0	BURLINGTON COAT FACTORY	2012	2032					
S. PORTLAND	2008	JOINT VENTURE	12.46	98,401	89.2	DSW SHOE WAREHOUSE	2012	2027	DOLLAR TREE	2015	2025	GUITAR CENTER	2016 2026
MARYLAND													
BALTIMORE (10)	2007	JOINT VENTURE	7.31	77,287	100.0	SUPER FRESH	2021	2061					
BALTIMORE (10)	2007	JOINT VENTURE	10.60	112,722	100.0	SAFEWAY	2016	2046	RITE AID	2011	2026	DOLLAR TREE	2013 2028
BALTIMORE (10)	2007	JOINT VENTURE	18.37	152,834	100.0	KMART	2010	2055	SALVO AUTO PARTS	2009	2019		
BALTIMORE (5)	2005	JOINT VENTURE	5.78	58,879	100.0	CORT FURNITURE RENTAL	2012	2022					
BALTIMORE (7)	2004	JOINT VENTURE	7.59	79,497	100.0	GIANT FOOD	2016	2031					
BALTIMORE (8)	2005	JOINT VENTURE	10.73	90,830	87.9	GIANT FOOD	2011	2036					
BALTIMORE (9)	2004	JOINT VENTURE	7.45	90,903	98.1	GIANT FOOD	2026	2051					
BEL AIR (9)	2004	FEE	19.68	125,927	100.0	SAFEWAY	2030	2060	CVS	2021	2041	DOLLAR TREE	2018 2028
CLARKSVILLE (10)	2007	JOINT VENTURE	15.19	105,907	98.3	GIANT FOOD	2017	2027					
CLINTON	2003	GROUND LEASE (2069)	2.62	5,589	100.0								
CLINTON	2003	GROUND LEASE (2024)	2.62	2,544	100.0								
COLUMBIA	2002	JOINT VENTURE	5.00	50,000	100.0	MICHAELS	2013	2033	HOME GOODS	2011	2021		
COLUMBIA	2002	FEE	2.50	14,384	100.0	DAVID'S NATURAL MARKET	2014	2019					
COLUMBIA	2002	FEE	7.30	32,075	93.7								
COLUMBIA (10)	2007	JOINT VENTURE	12.17	98,399	100.0	HARRIS TETER	2028	2058					
COLUMBIA (5)	2006	JOINT VENTURE	12.34	91,165	100.0	SAFEWAY	2018	2043					
COLUMBIA (5)	2006	JOINT VENTURE	16.36	100,803	100.0	GIANT FOOD	2012	2022					
COLUMBIA (5)	2006	JOINT VENTURE	7.32	72,299	93.1	OLD NAVY	2013						
COLUMBIA (9)	2005	JOINT VENTURE	-	6,780	100.0								
EASTON (7)	2004	JOINT VENTURE	11.06	113,330	98.9	GIANT FOOD	2024	2054	FASHION BUG	2012			
ELK COTT CITY (3)	2007	JOINT VENTURE	42.47	433,467	93.1	TARGET	2016	2046	KOHL'S	2018	2038	SAFEWAY	2016 2046
ELK COTT CITY (5)	2006	JOINT VENTURE	15.50	86,456	100.0	GIANT FOOD	2014	2019					
ELK COTT CITY (7)	2004	JOINT VENTURE	31.80	143,548	100.0	SAFEWAY	2012	2042	PETCO	2011	2021		
FREDERICK COUNTY	2003	FEE	8.38	86,968	98.3	GIANT FOOD	2026	2056					
GAITHERSBURG	1999	FEE	8.70	88,277	100.0	GREAT BEGINNINGS FURNITURE	2011	2021	FURNITURE 4 LESS	2010			
GAITHERSBURG (3)	2007	JOINT VENTURE	6.40	71,329	100.0	RUGGED WEARHOUSE	2013	2018	HANCOCK FABRICS	2011	2016	OLD COUNTRY BUFFET	2011 2021
GLEN BURNIE (9)	2004	JOINT VENTURE	21.88	265,116	100.0	LOWE'S HOME CENTER	2019	2039	GIANT FOOD	2015	2025		
HAGERSTOWN	1973	FEE	10.48	121,985	99.1	ZEYNA FURNITURE	2018	2028	SUPER SHOE	2011	2016	ALDI	2016 2021
HUNT VALLEY	2008	FEE	9.05	94,653	91.3	GIANT FOOD	2013	2033					
LAUREL	1972	FEE	10.00	81,550	100.0	ROOMSTORE	2014						
LAUREL	1964	FEE	8.06	75,924	97.7	VILLAGE THRIFT STORE	2010		DOLLAR TREE	2010	2015	OLD COUNTRY BUFFET	2014 2019
LINTHICUM	2003	FEE	-	1,926	100.0								
NORTH EAST (10)	2007	JOINT VENTURE	17.52	80,190	100.0	FOOD LION	2018	2038					
OWINGS MILLS (9)	2004	JOINT VENTURE	11.03	116,303	95.8	GIANT FOOD	2020	2045	MERRITT ATHLETIC CLUB	2010	2015		
PASADENA	2003	GROUND LEASE (2030)	2.72	38,727	81.0								
PERRY HALL	2003	FEE	15.67	149,641	98.3	BRUNSWICK (LEISURE/BOWLING)	2010		RITE AID	2010	2035	ACE HARDWARE	2016 2031
PERRY HALL (7)	2004	JOINT VENTURE	8.15	65,059	100.0	SUPER FRESH	2022	2062					
TIMONIUM	2003	FEE	17.20	201,380	90.6	GIANT FOOD	2029	2079	STAPLES	2020	2045		
TIMONIUM (10)	2007	JOINT VENTURE	5.97	59,799	89.2	AMERICAN RADIOLOGY	2012	2027					
TOWSON (7)	2004	JOINT VENTURE	9.08	88,405	20.0	CVS	2016	2046					



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						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION					
TOWSON (7)	2004	JOINT VENTURE	43.12	679,936	99.8	WAL-MART	2020	2100	TARGET	2014	2049			SUPER FRESH	2019	2049
WALDORF	2003	FEE	-	4,500	100.0											
WALDORF	2003	FEE	-	26,128	100.0	FAIR LANES WALDORF	2012	2017								
<b>MASSACHUSETTS</b>																
GREAT BARRINGTON	1994	FEE	14.14	131,235	94.0	KMART	2011	2016	PRICE CHOPPER	2016	2036					
HYANNIS (7)	2004	JOINT VENTURE	23.16	231,622	94.6	SEAW'S SUPERMARKET	2018	2028	TOYS 'R' US	2019	2029			HOME GOODS	2010	2020
MARLBOROUGH	2004	JOINT VENTURE	16.11	104,125	100.0	BEST BUY	2019	2014	DSW SHOE WAREHOUSE	2014	2014			BORDERS BOOKS	2019	2014
PITTSFIELD (7)	2004	JOINT VENTURE	12.97	72,014	100.0	STOP & SHOP	2014	2044								
QUINCY (7)	2005	JOINT VENTURE	7.96	80,510	100.0	HANNAFORD	2009	2014	BROOKS PHARMACY	2017	2047					
SPRINGFIELD	2000	FEE	12.19	108,418	100.0	ROB'S STORES	2018	2013	BED BATH & BEYOND	2012	2032			STAPLES	2011	2021
STURBRIDGE (5)	2006	JOINT VENTURE	23.11	231,197	87.5	STOP & SHOP	2019	2049	MARSHALLS	2011	2026			STAPLES	2016	2011
<b>MICHIGAN</b>																
CLARKSTON	1996	FEE	20.00	148,973	85.5	FARMER JACK	2015	2045	OFFICE DEPOT	2016	2031			CVS	2010	2020
CLAWSON	1993	FEE	13.47	130,424	91.6	STAPLES	2011	2026	ALEN	2028	2043			RITE AID	2026	2046
FARMINGTON	1993	FEE	2.78	96,915	91.6	OFFICE DEPOT	2016	2011	ACE HARDWARE	2017	2027			FITNESS 19	2015	2025
KALAMAZOO	2002	JOINT VENTURE	60.00	279,343	93.5	HOBBY LOBBY	2013	2023	VALUE CITY	2020	2040			MARSHALLS	2010	2010
LIVONIA	1968	FEE	4.53	31,121	100.0	CVS	2023	2063								
MUSKEGON	1985	FEE	12.30	79,215	100.0											
NOVI	2003	JOINT VENTURE	6.00	60,000	100.0	MICHAELS	2016	2016	HOME GOODS	2011	2026					
TAYLOR	1993	FEE	13.00	141,540	100.0	KOHL'S	2022	2042	BARB'S R US	2017	2043			PARTY AMERICA	2009	
TROY (6)	2005	JOINT VENTURE	24.00	223,090	100.0	WAL-MART	2021	2031	MARSHALLS	2012	2027					
WALKER	1993	FEE	41.78	338,828	97.0	RUBLOFF DEVELOPMENT	2016	2011	KOHL'S	2017	2017			LORE'S THEATRES	2012	2042
<b>MINNESOTA</b>																
ARBOR LAKES	2006	FEE	44.40	474,062	97.3	LOWE'S HOME CENTER	2025	2075	DICK'S SPORTING GOODS	2017	2017			CIRCUIT CITY	2017	2017
HASTINGS (3)	2007	JOINT VENTURE	10.18	97,535	100.0	CLUB FOODS	2023	2023								
MAPLE GROVE (4)	2001	JOINT VENTURE	63.00	466,325	92.3	BYERLY'S	2020	2025	BEST BUY	2015	2030			JO-ANN FABRICS	2010	2010
MINNETONKA (4)	1998	JOINT VENTURE	12.10	120,231	98.5	TOYS 'R' US	2016	2011	GOLFSMITH GOLF CENTER	2013	2018			OFFICEMAX	2011	
<b>MISSOURI</b>																
BRECKENTON	1997	GROUND LEASE (2040)	27.29	101,592	100.0	KOHL'S	2010	2020								
CRYSTAL CITY	1997	GROUND LEASE (2032)	10.07	100,724	100.0	KMART	2024	2012								
ELLSVILLE	1970	FEE	18.37	118,080	100.0	SHOP 'N SAVE	2017	2012	2ND WIND EXERCISE EQUIPMENT	2011	2016					
INDEPENDENCE	1998	FEE	21.03	184,870	100.0	KMART	2024	2014	THE TILE SHOP	2014	2024			OFFICE DEPOT	2012	2012
JOPLIN	1998	FEE	12.57	155,416	76.6	HASTINGS BOOKS	2009	2014	OFFICEMAX	2010	2025			PETSMART	2009	2014
JOPLIN (4)	1998	JOINT VENTURE	9.45	80,524	100.0	SHOPO	2018	2018								
KANSAS CITY	1997	FEE	17.84	150,381	100.0	HOME DEPOT	2010	2010	THE LEATHER COLLECTION	2013	2019					
KIRKWOOD	1990	GROUND LEASE (2069)	19.75	251,524	100.0	HOBBY LOBBY	2014	2024	HEMISHERES	2014	2024			SPORTS AUTHORITY	2014	2029
LEMAI	1974	FEE	9.79	79,747	100.0	SHOP 'N SAVE	2020	2065	DOLLAR GENERAL	2009						
MANCHESTER (4)	1998	JOINT VENTURE	9.55	89,305	100.0	KOHL'S	2018	2018								
SPRINGFIELD	1998	GROUND LEASE (2087)	18.50	203,384	100.0	KMART	2024	2014	OFFICE DEPOT	2020	2030			FACE BATTLEFIELD, LLC	2017	2047
SPRINGFIELD	2002	FEE	8.49	84,916	100.0	BED BATH & BEYOND	2013	2028	MARSHALLS	2012	2027			BORDERS BOOKS	2023	2018
SPRINGFIELD	1994	FEE	41.50	282,619	92.1	BEST BUY	2011	2026	JCPENNEY	2015	2020			TJ MAXX	2011	2021
ST. CHARLES	1998	GROUND LEASE (2039)	8.44	84,460	100.0	KOHL'S	2019	2019								
ST. CHARLES	1998	FEE	36.87	8,080	100.0											
ST. LOUIS	1972	FEE	13.11	129,093	91.4	SHOP 'N SAVE	2017	2082								
ST. LOUIS	1997	GROUND LEASE (2056)	19.66	151,540	100.0	HOME DEPOT	2026	2016	OFFICE DEPOT	2015	2025					
ST. LOUIS	1997	GROUND LEASE (2040)	16.33	128,765	100.0	KMART	2024	2040								
ST. LOUIS	1997	GROUND LEASE (2035)	37.71	172,165	100.0	KMART	2024	2035	K&G MEN'S COMPANY	2017	2027					
ST. LOUIS	1998	FEE	17.54	176,273	100.0	BURLINGTON COAT FACTORY	2009	2024	BIG LOTS	2015	2030			OFFICE DEPOT	2010	2019
ST. LOUIS	1998	FEE	11.39	112,781	100.0	KOHL'S	2018	2018	CLUB FITNESS	2014	2024					
ST. PETERS	1997	GROUND LEASE (2094)	14.77	175,121	98.6	HOBBY LOBBY	2014	2024	SPORTS AUTHORITY	2014	2029			OFFICE DEPOT	2019	
<b>MISSISSIPPI</b>																
HATTIESBURG (11)	2007	JOINT VENTURE	3.50	30,000	50.0											
HATTIESBURG (11)	2004	JOINT VENTURE	49.40	272,000	94.9	ASHLEY FURNITURE HOMESTORE	2016	2026	ROSS DRESS FOR LESS	2016	2041			BED BATH & BEYOND	2016	2041
JACKSON	2002	JOINT VENTURE	5.00	50,000	100.0	MICHAELS	2014	2014	MARSHALLS	2014	2024					
<b>NEBRASKA</b>																
OMAHA (11)	2005	JOINT VENTURE	55.30	334,000	42.2	MARSHALLS	2016	2016	OFFICEMAX	2017	2032			PETSMART	2017	2042
<b>NEVADA</b>																
CARSON CITY (3)	2006	FEE	9.38	114,258	86.2	RALEY'S	2012	2027								

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						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION
ELKO (3)	2006	FEE	31.28	170,756	96.5	RALEY'S	2017	2022	BUILDERS MART	2011	2016
HENDERSON	1999	JOINT VENTURE	32.10	166,499	87.1	COLLEEN'S CLASSIC CONSIGNMENT	2013	2023	BIG LOTS	2016	2036
HENDERSON (3)	2006	FEE	10.49	130,773	80.3	ALBERTSONS	2009	2029			SAVERS
LAS VEGAS (3)	2007	JOINT VENTURE	16.10	160,842	51.2	OFFICEMAX	2011	2021	DOLLAR DISCOUNT CENTER	2015	2025
LAS VEGAS (3)	2007	JOINT VENTURE	34.45	333,234	85.0	VONS	2011	2041	CARPET'S-N-MORE	2015	2025
LAS VEGAS (3)	2006	FEE	16.40	169,140	85.9	FOOD 4 LESS	2011	2026	HOLLYWOOD VIDEO	2011	2016
LAS VEGAS (3)	2006	FEE	21.08	228,279	81.5	UA THEATRES	2017	2027	OFFICEMAX	2012	2032
LAS VEGAS (3)	2006	FEE	9.35	111,245	91.1	VONS	2009	2014	DOLLAR TREE	2011	2016
LAS VEGAS (3)	2007	JOINT VENTURE	34.81	361,486	96.4	WAL-MART	2012	2017	COLLEEN'S CLASSICS CONSIGNMENT	2010	
LAS VEGAS (3)	2006	FEE	6.97	77,630	98.7	ALBERTSONS	2021	2046			24 HOUR FITNESS
RENO	2006	FEE	3.05	36,627	87.9	PIER 1 IMPORTS	2019	2029			
RENO	2006	FEE	2.68	31,317	83.5						
RENO (3)	2006	FEE	10.42	139,554	98.4	SAK 'N SAVE	2022	2052	WENDY'S	2009	2023
RENO (3)	2006	FEE	12.28	113,376	93.6	SCOLAR'S WAREHOUSE MARKET	2021				
RENO (5)	2007	JOINT VENTURE	15.52	120,004	95.0	RALEY'S	2022	2027	SHELL OIL	2012	2022
RENO (5)	2007	JOINT VENTURE	13.20	104,319	97.2	RALEY'S	2030	2060			
RENO (5)	2007	JOINT VENTURE	14.52	146,501	100.0	BED BATH & BEYOND	2015	2030	WILD OATS MARKETS	2023	2038
SPARKS	2007	FEE	10.31	119,601	97.1	SAFeway	2028	2058	LONGS DRUGS	2054	
SPARKS (3)	2007	JOINT VENTURE	10.31	113,743	92.4	RALEY'S	2023	2038			
WINNEMUCCA (3)	2006	FEE	4.82	65,424	100.0	RALEY'S	2015	2035			
<b>NEW HAMPSHIRE</b>											
MILFORD	2008	JOINT VENTURE	17.28	148,802	94.9	SHAW'S SUPERMARKET	2022	2052	RITE AID	2014	2029
NASHUA (7)	2004	JOINT VENTURE	18.23	182,348	95.6	D&W SHOE WAREHOUSE	2011	2011	BED BATH & BEYOND	2012	2032
NEW LONDON	2005	FEE	9.53	106,470	97.7	HANNAFORD BROS.	2025	2050	FIRST COLONIAL	2028	
SALEM	1994	FEE	39.80	344,069	100.0	KOHL'S	2013		SHAW'S SUPERMARKET	2018	2038
<b>NEW JERSEY</b>											
BAYONNE	2004	FEE	0.64	23,901	100.0	DOLLAR TREE	2014				
BRIDGEWATER (4)	2001	JOINT VENTURE	16.57	378,567	100.0	COSTCO	2019	2049	BED BATH & BEYOND	2010	2030
CHERRY HILL	1985	JOINT VENTURE	18.58	120,340	93.9	STOP & SHOP	2016	2016	RETROFITNESS	2013	2020
CHERRY HILL	1996	GROUND LEASE (2036)	15.20	129,809	100.0	KOHL'S	2016	2016	PLANET FITNESS	2017	2027
CHERRY HILL (10)	2007	JOINT VENTURE	48.04	209,185	100.0	KOHL'S	2018	2068	SPORTS AUTHORITY	2019	2034
CINNAMINSON	1996	FEE	13.67	121,852	84.1	VF OUTLET	2009	2019	ACME MARKETS	2047	
DELRAN (4)	2005	JOINT VENTURE	9.50	37,679	45.4						
DELRAN (4)	2000	JOINT VENTURE	10.46	77,583	100.0	PETSMART	2016	2026	OFFICE DEPOT	2016	2026
EAST WINDSOR	2008	FEE	34.77	249,029	98.1	TARGET	2027	2067	GENUARDIS	2026	2056
EDGEWATER (3)	2007	JOINT VENTURE	45.65	423,315	100.0	TARGET	2022	2042	PATHEMARK	2016	2041
HILLSBOROUGH	2005	FEE	5.04	55,552	100.0	KMART	2012	2047			
HOLMDEL	2007	FEE	38.82	234,557	84.0	BEST BUY	2018	2043	MICHAELS	2013	2033
HOLMDEL	2007	FEE	48.58	299,932	92.9	A&P	2013	2043	MARSHALLS	2013	2028
LINDEN	2002	FEE	0.88	13,340	100.0	STRAUSS DISCOUNT AUTO	2023	2033			
LITTLE FERRY	2008	FEE	14.42	144,262	27.7	HAR SUPERMARKETS	2009	2014			
MOORESTOWN (6)	2004	GROUND LEASE (2066)/ JOINT VENTURE	22.74	201,351	100.0	LOWE'S HOME CENTER	2026	2066	SPORTS AUTHORITY	2013	2033
NORTH BRUNSWICK	1994	FEE	38.12	425,362	100.0	WAL-MART	2018	2058	BURLINGTON COAT FACTORY	2012	
PISCATAWAY	1998	FEE	9.60	97,348	97.2	SHOPRITE	2014	2024			
RIDGEWOOD	1994	FEE	2.71	24,280	100.0	WHOLE FOODS MARKET	2015	2030			
UNION COUNTY	2007	JOINT VENTURE	3.52	95,225	100.0	BEST BUY	2024	2039	WHOLE FOODS MARKET	2028	2058
WAYNE (6)	2004	FEE	19.21	331,528	100.0	COSTCO	2009	2044	LACKLAND STORAGE	2012	2032
WESTMONT	1994	FEE	17.39	168,719	87.9	SUPER FRESH	2017	2081	SUPER FITNESS	2009	
<b>NEW MEXICO</b>											
ALBUQUERQUE	1998	FEE	4.77	59,722	95.0	PAGE ONE	2009	2013	WALGREENS	2027	
ALBUQUERQUE	1998	FEE	26.00	183,736	91.1	MOVIES WEST	2011	2021	ROSS DRESS FOR LESS	2011	2021
ALBUQUERQUE	1998	FEE	4.70	37,442	96.7	PETSMART	2017	2017			
LAS CRUCES	2006	JOINT VENTURE	3.90	30,686	-						
<b>NEW YORK</b>											
AMHERST	1988	JOINT VENTURE	7.50	101,066	100.0	TOPS SUPERMARKET	2013	2013			
BAYSHORE	2006	FEE	15.90	176,622	98.6	BEST BUY	2016	2031	TOYS "R" US	2013	2043
BELLMORE	2004	FEE	1.36	24,802	100.0	RITE AID	2014				
BRIDGEHAMPTON	1973	FEE	30.20	287,587	99.5	KMART	2019	2039	KING KULEN	2015	2035
BRONX	1990	JOINT VENTURE	19.50	232,683	92.9	NATIONAL AMUSEMENTS	2011	2036	WALDBAUMS	2011	2046
BRONX	2005	FEE	0.10	3,720	100.0						

LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST/ (EXPIRATION) (2)	LAND AREA (ACRES)	LEASABLE AREA SQ. FT.)	PERCENT LEASED (1)	MAJOR LEASES								
						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION
BROOKLYN	2005	FEE	0.18	5,300	100.0									
BROOKLYN	2004	FEE	2.92	41,076	100.0	DUANE READE	2014		PC RICHARD & SON	2018	2028			
BROOKLYN	2004	FEE	0.24	29,671	100.0	DUANE READE	2014							
BROOKLYN	2003	FEE	0.42	10,000	100.0	RITE AID	2019							
BROOKLYN	2003	FEE	0.17	7,500	100.0									
BROOKLYN (4)	2000	JOINT VENTURE	5.13	80,708	100.0	HOME DEPOT	2022	2031	WALGREENS	2030				
BUFFALO	1988	JOINT VENTURE	9.19	141,010	94.6	TOPS SUPERMARKET	2012	2017	PETSMART	2017	2032	FASHION BUG	2010	2025
CENTEREACH	1993	JOINT VENTURE	40.68	377,584	99.6	WAL-MART	2015	2044	BIG LOTS	2011	2021	MODELL'S	2019	2029
CENTEREACH	2006	FEE	10.50	105,851	100.0	PATHMARK	2020	2030	ACE HARDWARE	2017	2027			
CENTRAL ISLIP (11)	2004	GROUND LEASE (2010) JOINT VENTURE	11.80	58,000	100.0									
COMMACT	1998	GROUND LEASE (2085)	35.70	265,469	78.5	KING KULLEN	2017	2047	SPORTS AUTHORITY	2017	2017	BABIES R US	2023	2043
COMMACT	2007	FEE	2.46	24,617	100.0	DEALS	2018	2028						
CORLAQUE (4)	1998	JOINT VENTURE	15.40	163,999	100.0	HOME DEPOT	2011	2036	BALLY TOTAL FITNESS	2009	2018			
ELMONT	2007	JOINT VENTURE	1.29	12,900	100.0	CVS	2033	2040						
ELMONT	2004	FEE	1.81	27,078	100.0	DUANE READE	2014							
FARMINGDALE (5)	2006	JOINT VENTURE	56.51	415,469	98.6	HOME DEPOT	2030	2075	DAVE & BUSTERS	2010	2025	PETSMART	2018	2028
FLUSHING	2007	FEE	-	22,416	100.0	FRUIT VALLEY PRODUCE	2011							
FRANKLIN SQUARE	2004	FEE	1.37	17,864	100.0	DUANE READE	2014							
FREEPORT (4)	2000	JOINT VENTURE	9.60	173,031	97.6	STOP & SHOP	2025		TOYS "R" US	2020	2040	MARSHALLS	2011	2016
GLEN COVE (4)	2000	JOINT VENTURE	2.97	49,346	100.0	STAPLES	2014	2029	ANNIE SEZ	2011	2026			
HAMPTON BAYS	1989	FEE	8.17	70,990	100.0	MACYS	2015	2025	PETCO	2018	2028			
HARDMAN (5)	2007	JOINT VENTURE	52.90	227,039	86.4	KOHL'S	2023	2023	STAPLES	2013	2028	MICHAELS	2012	2027
HEMPSTEAD (4)	2000	JOINT VENTURE	1.40	13,905	100.0	WALGREENS	2009							
HICKSVILLE	2004	FEE	2.50	35,581	100.0	DUANE READE	2014		DOLLAR TREE	2018	2028			
HOLTSVILLE	2007	FEE	0.80	1,595	100.0									
HUNTINGTON	2007	FEE	0.91	9,900	100.0									
JAMAICA	2005	FEE	0.32	5,770	100.0									
JERICO	2007	GROUND LEASE (2045)	-	2,085	100.0									
JERICO	2007	FEE	2.51	105,851	100.0	MILLERIDGE INN	2022	2042						
JERICO	2007	FEE	5.70	57,013	97.4	W.R. GRACE	2014	2019						
JERICO	2007	FEE	6.39	63,998	100.0	WHOLE FOODS MARKET	2025	2040						
LATHAM (4)	1999	JOINT VENTURE	89.61	616,130	99.5	SAM'S CLUB	2013	2043	WAL-MART	2013	2043	HOME DEPOT	2011	2071
LAURELTON	2005	FEE	0.23	7,415	100.0									
LEVITTOWN	2006	JOINT VENTURE	4.72	47,214	100.0	FILENE'S BASEMENT	2021		DSW SHOE WAREHOUSE	2021	2036			
LITTLE NECK	2003	FEE	3.54	48,275	100.0									
MANHASSET	1999	FEE	9.60	188,608	78.7	FILENE'S	2011		KING KULLEN	2024	2052	MICHAELS	2014	2029
MASPETH	2004	FEE	1.05	22,500	100.0	DUANE READE	2014							
MERRICK (4)	2000	JOINT VENTURE	7.78	107,871	98.9	WALDBAUMS	2013	2041	ANNIE SEZ	2011	2021			
MIDDLETOWN (4)	2000	JOINT VENTURE	10.10	80,000	56.3	BEST BUY	2016	2031						
MINIOLA	2007	FEE	2.67	26,780	79.5	CVS	2011	2026						
MUNSEY PARK (4)	2000	JOINT VENTURE	6.00	72,748	100.0	BED BATH & BEYOND	2012	2022	WHOLE FOODS MARKET	2011	2021			
NESCONSET (6)	2004	FEE	5.88	55,580	48.6	BOW'S FURNITURE	2019	2029						
NORTH MASSAPEQUA	2004	GROUND LEASE (2033)	2.00	29,610	100.0	DUANE READE	2014							
OCEANSIDE	2003	FEE	0.28	-	-									
PLAINVIEW	1969	GROUND LEASE (2070)	6.98	88,422	98.7	FAIRWAY STORES	2017	2037						
POUGHKEEPSIE	1972	FEE	20.03	167,668	95.6	STOP & SHOP	2020	2049	BIG LOTS	2012	2017			
QUEENS VILLAGE	2005	FEE	0.50	14,649	100.0	STRAUSS DISCOUNT AUTO	2015	2025						
ROCHESTER	1993/1988	FEE	18.55	185,153	32.0	TOPS SUPERMARKET	2009	2024						
STATEN ISLAND	1997	GROUND LEASE (2072)	7.00	101,337	97.1	KING KULLEN	2011	2031						
STATEN ISLAND	2005	FEE	5.49	47,270	100.0	STAPLES	2013	2018						
STATEN ISLAND	2006	FEE	23.90	341,719	97.8	KMART	2012	2017	KING KULLEN	2012	2017	TOYS "R" US	2015	
STATEN ISLAND	1989	FEE	16.70	210,825	98.3	KMART	2011		PATHMARK	2011	2021			
STATEN ISLAND (4)	2000	JOINT VENTURE	14.44	190,131	95.8	TJ MAXX	2010	2025	NATIONAL WHOLESALE LIQUIDATORS	2010	2030	MICHAELS	2011	2011
SYOSSET	1967	FEE	2.49	32,124	96.3	NEW YORK SPORTS CLUB	2016	2021						
WESTBURY (6)	2004	FEE	30.14	398,602	100.0	COSTCO	2009	2043	WAL-MART	2019	2069	MARSHALLS	2014	2024
WHITE PLAINS	2004	FEE	2.45	24,277	100.0	DUANE READE	2014							
YONKERS	2005	FEE	0.88	10,129	100.0	STRAUSS DISCOUNT AUTO	2015	2025						
YONKERS	1995	FEE	4.10	43,560	100.0	SHOPRITE	2013	2028						

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						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	
NORTH CAROLINA															
CARY	1998	FEE	10.90	102,787	83.4	LOWES FOOD	2017	2017							
CARY	2000	FEE	10.60	86,015	100.0	BED BATH & BEYOND	2010	2014	DICK'S SPORTING GOODS	2014	2029				
CARY (4)	2001	JOINT VENTURE	40.31	315,797	100.0	BFS	2020	2040	KOHL'S	2022	2022	PETSMART	2016		2036
CHARLOTTE	1968	FEE	13.50	110,300	56.5	TJ MAXX	2012	2017	CVS	2015	2035				
CHARLOTTE	1986	GROUND LEASE (2048)	18.47	233,759	94.7	ROSS DRESS FOR LESS	2015	2035	K&G MEN'S COMPANY	2013	2018	OFFICEMAX	2009		2024
CHARLOTTE	1993	FEE	13.96	139,269	89.9	BE LO	2009	2029	RUGGED WEARHOUSE	2013	2018	DECORATORS WAREHOUSE	2012		2022
DURHAM	1996	FEE	13.12	116,186	92.4	TJ MAXX	2019	2029	JO-ANN FABRICS	2010	2020				
DURHAM (4)	2002	JOINT VENTURE	39.50	408,292	92.2	WAL-MART	2015	2035	BEST BUY	2011	2026	MARSHALLS	2011		2026
FRANKLIN	1998	JOINT VENTURE	2.63	26,326	100.0	BILL HOLT FORD	2016	2041							
KNIGHTDALE (11)	2005	JOINT VENTURE	24.70	186,000	99.5	ROSS DRESS FOR LESS	2017	2017	BED BATH & BEYOND	2017	2017	MICHAEL'S	2016		2036
MOORESVILLE	2007	FEE	29.32	172,161	100.0	BEST BUY	2018	2038	BED BATH & BEYOND	2018	2038	STAPLES	2022		2037
MORRISVILLE	2008	JOINT VENTURE	24.22	169,901	98.5	CARMEX CINEMAS	2017	2027	FOOD LION	2019	2039	STEIN MART	2017		2037
PINEVILLE (9)	2003	JOINT VENTURE	39.10	269,710	91.5	KMART	2017	2067	STEIN MART	2012		TJ MAXX	2013		2018
RALEIGH	1993	FEE	35.94	362,945	91.6	GOLFSMITH GOLF & TENNIS	2017	2027	BED BATH & BEYOND	2016	2036	ROSS DRESS FOR LESS	2016		2036
RALEIGH (11)	2003	JOINT VENTURE	35.40	103,000	91.3	FOOD LION	2023	2043	ACE HARDWARE	2022	2037				
RALEIGH (11)	2006	JOINT VENTURE	8.80	10,000	90.0										
WINSTON-SALEM	1969	FEE	13.15	132,190	84.5	HARRIS TESTER	2016	2041	DOLLAR TREE	2011	2016				
OHIO															
AKRON	1988	FEE	24.50	138,363	100.0	GABRIEL BROTHERS	2010	2023	PAT CATANS CRAFTS	2013		ESSENCE BEAUTY MART	2014		
AKRON	1975	FEE	4.91	75,866	100.0	GIANT EAGLE	2021	2041							
BARBERTON	1972	FEE	9.97	101,801	95.1	GIANT EAGLE	2027	2052							
BEAVERCREEK	1986	FEE	18.19	97,307	94.2	KROGER	2018	2048	DOLLAR GENERAL	2009					
BRUNSWICK	1975	FEE	20.00	171,223	96.6	KMART	2010	2050	MARCS	2017	2027				
CAMBRIDGE	1997	FEE	13.08	78,065	88.7	TRACTOR SUPPLY CO.	2010	2020							
CANTON	1972	FEE	19.60	172,419	87.1	BURLINGTON COAT FACTORY	2018	2043	TJ MAXX	2012	2017	HOMETOWN BUFFET	2010		2020
CENTERSVILLE	1988	FEE	15.20	125,058	100.0	BED BATH & BEYOND	2017	2032	THE TILE SHOP	2014	2024	HOME 2 HOME	2013		2018
CINCINNATI	1988	GROUND LEASE (2054)	8.80	121,242	100.0										
CINCINNATI	1999	FEE	16.70	89,742	92.1	BIGGS FOODS	2016	2031							
CINCINNATI	2000	FEE	8.83	88,317	100.0	HOBBY LOBBY	2011	2021	URBAN ACTIVE FITNESS	2017	2027				
CINCINNATI	1988	FEE	29.20	308,277	100.0										
CINCINNATI	1988	FEE	11.60	223,731	99.3	LOWE'S HOME CENTER	2022	2052	BIG LOTS	2014	2019	AJ WRIGHT	2014		2034
CINCINNATI (4)	2000	JOINT VENTURE	36.65	410,010	92.4	WAL-MART	2028		HOBBY LOBBY	2015	2025	DICK'S SPORTING GOODS	2016		2031
COLUMBUS	1988	FEE	12.60	135,650	100.0	KOHL'S	2011	2031	CIRCUIT CITY	2019	2039				
COLUMBUS	1988	FEE	17.90	129,008	100.0	KOHL'S	2011	2031	GRANT RIVERSIDE METHODIST HOSP	2011					
COLUMBUS	1988	FEE	13.70	142,743	100.0	KOHL'S	2011	2031	STAPLES	2010	2020				
COLUMBUS	1988	FEE	12.40	191,099	100.0	KOHL'S	2011	2031	KROGER	2011	2031	TOYS 'R' US	2015		2040
COLUMBUS (4)	1998	JOINT VENTURE	12.13	112,862	87.9	BORDERS BOOKS	2018	2038	PER 1 IMPORTS	2012	2017				
COLUMBUS (4)	2002	JOINT VENTURE	36.48	269,201	98.3	LOWE'S HOME CENTER	2016	2046	KROGER	2022	2042				
DAYTON	1988	FEE	11.21	116,374	7.3										
DAYTON	1984	FEE	32.06	213,853	86.9	VICTORIA'S SECRET	2009	2019	KROGER	2012	2038	CARDINAL FITNESS	2017		2027
DAYTON	1969	FEE	22.82	163,131	80.4	BEST BUY	2010	2028	BIG LOTS	2013	2018	JO-ANN FABRICS	2012		
HUBER HEIGHTS (4)	1999	JOINT VENTURE	40.00	318,468	91.6	ELDER BEERMAN	2014	2044	KOHL'S	2015	2035	MARSHALLS	2014		2024
KENT	1988-1995	FEE	17.60	106,500	97.2	TOPS SUPERMARKET	2026	2096							
MENTOR	1988	FEE	25.00	235,577	95.9	GIANT EAGLE	2019	2029	BURLINGTON COAT FACTORY	2014		JO-ANN FABRICS	2014		2019
MENTOR	1987	FEE	20.59	103,910	97.6	GABRIEL BROTHERS	2013	2028	BIG LOTS	2014	2034				
MIAMSBURG	1999	FEE	0.60	6,000	57.5										
MIDDLEBURGH HEIGHTS	1988	FEE	8.20	104,342	100.0										
NORTH OLMSHEAD	1988	FEE	11.70	99,862	100.0	TOPS SUPERMARKET	2026	2096							
SHARONVILLE	1977	GROUND LEASE (2076)/JOINT VENTURE	14.99	121,105	92.6	GABRIEL BROTHERS	2012	2032	KROGER	2013	2028	UNITED ART AND EDUCATION	2016		2026
SPRINGDALE (4)	2000	JOINT VENTURE	21.96	253,510	74.8	WAL-MART	2015	2045	HKREGG	2012	2017	GUITAR CENTER	2019		2029
TROTWOOD	1988	FEE	16.86	141,616	100.0										
UPPER ARLINGTON	1969	FEE	13.28	160,702	77.8	TJ MAXX	2011	2021	HONG KONG BUFFET	2011	2016	CVS	2019		2039
WESTERVILLE	1993	FEE	11.20	83,848	100.0	MARCS	2015	2025							
WICKLIFFE	1995	FEE	10.00	128,180	95.6	GABRIEL BROTHERS	2013	2028	BIG LOTS	2010		DOLLAR GENERAL	2009		
WILLOUGHBY HILLS	1988	FEE	28.30	295,653	100.0	VF OUTLET	2012	2022	KOHL'S	2016	2036	MARCS DRUGS	2012		2017
OKLAHOMA															
OKLAHOMA CITY	1998	FEE	19.80	233,797	97.2	HOME DEPOT	2014	2044	GORDMANS	2013	2033	BEST BUY	2013		2023
OKLAHOMA CITY	1997	FEE	9.75	103,027	100.0	ACADEMY SPORTS & OUTDOORS	2014	2024							

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						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION			TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	
OREGON																	
ALBANY	2006	JOINT VENTURE	3.81	22,700	100.0	GROCERY OUTLET	2016	2030									
ALBANY (3)	2006	FEE	13.27	109,891	83.0	RITE AID	2013	2053	DOLLAR TREE	2013	2023	AARON'S SALES & LEASING	2009		2019		
CANBY (3)	2006	FEE	9.11	115,701	94.0	SAFEWAY	2023	2063	RITE AID	2014	2044	CANBY ACE HARDWARE	2015		2030		
CLACKAMAS (3)	2007	JOINT VENTURE	23.66	236,672	100.0	SPORTS AUTHORITY	2014	2024	NORDSTROM RACK	2013	2018	OLD NAVY	2010				
GRESHAM (3)	2006	FEE	7.98	92,711	79.3	DOLLAR TREE	2011	2021	VOLUNTIERS OF AMERICA	2012	2017						
GRESHAM (3)	2006	FEE	0.70	107,583	100.0	FOOD 4 LESS	2009	2019	CASCADE ATHLETIC CLUB	2013	2018						
GRESHAM (3)	2006	FEE	19.82	208,276	99.2	WILD OATS MARKETS	2020	2033	OFFICE DEPOT	2012	2017	BIG LOTS	2012		2017		
GRESHAM (3)	2006	FEE	25.56	264,765	91.5	G.I. JOE'S	2017	2067	PETSMART	2013	2028	ROSS DRESS FOR LESS	2018				
HILLSBORO (3)	2008	FEE	20.00	210,992	88.3	SAFEWAY	2010	2045	TRADER JOE'S	2010	2040	TRADER JOE'S	2017		2032		
HILLSBORO (3)	2006	FEE	20.00	260,954	95.0	SAFEWAY	2014	2044	STAPLES	2013	2014	RITE AID	2014		2044		
HOOD RIVER (3)	2006	FEE	8.32	108,554	100.0	ROSAUBERS	2021	2039	WALGREENS	2032	2052	DOLLAR TREE	2011		2021		
MEDFORD (3)	2006	FEE	30.14	335,043	91.7	SEARS	2014	2044	TINSELTOWN	2017	2037	24 HOUR FITNESS	2015		2026		
MILWAUKEE (3)	2007	GROUND LEASE (2041)/ JOINT VENTURE	16.34	185,859	95.3	ALBERTSONS	2013		RITE AID	2015		JO-ANN FABRICS	2013		2018		
PORTLAND (3)	2006	FEE	10.55	115,673	95.6	SAFEWAY	2017	2047	DOLLAR TREE	2012	2017						
PORTLAND (3)	2006	FEE	2.12	38,363	98.3	QFC	2019	2044									
SPRINGFIELD (3)	2006	FEE	8.74	96,027	96.1	SAFEWAY	2013	2043									
TROUTDALE (3)	2006	FEE	9.75	90,137	60.6	LAMBS THIRFTWAY	2021	2031									
PENNSYLVANIA																	
ARDMORE	2007	FEE	18.82	320,525	96.4	MACY'S	2012	2032	BANANA REPUBLIC	2010							
BLUE BELL	1996	FEE	17.72	120,211	100.0	KOHL'S	2016	2036	HOME GOODS	2013	2033						
CARLSLE (5)	2005	JOINT VENTURE	12.20	90,289	88.4	GIANT FOOD	2016	2046									
CHAMBERSBURG	2008	JOINT VENTURE	12.88	131,623	93.2	GIANT FOOD	2040	2040	WINE & SPIRITS SHOPPE	2011	2016						
CHAMBERSBURG	2006	FEE	37.31	271,411	98.8	KOHL'S	2028	2048	GIANT FOOD	2027	2067	MICHAELS	2017		2037		
CHIPPewa	2000	FEE	22.39	215,206	100.0	KMART	2018	2068	HOME DEPOT	2018	2068						
EAGLEVILLE	2008	FEE	15.20	165,285	98.1	KMART	2009	2019	GENUARDUS	2011	2026	DOLLAR TREE	2019		2029		
EAST NORRITON	1984	FEE	12.52	131,794	82.4	SHOPRITE	2022	2037	JO-ANN FABRICS	2012							
EAST STOCKBURG	1973	FEE	15.33	168,218	100.0	KMART	2012	2022	WEIS MARKETS	2009							
EASTWICK	1997	FEE	3.40	36,511	100.0	MERCY HOSPITAL	2017	2022									
EXTON	1996	FEE	9.78	85,184	100.0	KOHL'S	2016	2016									
EXTON	1999	FEE	6.06	60,685	100.0	ACME MARKETS	2015	2045									
FEASTERSVILLE	1996	FEE	4.60	86,575	7.9												
GETTYSBURG	1986	FEE	2.39	14,584	100.0	RITE AID	2026	2046									
GREENSBURG	2002	JOINT VENTURE	5.00	50,000	100.0	TJ MAXX	2010	2020	MICHAELS	2010	2020						
HAMBURG	2000	FEE	3.00	15,400	100.0	LEHIGH VALLEY HEALTH	2016	2026									
HARRISBURG	1972	FEE	17.00	175,917	100.0	GANDER MOUNTAIN	2013	2028	AMERICAN SIGNATURE	2022	2032	SUPERPETZ	2012		2021		
HAVERTOWN	1996	FEE	9.01	80,558	100.0	KOHL'S	2016	2036									
HOKSHAM (5)	2005	JOINT VENTURE	8.32	75,206	97.6	GIANT FOOD	2022	2052									
LANDSDALE	1996	GROUND LEASE (2037)	1.39	84,470	100.0	KOHL'S	2012										
MONROEVILLE (5)	2005	FEE	13.74	143,300	92.9	PETSMART	2019	2034	BED BATH & BEYOND	2020	2034	MICHAELS	2009		2029		
MONTGOMERY (4)	2002	JOINT VENTURE	45.00	257,565	88.8	GIANT FOOD	2020	2050	BED BATH & BEYOND	2016	2030	PETSMART	2021		2041		
MORRISVILLE	1996	FEE	14.38	2,437	0.0												
NEW KENNINGTON	1986	FEE	12.53	108,950	100.0	GIANT EAGLE	2016	2033									
PHILADELPHIA	2006	JOINT VENTURE	18.00	294,309	97.2	SEARS	2019	2039									
PHILADELPHIA	1995	JOINT VENTURE	22.55	332,583	98.2	TARGET	2030	2080	SUPER FRESH	2022	2047	PEP BOYS	2028		2038		
PHILADELPHIA	1983	JOINT VENTURE	8.12	195,440	100.0	JCPENNEY	2012	2037	TOY'S "R" US	2012	2052						
PHILADELPHIA	1998	JOINT VENTURE	7.53	75,303	100.0	NORTHEAST AUTO OUTLET	2015	2050									
PHILADELPHIA	1996	GROUND LEASE (2035)	6.82	133,309	100.0	KMART	2010	2035									
PHILADELPHIA	2005	FEE	0.41	9,343	100.0												
PHILADELPHIA	1996	FEE	6.30	82,345	100.0	KOHL'S	2016	2036									
PITTSBURGH	2004	GROUND LEASE (2095)	46.8	467,927	100.0												
PITTSBURGH (3)	2007	JOINT VENTURE	19.30	133,697	78.9	ECKEIRD	2013	2018									
PITTSBURGH (9)	2007	JOINT VENTURE	37.02	166,786	75.8	TJ MAXX	2010	2020	STAPLES	2015	2030	PETSMART	2015		2040		
POTTSTOWN (8)	2004	JOINT VENTURE	15.72	161,727	95.5	GIANT FOOD	2014	2049	TRACTOR SUPPLY CO.	2012	2027	TJ MAXX	2009		2019		
RYCHBORO	1986	FEE	14.47	111,982	100.0	SUPER FRESH	2018	2058									
SCOTT TOWNSHIP	1999	GROUND LEASE (2052)	-	69,288	100.0	WAL-MART	2032	2052									
SIREWSBURY (9)	2004	JOINT VENTURE	21.17	94,706	100.0	GIANT FOOD	2023	2053									

LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST/ EXPIRATION(S)	LAND AREA (ACRES)	LEASABLE AREA SQ. FT.	PERCENT LEASED (1)	MAJOR LEASES					
						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION
SPRINGFIELD	1983	FEE	79.66	212,188	98.1	VALUE CITY	2013	2043	STAPLES	2013	2023
UPPER DARTY	1996	JOINT VENTURE	16.34	4,808	100.0						
WEST MITTLIN	1986	FEE	8.33	84,279	100.0	BIG LOTS	2012	2012			
WHITEHALL	2005	JOINT VENTURE	15.14	151,418	100.0	GIANT FOOD	2014		JO-ANN FABRICS	2012	
WHITEHALL	1996	GROUND LEASE (2081)	6.00	84,524	100.0	KOHL'S	2016	2016		BARNES & NOBLE	2011
YORK	1986	FEE	3.32	35,500	100.0	GIANT FOOD	2012	2017			
YORK	1986	FEE	13.65	58,244	95.2	SAVE-A-LOT	2014	2029	ADVANCE AUTO PARTS	2012	2017
									YALE ELECTRIC	2010	2011
<b>Puerto Rico</b>											
RAYMON	2006	FEE	16.53	186,400	92.3	AMIGO SUPERMARKET	2027	2047	OFFICEMAN	2015	2030
CAGUAS	2006	FEE	79.76	576,348	96.3	SAMS CLUB	2019	2070	COSTCO	2026	2046
CAROLINA	2006	FEE	28.23	370,610	97.1	KMART	2019	2069	HOME DEPOT	2026	2046
MANATI	2006	FEE	6.68	49,640	95.7	GRANDE SUPERMARKET	2009			PUEBLO INTERNATIONAL	2015
MAYAGUEZ	2006	FEE	39.32	254,830	99.0	HOME DEPOT	2026	2046	SAMS CLUB	2019	2069
PONCE	2006	FEE	12.08	192,701	88.7	2000 CINEMA CORP.	2022	2022	SUPERMERCADOS MAXIMO	2026	2046
TRUJILLO ALTO	2006	FEE	19.47	199,513	100.0	KMART	2009	2024	PUEBLO SUPERMARKET	2014	2024
									FARMACIAS EL AMAL	2015	
<b>Rhode Island</b>											
CRASTON	1998	FEE	11.02	129,907	91.7	BOB'S STORES	2013	2028	MARSHALLS	2011	2021
PROVIDENCE	2003	GROUND LEASE (3072) JOINT VENTURE	16.99	71,735	86.5	STOP & SHOP	2022	2072			
									DOLLAR TREE	2013	2028
<b>South Carolina</b>											
CHARLESTON	1978	FEE	17.60	161,514	94.1	HABER'S TRETER	2027	2027	STEIN MART	2011	2016
CHARLESTON	1993	FEE	17.15	186,740	100.0	TJ MAXX	2014		OFFICE DEPOT	2011	2016
FLORENCE	1997	FEE	21.00	113,922	95.8	HAMBICKS	2011		STAPLES	2010	2035
GREENVILLE	1997	FEE	20.35	148,532	96.6	STEVE & BARREY'S	2010	2012	BARBIE'S R US	2012	2022
GREENVILLE (6)	2004	FEE	31.77	295,928	83.0	INGLES MARKETS	2021	2076	TJ MAXX	2010	2025
NORTH CHARLESTON	2000 1997	FEE	27.16	266,588	91.3	SPORTS AUTHORITY	2013	2013	CIRCUIT CITY	2019	2029
									MARSHALLS	2013	
<b>Tennessee</b>											
CHATTANOOGA	2002	JOINT VENTURE	5.00	50,000	100.0	HOME GOODS	2010	2020	MICHAELS	2017	2027
CHATTANOOGA	1973	GROUND LEASE (2074)	7.63	50,588	75.3	SAVE-A-LOT	2014				
MADISON	1978	GROUND LEASE (2039)	14.49	175,593	99.5	OLD TIME POTTERY	2013	2023	WAL-MART	2014	2039
MADISON	2004 2005	FEE	25.35	240,318	90.7	JO-ANN FABRICS	2014	2024	SAM ASH	2014	2019
MADISON (4)	1999	JOINT VENTURE	21.14	189,401	70.9	DICK'S SPORTING GOODS	2017	2012	BEST BUY	2014	2029
MEMPHIS	1991	FEE	14.71	167,243	62.3	TOYS "R" US	2017	2042	KIDS R US	2019	2044
MEMPHIS	2000	FEE	8.79	87,862	100.0	OLD TIME POTTERY	2010	2025			
MEMPHIS (3)	2007	JOINT VENTURE	5.52	55,297	79.3						
MEMPHIS (4)	2001	JOINT VENTURE	3.90	40,000	100.0	BED BATH & BEYOND	2012	2027			
NASHVILLE	1998	FEE	16.93	172,135	86.9	HARGREGG	2018	2028	ASHLEY FURNITURE HOMESTORE	2012	2022
NASHVILLE	1998	FEE	10.20	100,012	95.6	TREES N TRENDIS	2013	2018	OAK FACTORY OUTLET	2012	
NASHVILLE (4)	1999	JOINT VENTURE	9.34	99,909	57.8	BEST BUY	2014	2029		OLD COUNTRY BUTTET	2011
										2016	
<b>Texas</b>											
ALLEN	2006	JOINT VENTURE	2.11	21,162	100.0	CRIME DE LA CREME	2026	2046			
AMARILLO (4)	2003	JOINT VENTURE	10.63	142,647	94.2	ROSS DRESS FOR LESS	2012	2017	BED BATH & BEYOND	2012	2032
AMARILLO (4)	1997	JOINT VENTURE	9.30	343,875	99.6	HOME DEPOT	2019	2069		JO-ANN FABRICS	2012
ARLINGTON	1997	FEE	8.00	96,127	100.0	HOBBY LOBBY	2013	2018	KOHL'S	2025	2055
AUSTIN	2003	JOINT VENTURE	10.80	108,028	100.0	FRY'S ELECTRONICS	2018	2048		CIRCUIT CITY	2010
AUSTIN	1998	FEE	15.36	157,852	98.9	HEB GROCERY	2011	2026	BROKERS NATIONAL LIFE	2013	
AUSTIN (2)	2007	JOINT VENTURE	4.57	45,791	100.0	PRIMITIVES	2012	2017	JO-ANN FABRICS	2010	
AUSTIN (2)	2007	JOINT VENTURE	20.80	138,422	98.7	RANDALL'S FOOD & DRUGS	2009	2019			
AUSTIN (2)	2007	JOINT VENTURE	20.93	213,853	98.7	BED BATH & BEYOND	2011	2021	BUY BUY BABY	2018	2029
AUSTIN (4)	1998	JOINT VENTURE	18.20	191,760	45.1	BARBIE'S R US	2012	2027	WORLD MARKET	2011	2026
BAYTOWN	1996	FEE	8.68	98,423	100.0	HOBBY LOBBY	2019	2029	ROSS DRESS FOR LESS	2012	2032
BROWNSVILLE (11)	2005	JOINT VENTURE	27.60	243,000	52.3	TJ MAXX	2016	2016	MICHAELS	2017	2032
COLLEYSVILLE	2006	JOINT VENTURE	2.01	20,188	100.0	CRIME DE LA CREME	2026	2046		PETSMART	2016
COPPELL	2006	JOINT VENTURE	2.04	20,425	100.0	CRIME DE LA CREME	2026	2046			2041
CORPUS CHRISTI	1997	GROUND LEASE (2065)	12.54	125,454	100.0	BEST BUY	2016	2030	ROSS DRESS FOR LESS	2011	2030
DALLAS	1969	JOINT VENTURE	75.00	267,969	100.0	BIG TOWN BOWLANKES	2022			BED BATH & BEYOND	2018
DALLAS (3)	2007	JOINT VENTURE	12.07	171,988	86.4	CVS PHARMACY, INC.	2024	2064	ULTA J	2014	2024
DALLAS (4)	1998	JOINT VENTURE	6.80	83,867	100.0	ROSS DRESS FOR LESS	2012	2017	OFFICEMAX	2009	2024
EAST PLANO	1996	FEE	9.03	100,598	100.0	HOME DEPOT EXPO	2024	2024		BIG LOTS	2012
										2032	

LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST/ EXPIRATION(S)	LAND AREA (ACRES)	LEASABLE AREA SQ. FT.)	PERCENT LEASED (1)	MAJOR LEASES						LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION
						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION					
FORT WORTH (11)	2003	JOINT VENTURE	45.50	316,090	77.8	MARSHALLS	2015	2015	ROSS DRESS FOR LESS	2017	2042			OFFICE DEPOT	2021	2041
FRESNO (11)	2006	JOINT VENTURE	35.80	286,090	62.6	HOBBY LOBBY MARDELS	2028		HEMISPHERES	2023				SPROUTS FARMERS MARKET	2023	
GRAND PRAIRIE (11)	2006	JOINT VENTURE	53.10	302,090	64.2	24 HOUR FITNESS	2022	2047	ROSS DRESS FOR LESS	2019	2039	MARSHALLS	2017		2037	
HARRIS COUNTY (5)	2005	JOINT VENTURE	11.36	144,055	78.1	BEST BUY	2015	2025	BARNES & NOBLE	2014	2029	PETSMART	2019		2019	2034
HOUSTON	1996	FEE	8.15	96,500	100.0	BURLINGTON COAT FACTORY	2019	2024								
HOUSTON	2004	FEE	8.64	113,831	50.7	PALAS ROYAL	2017	2022								
HOUSTON (5)	2006	FEE	31.96	350,398	95.1	MARSHALLS	2011	2026	RED BATH & BEYOND	2012	2032	OFFICEMAX		2014	2034	
HOUSTON (9)	2006	JOINT VENTURE	23.76	237,634	97.0	TJ MAXX	2015	2015	ROSS DRESS FOR LESS	2016	2036	RED BATH & BEYOND	2016		2016	2041
LEWISVILLE	1998	FEE	9.36	93,668	95.3	FACTORY DIRECT FURNITURE	2019	2024	DOW SHOE WAREHOUSE	2018	2028	PETLAND	2009		2009	2019
LEWISVILLE	1998	FEE	7.60	123,560	96.9	BARNES & US	2012	2027	RED BATH & BEYOND	2018	2033	BROTHILL HOME COLLECTIONS	2015		2025	
LEWISVILLE	1998	FEE	11.20	74,837	73.4	TALBOTS OUTLET	2012	2020	56 FASHION OUTLETS	2013	2018					
LUBBOCK	1998	FEE	9.58	108,326	98.0	PETSMART	2015	2040	OFFICEMAX	2009	2029	BARNES & NOBLE	2010		2025	
MESQUITE	2006	FEE	14.97	209,766	100.0	BEST BUY	2014	2024	ASHLEY FURNITURE HOMESTORE	2012	2017	PETSMART	2009		2026	
MESQUITE	1974	FEE	9.03	79,550	100.0	KROGER	2012	2017								
N. BRAUNFELS	2003	JOINT VENTURE	8.64	86,479	100.0	KOHL'S	2014	2044								
NORTH CUNEO (9)	2006	JOINT VENTURE	27.57	283,463	96.5	FINGERS FURNITURE	2022	2042	TJ MAXX	2016	2036	ROSS DRESS FOR LESS	2017		2037	
PASADENA (4)	2001	JOINT VENTURE	24.58	240,907	99.3	BEST BUY	2012	2027	ROSS DRESS FOR LESS	2012	2032	MARSHALLS	2012		2027	
PASADENA (4)	1999	JOINT VENTURE	15.13	169,190	100.0	PETSMART	2015	2030	OFFICEMAX	2014	2029	MICHAELS	2009		2024	
PLANO	2005	FEE	-	149,343	100.0	HOME DEPOT	2027	2037								
RICHARDSON (4)	1998	JOINT VENTURE	11.70	115,579	79.5	OFFICEMAX	2011	2026	BALLY TOTAL FITNESS	2009	2019	FOX & HOUND	2012		2022	
SOUTH LAKE	2008	JOINT VENTURE	4.13	37,447	88.2											
TEMPLE (5)	2005	JOINT VENTURE	27.47	274,799	83.9	HOBBY LOBBY	2021	2036	ROSS DRESS FOR LESS	2012	2037	MARSHALLS	2011		2026	
WEBSTER	2006	FEE	40.00	408,899	97.9	HOBBY LOBBY	2017	2027	OSHMAN SPORTING	2011	2021	BEL FURNITURE	2010		2015	
<b>UTAH</b>																
OGDEN	1967	FEE	11.36	142,628	100.0	CUSTCO	2033	2073								
<b>VERMONT</b>																
MANCHESTER	2004	FEE	9.48	54,352	96.7	PRICE CHOPPERS	2011									
<b>VIRGINIA</b>																
BURKE (7)	2004	GROUND LEASE (2076) JOINT VENTURE	12.46	124,148	100.0	SAFeway	2020	2090	CVS	2021	2041					
COLONIAL HEIGHTS	1999	FEE	6.09	60,909	100.0	ASHLEY HOME STORES	2018	2028	BOOKS-A-MILLION	2011						
DUMFRIES (9)	2005	JOINT VENTURE	-	1,702	100.0											
FAIRFAX (3)	2007	JOINT VENTURE	10.13	101,332	97.5	WALGREENS	2021	2041	TJ MAXX	2014	2034					
FAIRFAX (4)	1998	JOINT VENTURE	37.00	343,180	100.0	CUSTCO	2011	2046	HOME DEPOT	2013	2033	SPORTS AUTHORITY	2013			
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	10,125	100.0	SHONEY'S	2023									
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	7,993	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	1,762	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	7,290	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	2,170	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	10,125	100.0	CVS	2019	2039								
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	10,125	100.0	CVS	2022	2042								
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	7,080	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	4,352	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	3,628	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	3,822	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	33,179	100.0	CIRCUS CITY	2018	2038								
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	3,080	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	4,828	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	7,256	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	5,620	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	5,892	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	3,076	100.0											
FREDERICKSBURG (9)	2005	FEE	-	7,241	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	5,540	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	6,100	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	8,627	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	7,290	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	11,097	100.0	NTB TIRES	2017	2037								
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	6,080	100.0											
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	2,909	100.0											

LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST/ EXPIRATION(2)	LAND AREA (ACRES)	LEASABLE AREA SQ. FT. (3)	PERCENT LEASED (1)	MAJOR LEASES						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	4,800	100.0															
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	6,818	100.0															
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	5,126	100.0															
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	8,000	100.0															
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	10,002	100.0							CRACKER BARREL	2014	2014						
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	10,578	100.0							CHUCK E CHEESE	2014	2014						
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	3,000	100.0															
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	4,261	100.0															
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	3,650	100.0															
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	2,454	100.0															
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	32,000	100.0							BASSETT FURNITURE	2019	2019						
FREDERICKSBURG (9)	2005	JOINT VENTURE	-	4,842	100.0															
HARRISONBURG (10)	2007	JOINT VENTURE	19.01	187,534	94.6							KOHL'S	2024	2064	MARTINS	2027	2067			
LEESBURG (3)	2007	JOINT VENTURE	27.90	316,586	99.4							SHOPPERS FOOD	2015	2060	STEIN MART	2011	2011	ROSS DRESS FOR LESS	2013	2023
MANASSAS	1997	FEE	12.50	117,525	95.6							SUPER FRESH	2011	2026	JO-ANN FABRICS	2011				
MANASSAS (5)	2005	JOINT VENTURE	8.94	107,233	100.0							BURLINGTON COAT FACTORY	2009	2010	AUTOTONE	2010	2025			
PENTAGON CITY (6)	2004	FEE	16.80	330,467	89.7							CUSTCO	2009	2044	MARSHALLS	2010	2025	BEST BUY	2014	2024
RICHMOND	1995	FEE	11.47	128,612	100.0							BURLINGTON COAT FACTORY	2010	2015						
RICHMOND	1999	FEE	8.46	84,683	100.0							ROOMSTORE	2013	2023						
RICHMOND (9)	2005	JOINT VENTURE	-	3,060	100.0															
ROANOKE	2004	FEE	7.66	81,799	100.0							DICK'S SPORTING GOODS	2019	2014	CIRCUIT CITY	2020	2040			
ROANOKE (10)	2007	JOINT VENTURE	35.70	298,162	90.9							MICHAEL'S	2009	2019	MARSHALLS	2013	2033	ROSS DRESS FOR LESS	2016	2016
STAFFORD (5)	2005	JOINT VENTURE	30.83	331,730	98.8							SHOPPERS FOOD	2023	2013	TJ MAXX	2016	2016	ROSS DRESS FOR LESS	2015	2015
STAFFORD (9)	2005	JOINT VENTURE	9.86	101,042	100.0							GIANT FOOD	2027	2072	STAPLES	2017	2012	PETCO SUPPLIES & FISH	2012	2027
STAFFORD (9)	2005	JOINT VENTURE	-	7,310	100.0															
STAFFORD (9)	2005	JOINT VENTURE	-	4,400	100.0															
STAFFORD (9)	2005	JOINT VENTURE	1.22	4,211	100.0															
STERLING	2008	FEE	38.05	361,043	93.7							TOY'S "R" US	2012	2017	MICHAEL'S	2011	2026	CIRCUIT CITY	2017	2017
STERLING (5)	2008	JOINT VENTURE	103.27	737,503	95.1							WAL-MART	2021	2091	LOWE'S HOME CENTER	2021	2061	SAM'S CLUB WEDGEWOOD ANTIQUES & AUCTION	2021	2091
WOODBRIEGE	1973	GROUND LEASE (2072)/JOINT VENTURE	19.63	144,793	100.0							CAMPUS FURNITURE	2009		SALVATION ARMY	2009	2014		2009	
WOODBRIEGE (4)	1998	JOINT VENTURE	54.00	493,193	97.7							SHOPPERS FOOD	2014	2044	DICK'S SPORTING GOODS	2019	2039	BEST BUY	2010	2025
<b>WASHINGTON</b>																				
AUBURN	2007	FEE	13.73	171,032	99.1							ALBERTSONS	2018	2018	OFFICE DEPOT	2009	2029	RITE AID	2013	2028
BELLEVUE	2004	JOINT VENTURE	41.59	407,812	94.6							TARGET	2012	2017	NORDSTROM RACK	2012	2032	SAFEMWAY	2012	2027
BELLINGHAM (3)	2007	JOINT VENTURE	30.53	376,023	98.5							KMART	2009	2049	COST CUTTERS	2009	2044	JO-ANN FABRICS	2010	2025
BELLINGHAM (4)	1998	JOINT VENTURE	20.00	188,885	98.6							MACY'S	2012	2012	BEST BUY	2017	2032	BED BATH & BEYOND	2012	2027
FEDERAL WAY (4)	2000	JOINT VENTURE	17.00	200,126	92.9							QFC	2015	2045	JO-ANN FABRICS	2010	2030	BARNES & NOBLE	2011	2026
KENT (3)	2006	FEE	7.19	69,020	98.4							RITE AID	2015	2015						
KENT (3)	2006	FEE	23.10	86,909	100.0							ROSS DRESS FOR LESS	2011	2026						
LAKE STEVENS (3)	2006	FEE	18.60	195,932	100.0							SAFEMWAY	2032	2077	G.I. JOE'S	2018	2018	BARTELL DRUGS	2013	2018
MILL CREEK (3)	2006	FEE	12.43	113,641	94.7							SAFEMWAY	2015	2045	PENNZOIL TEN MINUTE OIL CHANGE	2018				
OLYMPIA (3)	2006	FEE	6.71	69,212	73.4							BARNES & NOBLE	2010	2015	PETCO	2013	2023			
OLYMPIA (3)	2007	JOINT VENTURE	15.00	167,117	85.7							ALBERTSONS	2013	2043	ROSS DRESS FOR LESS	2010	2015			
SEATTLE (3)	2006	GROUND LEASE (2083)	3.22	146,819	87.1							SAFEMWAY	2012	2017	PRUDENTIAL NORTHWEST REALTY	2009	2018	BARTELL DRUGS	2012	2022
SILVERDALE (3)	2006	FEE	5.10	67,287	87.7							ROSS DRESS FOR LESS	2016	2026						
SILVERDALE (3)	2006	GROUND LEASE (2059)	14.74	170,406	99.3							SAFEMWAY	2024	2059	JO-ANN FABRICS	2012	2032	RITE AID	2011	2041
SPOKANE (5)	2005	JOINT VENTURE	8.31	129,785	100.0							BED BATH & BEYOND	2011	2026	ROSS DRESS FOR LESS	2014	2019	RITE AID	2009	2019
TACOMA (3)	2006	FEE	14.50	134,839	99.2							TJ MAXX	2019		GALAXY THEATRES	2009		OFFICE DEPOT	2012	
TUKWILA (4)	2003	JOINT VENTURE	45.90	459,071	97.4							THE BON MARCHE	2009	2019	BEST BUY	2016	2031	SPORTS AUTHORITY	2014	2029
VANCOUVER (3)	2006	FEE	6.33	69,790	94.1							SUPERMAX	2016	2026	ACE HARDWARE	2012				



LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST/ (EXPIRATION/G)	LAND AREA (ACRES)	LEASABLE AREA SQ. FT.)	PERCENT LEASED (I)	MAJOR LEASES						LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	
						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION						TENANT NAME
WEST VIRGINIA																	
CHARLES TOWN	1985	FEE	22.00	208,888	99.2	WAL-MART	2017	2047	STAPLES	2016							
HUNTINGTON	1991	FEE	19.49	2,400	100.0												
SOUTH CHARLESTON	1999	FEE	14.75	148,099	99.3	KROGER	2011	2041	TJ MAXX	2011	2021						
CANADA																	
ALBERTA																	
BRENTWOOD	2002	JOINT VENTURE	31.2	311,609	95.8	CANADA SAFEWAY	2012	2027	SEARS WHOLE HOME	2010	2020	LINEN N THINGS	2016	2011			
GRANDE PRAIRIE III	2002	JOINT VENTURE	6.3	63,413	100.0	MICHAELS	2011	2011	WINNERS (TJ MAXX)	2011	2026	FYSK LINEN	2012	2022			
SHAWNEEY CENTRE	2002	JOINT VENTURE	30.6	306,010	100.0	FUTURE SHOP (BEST BUY)	2009	2024	LINEN N THINGS	2015	2025	BUSINESS DEPOT (STAPLES)	2013	2028			
SHOPPES @ SHAWNESEY	2002	JOINT VENTURE	16.3	162,988	100.0	ZELLERS	2011	2096									
SOUTH EDMONTON COMMON	2002	JOINT VENTURE	42.9	428,745	100.0	HOME OUTFITTERS	2016	2011	LONDON DRUGS	2020	2057	MICHAELS	2011	2026			
BRITISH COLUMBIA																	
ABBOTSFORD	2002	JOINT VENTURE	22.0	219,688	99.0	ZELLERS	2002	2082	PETSMART	2013	2033	WINNERS (TJ MAXX)	2013	2030			
CLEARBROOK	2001	JOINT VENTURE	18.8	188,253	86.5	SAFEWAY	2012	2017	STAPLES	2012	2022						
LANGLEY GATE	2002	JOINT VENTURE	15.2	151,802	100.0	SEARS	2013	2018	PETSMART	2014	2039	WINNERS (TJ MAXX)	2012	2017			
LANGLEY POWER CENTER	2003	JOINT VENTURE	22.8	228,314	100.0	WINNERS (TJ MAXX)	2012	2027	MICHAELS	2011	2021	FUTURE SHOP (BEST BUY)	2012	2022			
MISSION	2001	JOINT VENTURE	27.1	271,462	98.8	OVERWATTEE	2018	2028	FAMOUS PLAYERS	2010	2030	LONDON DRUGS	2019	2046			
PRINCE GEORGE	2001	JOINT VENTURE	37.3	372,725	93.0	OVERWATTEE	2018	2028	THE BAY	2013	2083	LONDON DRUGS	2017	2027			
PRINCE GEORGE	2008	JOINT VENTURE	7.0	69,821	96.5	BRICK WAREHOUSE	2022										
STRAWBERRY HILL	2002	JOINT VENTURE	33.8	337,931	100.0	HOME DEPOT	2016	2041	CINEPLEX ODEON	2014	2024	WINNERS (TJ MAXX)	2010	2025			
SURREY	2001	JOINT VENTURE	17.1	170,725	96.5	CANADA SAFEWAY	2011	2061	LONDON DRUGS	2011	2021						
TILLCUM	2002	JOINT VENTURE	47.3	472,587	100.0	ZELLERS	2013	2098	SAFEWAY	2023	2053	WINNERS (TJ MAXX)	2013	2023			
NOVA SCOTIA																	
DARTMOUTH	2008	JOINT VENTURE	18.6	186,315	93.1	SOBEY'S	2039										
HALIFAX	2008	JOINT VENTURE	13.8	138,094	100.0	WAL-MART	2016	2041									
ONTARIO																	
404 TOWN CENTRE	2002	JOINT VENTURE	24.4	244,379	98.0	ZELLERS	2014	2024	A & P	2012	2027	NATIONAL GYM CLOTHING	2019	2024			
BELLEVILLE	2008	JOINT VENTURE	7.2	71,925	95.1	A&P	2014	2039									
BOULEVARD CENTRE III	2004	JOINT VENTURE	8.3	82,942	98.3	FOOD BASICS	2025	2055									
CHATHAM	2008	JOINT VENTURE	7.1	71,423	91.5	FOOD BASICS	2017	2037									
CLARKSON CROSSING	2004	JOINT VENTURE	21.3	213,051	100.0	CANADIAN TIRE	2023	2043	A & P	2023	2048						
DONALD PLAZA	2002	JOINT VENTURE	9.1	91,462	95.9	WINNERS (TJ MAXX)	2014	2024									
FERGUS	2008	JOINT VENTURE	10.6	105,955	100.0	ZELLERS	2022	2027									
GREEN LANE CENTRE	2003	JOINT VENTURE	16.0	160,195	100.0	LINEN N THINGS	2014	2029	MICHAELS	2013	2033	PETSMART	2014	2019			
HAWKESBURY	2008	JOINT VENTURE	5.5	54,050	100.0	PRICE CHOPPER	2016	2036									
HAWKESBURY	2008	JOINT VENTURE	1.7	17,032	100.0	SHOPPERS DRUG MART	2020	2040									
KENDAL WOOD	2002	JOINT VENTURE	15.9	158,833	97.7	PRICE CHOPPER	2013	2038	VALUE VILLAGE	2013	2028	SHOPPERS DRUG MART	2011	2021			
LEASIDE	2002	JOINT VENTURE	13.3	133,035	100.0	CANADIAN TIRE	2011	2016	FUTURE SHOP (BEST BUY)	2011	2021	PETSMART	2012	2017			
LINCOLN FIELDS	2002	JOINT VENTURE	29.0	289,711	83.8	WAL-MART	2010	2025	LOEB (GROUND)	2014	2024						
LONDON	2008	JOINT VENTURE	9.0	90,212	90.3	TALIZE	2015	2025									
MARKETPLACE TORONTO	2002	JOINT VENTURE	17.1	171,088	100.0	WINNERS (TJ MAXX)	2014	2029	MARK'S WORK WEARHOUSE	2015	2025	SEARS APPLIANCE	2015	2025			
OTTAWA	2008	JOINT VENTURE	12.7	127,416	100.0	LOEB CANADA INC	2022	2042	BEST BUY	2013	2033	LINEN N THINGS	2014	2029			
RIOCAN GRAND PARK	2003	JOINT VENTURE	11.9	118,637	100.0	SHOPPERS DRUG MART	2018	2018	WINNERS (TJ MAXX)	2014	2024	BUSINESS DEPOT (STAPLES)	2011	2021			
SCARBOROUGH	2005	JOINT VENTURE	2.3	20,396	100.0	AGINCOURT NISSAN LIMITED	2020										
SCARBOROUGH	2005	JOINT VENTURE	1.8	13,433	100.0	MORNINGSIDE NISSAN LIMITED	2020										
SHOPPERS WORLD ALBION	2002	JOINT VENTURE	38.0	380,295	100.0	CANADIAN TIRE	2014	2029	FORTINO'S	2010	2030						
SHOPPERS WORLD DANFORTH	2002	JOINT VENTURE	32.8	328,298	100.0	ZELLERS	2014	2029	DOMINION	2018	2028	BUSINESS DEPOT (STAPLES)	2015	2030			
ST. LAURANT	2002	JOINT VENTURE	12.6	125,984	100.0	ZELLERS	2017	2046	LOEB	2013	2023						
STUBURY	2002	JOINT VENTURE	23.4	234,299	100.0	FAMOUS PLAYERS	2019	2039	BUSINESS DEPOT (STAPLES)	2014	2024	CHAPTERS	2010	2030			
STUBURY	2004	JOINT VENTURE	17.0	169,524	100.0	WINNERS (TJ MAXX)	2015	2030	LINEN N THINGS	2016	2031	MICHAELS	2015	2035			
THICKSON RIDGE	2002	JOINT VENTURE	36.3	363,039	100.0	WINNERS (TJ MAXX)	2013	2023	FUTURE SHOP (BEST BUY)	2011	2016	SEARS WHOLE HOME	2012	2022			
TORONTO	2007	JOINT VENTURE	0.5	46,966	100.0	TRANSWORLD FINE CARS	2027										
WALKER PLACE	2002	JOINT VENTURE	7.0	69,857	100.0	COMMISSO'S	2012	2032									
WINDSOR	2007	JOINT VENTURE	6.6	58,147	100.0	PERFORMANCE FORD SALES, INC.	2027										
PRINCE EDWARD ISLAND																	
CHARLOTTETOWN	2002	JOINT VENTURE	39.4	393,656	98.8	ZELLERS	2019	2079	WINNERS (TJ MAXX)	2010	2020	WEST ROYALTY FITNESS	2010	2015			
QUEBEC																	
CHATEAUGUAY	2002	JOINT VENTURE	21.1	211,288	97.0	SUPER C	2013	2028	HART	2015	2025						
GATINEAU	2008	JOINT VENTURE	28.4	283,565	98.9	WAL-MART	2015	2035	CANADIAN TIRE	2015	2035	SUPER C	2017	2017			
GREENFIELD PARK	2002	JOINT VENTURE	36.4	364,301	80.6	WINNERS (TJ MAXX)	2011	2021	BUREAU EN GROS (STAPLES)	2012	2022	GUZZO CINEMA	2019	2019			

LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST/ EXPIRATION (2)	LAND AREA (ACRES)	LEASABLE AREA SQ. FT.)	PERCENT LEASED (1)	MAJOR LEASES						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION
JACQUES CARTIER	2002	JOINT VENTURE	21.6	216,116	95.2	GUZZO CINEMA	2010	2040	VALUE VILLAGE	2013	2028	IGA	2012	2022			
LAYAL	2008	JOINT VENTURE	11.6	116,147	100.0	ZELLERS	2028	2103									
<b>MEXICO</b>																	
<b>Baja California</b>																	
ROSELANDIA (11)	2008	JOINT VENTURE	13.3	133,000	100.0	MAGAZINE LUIZA	2020										
VALDOROS (11)	2008	FEE	12.9	129,000	100.0	RUSSI GROCERY	2021										
<b>Chile</b>																	
QUILACURA (11)	2008	JOINT VENTURE	0.8	8,000	75.0												
SANTIAGO	2007	JOINT VENTURE	2.8	27,315	78.5												
SANTIAGO	2007	JOINT VENTURE	5.0	50,492	89.9												
SANTIAGO	2007	JOINT VENTURE	1.3	13,487	87.1												
SANTIAGO	2007	JOINT VENTURE	0.7	6,684	100.0												
SANTIAGO	2008	JOINT VENTURE	2.1	21,086	78.4												
SANTIAGO	2008	JOINT VENTURE	0.9	9,045	70.3												
SANTIAGO	2008	JOINT VENTURE	9.2	91,572	95.0												
SANTIAGO	2008	JOINT VENTURE	3.6	36,177	97.4												
SANTIAGO (11)	2008	JOINT VENTURE	2.0	20,000	5.0												
VINA DEL MAR (11)	2008	JOINT VENTURE	27.5	275,000	66.5	LIDER	2025	2040	SODIMAC	2025	2040						
<b>MEXICO</b>																	
<b>Baja California</b>																	
MEXICALI	2006	FEE	12.1	121,239	100.0	CINEPOLIS	2020										
MEXICALI (11)	2006	JOINT VENTURE	35.2	352,000	71.0	WAL-MART											
ROSARITO (11)	2007	JOINT VENTURE	41.4	547,000	70.2	HOME DEPOT	2023		CINEPOLIS	2023		WAL-MART	2022				
TIHUANA (11)	2005	JOINT VENTURE	38.7	567,000	86.9	WAL-MART	2021		MM CINEMA	2016		COPEL	2016				
TIHUANA (11)	2007	JOINT VENTURE	12.3	193,000	66.3	COMERCIAL MEXICANA	2023										
TIHUANA (11)	2007	JOINT VENTURE	50.5	455,000	36.3	WAL-MART	2019		CINEPOLIS	2024							
<b>Baja California Sur</b>																	
LOS CABOS (11)	2007	FEE	24.8	684,000	-	US FOODS	2013										
<b>Campiche</b>																	
CIUDAD DEL CARMEN (11)	2007	JOINT VENTURE	24.7	308,000	54.2	CHEDRAUI GROCERY	2024										
<b>Chiapas</b>																	
TAPACHULA (11)	2007	FEE	29.7	369,000	33.6	WAL-MART	2024										
<b>Chiuhauhua</b>																	
RUAREZ	2003	JOINT VENTURE	23.8	238,135	80.4	SORIANA	2023	2038									
RUAREZ (11)	2006	JOINT VENTURE	18.6	186,000	75.3	WAL-MART	2027										
<b>Colameia</b>																	
CIUDAD ACUNA	2007	FEE	3.2	31,699	95.6	COPEL	2021										
SABINAS	2007	FEE	1.0	10,147	100.0	WALDO'S	2015										
SALTILLO (11)	2005	FEE	25.8	445,000	87.2	HEB	2020										
SALTILLO PLAZA	2002	JOINT VENTURE	17.3	173,375	97.4	HEB	2042										
<b>Durango</b>																	
DURANGO	2007	FEE	1.2	11,911	100.0												
<b>Guerrero</b>																	
ACAPULCO	2005	FEE	42.1	421,239	96.6	WAL-MART	2019										
<b>Hidalgo</b>																	
PACHUCA (11)	2005	JOINT VENTURE	13.7	202,000	72.3	HOME DEPOT	2021										
PACHUCA (11)	2005	FEE	11.2	188,000	78.7	WAL-MART	2024										
<b>Jalisco</b>																	
GUADALAJARA	2005	JOINT VENTURE	13.0	129,705	89.5	WAL-MART	2026										
GUADALAJARA	2006	FEE	10.0	99,717	100.0	CINEPOLIS	2019		ZARA	2011							
GUADALAJARA (11)	2005	JOINT VENTURE	24.0	654,000	81.0	WAL-MART	2025		CINEPOLIS	2022							
GUADALAJARA (11)	2006	FEE	73.2	732,000	29.2	WAL-MART	2021		CINEPOLIS	2024							
LAGOS DE MORENO	2007	FEE	1.6	15,645	100.0												
PUERTO VALLARTA	2006	JOINT VENTURE	8.8	87,547	98.3	SORIANA	2021										

LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST/ (EXPIRATION)(2)	LAND AREA (ACRES)	LEASABLE AREA SQ. FT.)	PERCENT LEASED (1)	MAJOR LEASES					
						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION
<u>MEXICO</u>											
HUEHUETOCA	2004	JOINT VENTURE	17.0	170,275	94.0	WAL-MART	2014				
HUEHUETOCA (11)	2007	FEE	7.9	126,000	0.0	COPEL	2023				
TICAMAC (11)	2006	JOINT VENTURE	19.8	198,000	74.2	WAL-MART	2023				
ORD DE AGUILA (11)	2008	FEE	22.9	229,000	65.5	CHEDRAU GROCERY	2023				
<u>MEXICO CITY</u>											
INTERLOMAS	2007	JOINT VENTURE	24.6	246,139	90.6	GAMEWORKS	2011		ZARA	2018	
IXTAPALUCA	2007	FEE	1.4	13,702	100.0						
MEXICO CITY	2005	FEE	0.7	30,684	100.0						
TLALNEPANTLA	2005	JOINT VENTURE	14.7	398,911	95.6	WAL-MART	2026				
<u>MORELOS</u>											
CUAUTLA (11)	2006	JOINT VENTURE	58.9	589,000	53.8	WAL-MART	2023				
<u>NAYARIT</u>											
NEUVO VALLARTA (11)	2007	FEE	19.7	301,000	42.9	WAL-MART	2019				
<u>NEUVO LEON</u>											
ESCORBEDO (11)	2006	JOINT VENTURE	34.7	347,000	69.2	HEB	2042				
MONTERREY	2002	JOINT VENTURE	27.3	272,864	98.0	HEB	2042				
MONTERREY (11)	2006	FEE	38.1	381,000	78.2	HEB	2047				
MONTERREY (11)	2008	FEE	18.3	183,000	37.7	HEB	2029				
<u>OAXACA</u>											
TUXTEPEC	2005	JOINT VENTURE	9.7	96,919	98.5	WAL-MART	2025				
TUXTEPEC (11)	2007	JOINT VENTURE	10.0	136,000	37.5	MM CINEMA	2018				
<u>QUEBETARO</u>											
SAN JUAN DEL RIO (11)	2006	FEE	22.3	223,000	37.7	WAL-MART	2013				
<u>QUINTANA ROO</u>											
CANCUN	2004	FEE	9.1	91,130	100.0	WAL-MART	2018				
CANCUN	2007	FEE	28.4	284,145	92.1	SUBURBIA	2025		CINEPOLIS	2021	
CANCUN (11)	2008	FEE	25.0	250,000	52.0	CHEDRAU GROCERY	2023				
<u>SAN LUIS POTOSI</u>											
SAN LUIS	2004	JOINT VENTURE	12.1	121,334	97.8	HEB	2019				
<u>SONORA</u>											
LOS MOCHIS (11)	2007	FEE	9.9	152,000	67.1	WAL-MART	2018				
HERMOSILLO (11)	2008	FEE	9.9	379,000	37.7	SEARS	2020	2020			
<u>TAMAULIPAS</u>											
ALTAMIRA	2007	FEE	2.4	24,479	100.0	FAMA	2020				
MATAMOROS	2007	FEE	15.4	153,774	97.3	CINEPOLIS	2014		GIGANTE	2009	OFFICE DEPOT 2015
MATAMOROS	2007	FEE	1.1	10,900	100.0	WALDOS	2012				
MATAMOROS	2007	FEE	1.1	10,835	100.0	WALDOS	2012				
NEUVO LAREDO	2007	FEE	0.9	8,565	100.0						
NEUVO LAREDO	2007	FEE	1.1	10,760	100.0	WALDOS	2012				
NEUVO LAREDO (11)	2006	FEE	44.2	442,000	75.1	WAL-MART	2022	2047	HOME DEPOT	2028	2043 CINEPOLIS 2023
REYNOSA	2004	JOINT VENTURE	38.0	380,036	96.9	HEB	2029				
REYNOSA	2007	FEE	11.5	115,091	100.0	GIGANTE	2012				
REYNOSA	2007	FEE	1.0	9,684	100.0						
REYNOSA	2007	FEE	1.8	17,603	91.9	WALDOS	2012				
RIO BRAVO	2007	FEE	1.0	9,673	100.0						
RIO BRAVO (11)	2008	FEE	22.0	220,000	41.8	HEB	2028				
TAMPICO	2007	FEE	1.6	16,162	100.0						
<u>VERACRUZ</u>											
MINATITLAN	2007	FEE	2.0	19,847	100.0	WALDOS	2016				
<u>PERU</u>											
LIMA (11)	2008	FEE		0.9	9,000						
TOTAL 946 SHOPPING CENTER PROPERTY INTERESTS				14,784	541,114,254						

LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST/ (EXPIRATION) (2)	LAND AREA (ACRES)	LEASABLE AREA SQ. FT.)	PERCENT LEASED (1)	MAJOR LEASES								
						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION
OTHER PROPERTY INTERESTS														
US PREFERRED EQUITY INVESTMENTS (RETAIL ASSETS ONLY)														
ALASKA														
ANCHORAGE (12)	2006	JOINT VENTURE	5.86	84,463	90.2	BED, BATH & BEYOND	2018	2038						
ARIZONA														
TUSCON	2006	JOINT VENTURE	57.30	504,010	93.2	LOWE'S/CINEPLEX ODEON	2017	2037	BARNES & NOBLE	2012	2022	ROSS STORES INC	2013	2022
CALIFORNIA														
CHATSWORTH	2003	JOINT VENTURE	6.80	75,875	100.0	KARBOOTS	2014	2024	SMART & FINAL	2014	2034	TRADER JOE'S COMPANY	2014	2029
HAWTHORNE	2004	JOINT VENTURE	-	21,507	100.0	OFFICE DEPOT	2019	2038						
MALIBU	2007	JOINT VENTURE	1.86	22,279	87.6									
MALIBU	2007	JOINT VENTURE	1.25	15,148	91.8									
FLORIDA														
APOPKA	2007	JOINT VENTURE	7.90	71,615	100.0	WINN DIXIE	2013	2038						
AUBURNDALE	2006	JOINT VENTURE	4.00	10,000	54.4									
BRANDON	2006	JOINT VENTURE	1.69	10,000	0.0									
CLEARWATER	2004	JOINT VENTURE	8.38	84,441	97.0	KASH'N KARRY	2014	2034	WALGREEN'S	2014				
CLEARWATER (12)	2007	JOINT VENTURE	3.13	31,729	0.0									
DELRAY BEACH (12)	2007	JOINT VENTURE	18.00	118,175	78.3	PUBLIX SUPERMARKETS, INC.	2011	2021	DELRAY SQUARE CINEMAS INC.	2011	2011			
DELTONA	2004	JOINT VENTURE	7.00	80,567	91.0	WINN DIXIE	2014	2029	PET SUPERMARKET	2009	2024			
JACKSONVILLE	2006	JOINT VENTURE	1.50	-	0.0									
LAKE WALES	2007	JOINT VENTURE	0.83	-	0.0									
LOXAHATCHEE	2003	JOINT VENTURE	8.50	75,194	96.8	WINN DIXIE	2019	2054						
MIAMI	2004	JOINT VENTURE	49.97	651,011	94.0	HOME DEPOT	2028	2058	TIGER DIRECT	2010	2020	AMC CINEMA	2009	
PEMBROKE PINES	2008	JOINT VENTURE	29.20	273,459	92.2	SEDANOS	2014	2034	NAVARRO'S PHARMACY	2010	2025	TIGER DIRECT	2019	2034
SARASOTA	2005	JOINT VENTURE	12.56	148,548	95.2	OFFICE DEPOT	2015	2025	PETSMART	2013	2023	JO-ANN FABRIC	2013	2018
SPRING HILL	2003	JOINT VENTURE	7.34	69,917	95.3	WINN DIXIE	2010	2035						
TAMPA	2004	JOINT VENTURE	11.40	100,538	89.0	KASH'N KARRY	2015	2035	US POSTAL SERVICE	2010				
WELLINGTON	2002	JOINT VENTURE	18.70	171,955	91.8	ACE HARDWARE	2018	2033	BEALL'S	2018	2033	WALGREEN'S	2029	
GEORGIA														
MOULTREE	2006	JOINT VENTURE	22.37	196,589	94.5	WAL-MART	2017	2047						
ILLINOIS														
LANSING	2005	JOINT VENTURE	52.80	320,339	87.9	WAL-MART	2020	2070	OFFICE DEPOT	2012	2037	CTI TRENDS INC	2011	2020
IOWA														
WEST DES MOINES	2006	JOINT VENTURE	7.60	44,123	100.0									
KENTUCKY														
LOUISVILLE	2006	JOINT VENTURE	36.51	151,369	100.0	TOYS R US	2011	2046	TJ MAXX	2011	2021	GOODY'S	2014	2029
LOUISIANA														
LAFAYETTE	2007	JOINT VENTURE	12.93	29,405	75.3									
LAKE CHARLES	2007	JOINT VENTURE	17.28	126,601	99.1	MARSHALL'S	2012	2027	ROSS STORES INC	2014	2029	RED, BATH & BEYOND	2014	2034
SHREVEPORT	2005	JOINT VENTURE	18.40	93,669	100.0	OFFICE MAX	2012	2012	BARNES & NOBLE	2013	2028	OLD NAVY	2012	2012
SHREVEPORT	2006	JOINT VENTURE	8.40	78,591	95.5	MICHAELS	2014	2034	DOLLAR TREE	2010	2025			
MASSACHUSETTS														
HAVERHILL	2006	JOINT VENTURE	6.94	63,203	94.8									
MISSISSIPPI														
RIDGELAND	2005	JOINT VENTURE	3.35	41,759	91.9									
RIDGELAND	2005	JOINT VENTURE	3.75	61,753	96.9	PARTY CITY	2014	2019						
RIDGELAND	2005	JOINT VENTURE	6.01	81,626	100.0	ACADEMY SPORTS	2019	2029						
NEW HAMPSHIRE														
LANCASTER	2006	JOINT VENTURE	10.80	50,080	100.0	SHAW'S SUPERMARKET	2018	2048						
LITTLETON	2006	JOINT VENTURE	43.00	34,583	100.0	STAPLES	2015	2020						
NEWPORT	2006	JOINT VENTURE	20.00	116,828	94.5	OCEAN STATE JOB LOT	2011	2011	SHAW'S SUPERMARKET	2015	2011			
WOODSVILLE	2006	JOINT VENTURE	1.74	11,180	100.0	RITE AID	2017	2042						
WOODSVILLE	2006	JOINT VENTURE	3.50	39,080	100.0	SHAW'S SUPERMARKET	2015	2030						
NEW JERSEY														
WHITING	2007	JOINT VENTURE	26.70	95,848	98.9	STOP 'N SHOP	2026	2046						
NEW YORK														
PORT JEFFERSON STATION	2007	JOINT VENTURE	7.00	65,083	95.1	GRUNTA'S MEAT FARM SUPERMARKET	2016	2016						

LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST (EXPIRATION/%)	LAND AREA (ACRES)	LEASABLE AREA SQ. FT.)	PERCENT LEASED (%)	MAJOR LEASES						LEASE EXPIRATION	OPTION EXPIRATION			
						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION					
<u>TENNESSEE</u>																
COOKEVILLE	2007	JOINT VENTURE	37.64	211,483	97.6	FOOD LION		2028	2048 GOODY'S			2013		2023 TJ MAXX	2014	2034
<u>TEXAS</u>																
AUSTIN	2006	JOINT VENTURE	19.75	207,614	100.0	ACADEMY SPORTS		2012	2023 PACIFIC RESOURCES ASSOCIATION			2011		2031 GOLD'S TEXAS HOLDINGS, L.P.	2012	2022
AUSTIN	2006	JOINT VENTURE	10.94	131,639	95.0	24 HOUR FITNESS		2024	2014 GAITHERLAND			2011		2026 DOLLAR TREE	2011	2025
AUSTIN	2004	JOINT VENTURE	19.99	97,784	90.2	ORDMANS		2014	2029 RED BATH & BEYOND			2014		2029		
AUSTIN	2005	JOINT VENTURE	15.61	176,700	79.0	GOLD'S TEXAS HOLDINGS, L.P.		2014	2019 MONARCH EVENTS			2017		2027 HEB GROCERY COMPANY, LP	2009	2011
AUSTIN	2006	JOINT VENTURE	4.15	40,000	100.0	DAVE AND BUSTERS		2019	2014							
AUSTIN	2006	JOINT VENTURE	10.20	88,829	100.0	BARNES & NOBLE		2014	2029 PETCO			2011		2021		
AUSTIN	2006	JOINT VENTURE	4.78	54,661	100.0	CONN'S ELECTRIC		2010	2020							
CARROLLTON	2006	JOINT VENTURE	1.97	18,740	80.7											
GEORGETOWN	2005	JOINT VENTURE	12.13	117,018	91.6	DOLLAR TREE		2010	2025 CVS			2014		2019 GEORGETOWN FITNESS	2011	2011
KILLEEN (11)	2006	JOINT VENTURE	3.00	14,576	100.0											
LAKE JACKSON (11)	2006	JOINT VENTURE	8.00	26,157	100.0											
RICHARDSON	2007	JOINT VENTURE	4.80	52,639	79.7											
SAN ANTONIO	2003	JOINT VENTURE	8.10	103,123	99.0											
SAN MARCOS	2005	JOINT VENTURE	16.99	185,092	100.0	HOBBY LOBBY		2013	2023 HASTINGS ENTERTAINMENT INC			2009		2019 TRACTOR SUPPLY COMPANY	2013	2013
SOUTHLAKE	2005	JOINT VENTURE	15.07	132,609	94.0	HOBBY LOBBY		2021	2011							
<u>CANADA PREFERRED EQUITY INVESTMENTS (RETAIL ASSETS ONLY)</u>																
<u>ALBERTA</u>																
CALGARY	2005	JOINT VENTURE	0.27	6,308	100.0											
CALGARY	2004	JOINT VENTURE	9.01	172,021	96.0	WINNERS APPAREL LTD.		2012	2022 THE HOUSE OF TOOLS			2010		2015 DOLLAR GIANT STORE	2016	2026
CALGARY	2004	JOINT VENTURE	10.00	127,998	98.8	BEST BUY CANADA LTD.		2009	2014 WINNERS MERCHANTS INT. LP			2014		2025 NOVA SCOTIA COMPANY	2015	2035
EDMONTON (12)	2007	JOINT VENTURE	17.90	101,997	94.4	LONDON DRUGS LTD.		2015	2035							
HINTON	2004	JOINT VENTURE	18.51	127,735	90.7	WAL-MART CANADA CORP.		2011	2016 CANADA SAFEWAY			2010		2045		
LETHBRIDGE	2005	JOINT VENTURE	0.32	7,226	66.4											
LETHBRIDGE	2005	JOINT VENTURE	0.22	4,000	100.0											
LETHBRIDGE	2006	JOINT VENTURE	25.61	370,525	96.4	ZELLERS		2023	2019 CANADIAN TIRE			2009		2029 SAVE ON FOOD & DRUGS	2011	2031
<u>BRITISH COLUMBIA</u>																
100 MILE HOUSE	2004	JOINT VENTURE	7.19	69,051	97.7	SAVE ON FOOD & DRUGS		2015	2015 D & W MANAGEMENT			2013		2018		
BURNABY	2005	JOINT VENTURE	0.57	8,788	100.0											
COURTENAY	2005	JOINT VENTURE	0.29	4,024	100.0											
GIBSONS	2004	JOINT VENTURE	10.26	141,393	78.1	LONDON DRUGS LTD.		2021	2011 SUPER VALU			2012		2012 CHEVRON CANADA LTD.	2017	2022
KAMLOOPS (11)	2005	JOINT VENTURE	9.71	106,687	100.0	WINNERS		2016	2011 JYSK			2016		2014 BANK OF MONTREAL	2017	2032
LANGLEY	2004	JOINT VENTURE	7.58	34,832	100.0											
PORT ALBERNI	2004	JOINT VENTURE	2.46	32,877	100.0	BUY-LOW FOODS		2012	2027							
PRINCE GEORGE	2004	JOINT VENTURE	8.00	83,405	100.0	SAVE ON FOOD & DRUGS		2011	2013 SHOPPERS REALTY INC.			2014		2044		
SURREY	2004	JOINT VENTURE	8.00	104,191	96.6	SAFEMART STORE #184		2012	2013 NEW HOLLYWOOD THEATRE			2013		2023		
TRAIL	2004	JOINT VENTURE	15.90	181,291	92.3	ZELLERS		2009	2019 EXTRA FOODS			2014		2044		
VANCOUVER	2004	JOINT VENTURE	2.97	35,954	94.5											
WESTBANK	2004	JOINT VENTURE	9.66	111,431	96.9	SAVE ON FOOD & DRUGS		2017	2017 SHOPPER'S DRUGMART			2015		2045 G&G HARDWARE	2011	2021
WESTBANK (11)	2006	JOINT VENTURE	25.92	15,730	100.0	STAPLES		2022	2017							
<u>MANITOBA</u>																
WINNIPEG	2005	JOINT VENTURE	0.39	4,200	100.0											
<u>NEW BRUNSWICK</u>																
FREDERICTON	2005	JOINT VENTURE	0.60	6,742	100.0											
MONCTON	2005	JOINT VENTURE	0.36	4,655	0.0											
<u>NEWFOUNDLAND</u>																
ST. JOHN'S	2006	JOINT VENTURE	25.80	429,297	73.1	LABELS		2018	2027 CONVERGYS CALL CENTRE			2016		2019 GOODLIFE FITNESS CENTRES	2018	2027
<u>ONTARIO</u>																
BARRE	2005	JOINT VENTURE	1.10	4,748	100.0											
BARRE	2005	JOINT VENTURE	1.62	1,680	100.0											
BARRE	2005	JOINT VENTURE	1.62	6,897	63.9											
BRANTFORD	2005	JOINT VENTURE	0.84	12,894	58.0											
BURLINGTON	2005	JOINT VENTURE	0.76	9,126	100.0											
CAMBRIDGE	2005	JOINT VENTURE	1.28	15,730	97.1											
CORNWALL	2005	JOINT VENTURE	0.26	4,000	100.0											
GUELPH	2005	JOINT VENTURE	0.79	3,600	100.0											

LOCATION	YEAR DEVELOPED OR ACQUIRED	OWNERSHIP INTEREST/ (EXPIRATION)(2)	LAND AREA (ACRES)	LEASABLE AREA SQ. FT.)	PERCENT LEASED (1)	MAJOR LEASES											
						TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION	TENANT NAME	LEASE EXPIRATION	OPTION EXPIRATION			
HAMILTON	2005	JOINT VENTURE	0.28	6,500	0.0												
HAMILTON	2005	JOINT VENTURE	0.54	10,441	81.7												
HAMILTON	2005	JOINT VENTURE	0.30	4,125	100.0												
KITCHENER	2006	JOINT VENTURE	2.00	13,450	100.0	VALUE VILLAGE		2011	2026								
KITCHENER	2006	JOINT VENTURE	5.00	66,460	93.6	SOBEYS		2012	2037								
LONDON	2005	JOINT VENTURE	0.41	8,152	100.0												
LONDON	2005	JOINT VENTURE	0.56	5,700	100.0												
LONDON	2004	JOINT VENTURE	6.94	86,612	98.7	EMPIRE THEATRES		2015	2035								
MELTON (11)	2007	JOINT VENTURE	36.48	-	0.0												
MISSISSAUGA	2005	JOINT VENTURE	1.75	31,091	100.0	ESTATE HARDWOOD		2010	2015								
NORTH BAY	2005	JOINT VENTURE	0.50	6,666	100.0												
OTTAWA	2005	JOINT VENTURE	0.27	4,448	100.0												
OTTAWA	2007	JOINT VENTURE	1.48	26,331	68.3												
OTTAWA	2007	JOINT VENTURE	4.95	46,400	90.0												
OTTAWA	2007	JOINT VENTURE	2.60	39,840	100.0	ORMES FURNITURE		2010	2015								
OTTAWA	2007	JOINT VENTURE	9.10	3,400	100.0												
OTTAWA	2007	JOINT VENTURE	0.56	11,133	68.6												
OTTAWA	2007	JOINT VENTURE	2.67	31,001	100.0	LOEB CANADA INC		2012	2027								
OTTAWA	2007	JOINT VENTURE	1.10	12,287	100.0												
OTTAWA	2007	JOINT VENTURE	0.15	11,265	100.0												
ST. CATHERINES	2005	JOINT VENTURE	3.02	38,934	100.0												
ST. CATHERINES	2005	JOINT VENTURE	0.34	5,418	100.0												
ST. THOMAS	2005	JOINT VENTURE	0.24	3,595	100.0												
SUDBURY	2005	JOINT VENTURE	0.62	9,643	42.8												
SUDBURY	2006	JOINT VENTURE	5.36	40,128	100.0	PRICE CHOPPER		2012	2022 LIQUIDATION WORLD		2012	2012					
WATERLOO	2005	JOINT VENTURE	0.59	5,274	100.0												
WATERLOO (11)	2005	JOINT VENTURE	10.00	18,380	100.0	SHOPPER'S DRUG MART		2022	2037								
<b>QUEBEC</b>																	
ALMA	2004	JOINT VENTURE	36.08	323,641	91.1	ZELLERS		2009	2094 SEARS		2011	2026 IGA (COOP DES CONSUMMAT)		2015	2035		
CHANDLER	2004	JOINT VENTURE	20.08	114,078	93.0	HART STORES		2009	2024 MCDONALD'S		2015	2025 METRO		2010	2020		
GASPE	2004	JOINT VENTURE	15.21	152,285	99.7	CANADIAN TIRE		2021	2046 SOBBY'S STORES LTD		2015	2030 HART STORES		2011	2021		
KONQUERE	2004	JOINT VENTURE	25.24	247,404	94.1	ZELLERS		2009	2094 SUPER C GROCERIES		2009	2020 ROSSY		2016	2019		
LAMALBAIE	2006	JOINT VENTURE	9.24	118,593	91.8	HART STORES		2010	2010 METRO RICHELIEU		2016	2026 CANADIAN TIRE		2013	2013		
LAURIER STATION	2006	JOINT VENTURE	3.20	36,366	94.3												
MONTREAL (11)	2006	JOINT VENTURE	232.00	447,135	100.0	ZELLERS		2021	2056 THE BRICK		2026	2036 TOYS R US		2021	2041		
ROBESVAL	2004	JOINT VENTURE	5.68	127,251	99.4	IGA		2021	2046 ROSSY		2010	2015					
SAGUENAY	2004	JOINT VENTURE	13.52	284,620	94.3	ZELLERS		2013	2013 WINNERS		2011	2026 L'AUBAINERIE CONCEPT MODE		2016	2026		
ST. AUGUSTIN-DE-DESMARES	2006	JOINT VENTURE	4.72	52,565	98.3	PROVIGO		2009	2024								
ST. JEROME	2007	JOINT VENTURE	5.96	82,391	100.0	MAXI (PROVIGO)		2012	2022 PHARMACE BRUNET		2013	2023 DOLLARAMA		2009			
STE. EUSTACHE	2005	JOINT VENTURE	6.62	51,195	100.0	MAXI (PROVIGO)		2022	2027								
STE. EUSTACHE	2005	JOINT VENTURE	2.39	26,694	87.1												
VICTORIAVILLE	2008	JOINT VENTURE	30.79	207,143	85.3	CANADIAN TIRE		2015	2015 METRO		2023	JEAN DEPOT		2009			
TOTAL 131 PREFERRED EQUITY INTERESTS (RETAIL ASSETS ONLY)				<u>1,497</u>	<u>11,159,082</u>												
<b>OTHER REAL ESTATE INVESTMENTS</b>																	
RETAIL STORE LEASES (13)	1995/1997	LEASEHOLD	-	1,468,000	95.9												
AI PORTFOLIO (VARIOUS CITIES)	2005	JOINT VENTURE	206.49	9,013,450	87.0												
NON-RETAIL 259 ASSETS	VARIOUS	VARIOUS	252.45	11,019,605	100.0												
OTHER 36 PROPERTY INTERESTS	VARIOUS	VARIOUS	34.83	1,520,285	100.0												
GRAND TOTAL 1487 PROPERTY INTERESTS				<u>16,774.97</u>	<u>175,205,576 (14)</u>												

- (1) PERCENT LEASED INFORMATION AS OF DECEMBER 31, 2008 OR DATE OF ACQUISITION IF ACQUIRED SUBSEQUENT TO DECEMBER 31, 2008.
- (2) THE TERM "JOINT VENTURE" INDICATES THAT THE COMPANY OWNS THE PROPERTY IN CONJUNCTION WITH ONE OR MORE JOINT VENTURE PARTNERS. THE DATE INDICATED IS THE EXPIRATION DATE OF ANY GROUND LEASE AFTER GIVING EFFECT TO ALL RENEWAL PERIODS.
- (3) DENOTES PROPERTY INTEREST IN KIMCO.
- (4) DENOTES PROPERTY INTEREST IN KIMCO INCOME REIT ("KIR").
- (5) DENOTES PROPERTY INTEREST IN UBS.
- (6) DENOTES PROPERTY INTEREST IN PL REALTY LLC.
- (7) DENOTES PROPERTY INTEREST IN KIMCO INCOME FUND I.
- (8) DENOTES PROPERTY INTEREST IN KIMCO RETAIL OPPORTUNITY PORTFOLIO ("KROP").
- (9) DENOTES PROPERTY INTEREST IN OTHER INSTITUTIONAL PROGRAMS.
- (10) DENOTES PROPERTY INTEREST IN SEB IMMOBILIEN.
- (11) DENOTES GROUND-UP DEVELOPMENT PROJECT. THIS INCLUDES PROPERTIES THAT ARE CURRENTLY UNDER CONSTRUCTION, COMPLETED PROJECTS AWAITING STABILIZATION AND OR AVAILABLE FOR SALE. THE SQUARE FOOTAGE SHOWN REPRESENTS THE COMPLETED LEASEABLE AREA AND AREA HELD AVAILABLE FOR SALE.
- (12) DENOTES REDEVELOPMENT PROJECT.
- (13) THE COMPANY HOLDS INTERESTS IN 19 RETAIL STORE LEASES RELATED TO THE ANCHOR STORE PREMISES IN NEIGHBORHOOD AND COMMUNITY SHOPPING CENTERS.
- (14) DOES NOT INCLUDE 29 FNC REALTY PROPERTIES COMPRISED OF 559K SQUARE FEET, 49 NEWKIRK PROPERTIES CONSISTING OF 2.5 MILLION SQUARE FEET, 402 NET LEASED PROPERTIES WITH 2.1 MILLION SQUARE FEET AND 1.6 MILLION SQUARE FEET OF PROJECTED LEASEABLE AREA RELATED TO PREFERRED EQUITY GROUND-UP DEVELOPMENT PROJECTS.

#### Executive Officers of the Registrant

The following table sets forth information with respect to the executive officers of the Company as of February 26, 2009.

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Since</u>
Milton Cooper	79	Chairman of the Board of Directors and Chief Executive Officer	1991
David B. Henry	59	President, Vice Chairman of the Board of Directors and Chief Investment Officer	2008 2001
David Lukes	39	Chief Operating Officer	2008
Michael V. Pappagallo	49	Chief Administrative Officer Executive Vice President - Chief Financial Officer	2008 2005 1997
Glenn G. Cohen	45	Senior Vice President - Chief Accounting Officer Treasurer	2008 1997

David Lukes has been with the Company since 2002. Prior to his promotion to Chief Operating Officer, Mr. Lukes had been Executive Vice President, through which he was responsible for the financial performance of the redevelopment program in the Northeast and Westcoast since August 2006. Prior to this role, he served as Vice President of Leasing, primarily responsible for leasing efforts within the Company's redevelopment portfolio.

The executive officers of the Company serve in their respective capacities for approximately one-year terms and are subject to re-election by the Board of Directors, generally at the time of the Annual Meeting of the Board of Directors following the Annual Meeting of Stockholders.

## PART II

### Item 5. Market for the Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities

**Market Information** The following sets forth the common stock offerings completed by the Company during the three-year period ended December 31, 2008. The Company's common stock ("Common Stock") was sold for cash at the following offering price per share:

Offering Date	Offering Price
March 2006	\$40.80
September 2008	\$37.10

In connection with the March 2006 Atlantic Realty Trust ("Atlantic Realty") merger, the Company issued Atlantic Realty shareholders 1,274,420 shares of Common Stock, excluding 201,930 shares of Common Stock that were to be received by the Company and 546,580 shares of Common Stock that were to be received by the Company's wholly owned TRS. During December 2008, the Company purchased the 546,580 shares from its TRS for a purchase price of \$17.69 per share. The 546,580 shares had a carry-over basis from the Atlantic Realty share price of \$17.10 per share. This purchase was not in connection with a publicly announced plan or program.

The table below sets forth, for the quarterly periods indicated, the high and low sales prices per share reported on the NYSE Composite Tape and declared dividends per share for the Company's common stock. The Company's common stock is traded on the New York Stock Exchange under the trading symbol "KIM".

Period	Stock Price		Dividends
	High	Low	
2007:			
First Quarter	\$53.60	\$43.59	\$0.36
Second Quarter	\$50.36	\$36.92	\$0.36
Third Quarter	\$47.58	\$33.74	\$0.40
Fourth Quarter	\$47.69	\$34.74	\$0.40 (a)
2008:			
First Quarter	\$40.18	\$29.00	\$0.40
Second Quarter	\$42.30	\$34.20	\$0.40
Third Quarter	\$47.80	\$29.54	\$0.44
Fourth Quarter	\$37.06	\$9.56	\$0.44 (b)

(a) Paid on January 15, 2008, to stockholders of record on January 2, 2008.  
(b) Paid on January 15, 2009, to stockholders of record on January 2, 2009.

**Holders** The number of holders of record of the Company's common stock, par value \$0.01 per share, was 3,492 as of January 30, 2009.

**Dividends** Since the IPO, the Company has paid regular quarterly dividends to its stockholders. While the Company intends to continue paying regular quarterly dividends, future dividend declarations will be at the discretion of the Board of Directors and will depend on the actual cash flow of the Company, its financial condition, capital requirements, the annual distribution requirements under the REIT provisions of the Code and such other factors as the Board of Directors deems relevant. The Company's Board of Directors will continue to evaluate the Company's dividend policy on a quarterly basis as they monitor sources of capital and evaluate the impact of the economy on operating fundamentals. The Company is required by the Internal Revenue Code of 1986, as amended, to distribute at least 90% of its REIT taxable income. The actual cash flow available to pay dividends will be affected by a number of factors, including the revenues received from rental properties, the operating expenses of the Company, the interest expense on its borrowings, the ability of lessees to meet their obligations to the Company, the ability to refinance near-term debt maturities and any unanticipated capital expenditures.

The Company has determined that the \$1.64 dividend per common share paid during 2008 represented 69% ordinary income, 19% in capital gains and a 12% return of capital to its stockholders. The \$1.48 dividend per common share paid during 2007 represented 56% ordinary income, 35% in capital gains and a 9% return of capital to its stockholders.

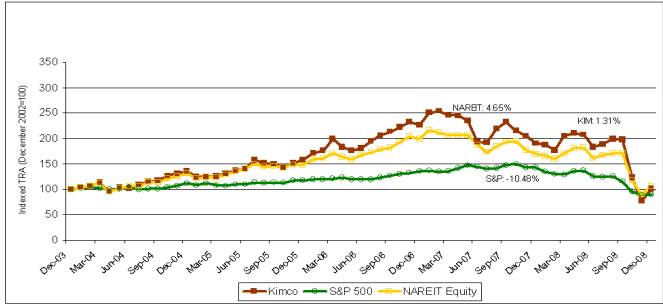


In addition to its Common Stock offerings, the Company has capitalized the growth in its business through the issuance of unsecured fixed and floating-rate medium-term notes, underwritten bonds, mortgage debt and construction loans, convertible preferred stock and perpetual preferred stock. Borrowings under the Company's revolving credit facilities have also been an interim source of funds to both finance the purchase of properties and other investments and meet any short-term working capital requirements. The various instruments governing the Company's issuance of its unsecured public debt, bank debt, mortgage debt and preferred stock impose certain restrictions on the Company with regard to dividends, voting, liquidation and other preferential rights available to the holders of such instruments. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Notes 11 and 17 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K.

The Company does not believe that the preferential rights available to the holders of its Class F Preferred Stock and Class G Preferred Stock, the financial covenants contained in its public bond indentures, as amended, or its revolving credit agreements will have an adverse impact on the Company's ability to pay dividends in the normal course to its common stockholders or to distribute amounts necessary to maintain its qualification as a REIT.

The Company maintains a dividend reinvestment and direct stock purchase plan (the "Plan") pursuant to which common and preferred stockholders and other interested investors may elect to automatically reinvest their dividends to purchase shares of the Company's common stock or, through optional cash payments, purchase shares of the Company's common stock. The Company may, from time-to-time, either (i) purchase shares of its common stock in the open market or (ii) issue new shares of its common stock for the purpose of fulfilling its obligations under the Plan.

**Total Stockholder Return Performance** The following performance chart compares, over the five years ended December 31, 2008, the cumulative total stockholder return on the Company's common stock with the cumulative total return of the S&P 500 Index and the cumulative total return of the NAREIT Equity REIT Total Return Index (the "NAREIT Equity Index") prepared and published by the National Association of Real Estate Investment Trusts ("NAREIT"). Equity real estate investment trusts are defined as those which derive more than 75% of their income from equity investments in real estate assets. The NAREIT Equity Index includes all tax qualified equity real estate investment trusts listed on the New York Stock Exchange, American Stock Exchange or the NASDAQ National Market System. Stockholder return performance, presented quarterly for the five years ended December 31, 2008, is not necessarily indicative of future results. All stockholder return performance assumes the reinvestment of dividends. The information in this paragraph and the following performance chart are deemed to be furnished, not filed.



Item 6. Selected Financial Data

The following table sets forth selected, historical, consolidated financial data for the Company and should be read in conjunction with the Consolidated Financial Statements of the Company and Notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations included in this annual report on Form 10-K.

The Company believes that the book value of its real estate assets, which reflects the historical costs of such real estate assets less accumulated depreciation, is not indicative of the current market value of its properties. Historical operating results are not necessarily indicative of future operating performance.

	Year ended December 31, (2) (8)					
	2008	2007	2006	2005	2004	
	(in thousands, except per share information)					
Operating Data:						
Revenues from rental property (1)	\$ 758,704	\$ 674,534	\$ 580,551	\$ 494,467	\$ 482,248	
Interest expense (3)	\$ 212,591	\$ 213,086	\$ 170,079	\$ 125,825	\$ 105,411	
Depreciation and amortization (3)	\$ 204,310	\$ 188,063	\$ 137,820	\$ 99,072	\$ 93,684	
Gain on sale of development properties (4)	\$ 36,565	\$ 40,099	\$ 37,276	\$ 33,636	\$ 16,835	
Gain on transfer/sale of operating properties, net (3)	\$ 1,782	\$ 2,708	\$ 2,460	\$ 2,833	\$ -	
Benefit for income taxes (5)	\$ 12,974	\$ 30,346	\$ -	\$ -	\$ -	
Provision for income taxes (6)	\$ -	\$ -	\$ 17,253	\$ 10,989	\$ 8,320	
Impairment Charges (4)	\$ 145,918	\$ 13,796	\$ -	\$ -	\$ -	
Income from continuing operations (7)	\$ 225,186	\$ 358,991	\$ 342,790	\$ 321,646	\$ 270,692	
Income per common share, from continuing operations:						
Basic	\$ 0.69	\$ 1.35	\$ 1.38	\$ 1.37	\$ 1.16	
Diluted	\$ 0.69	\$ 1.32	\$ 1.35	\$ 1.34	\$ 1.14	
Weighted average number of shares of common stock:						
Basic	257,811	252,129	239,552	226,641	222,859	
Diluted	258,843	257,058	244,615	230,868	227,143	
Cash dividends declared per common share	\$ 1.68	\$ 1.52	\$ 1.38	\$ 1.27	\$ 1.16	

	December 31,				
	2008	2007	2006	2005	2004
Balance Sheet Data:					
Real estate, before accumulated depreciation	\$ 7,818,916	\$ 7,325,035	\$ 6,001,319	\$ 4,560,406	\$ 4,092,222
Total assets	\$ 9,397,147	\$ 9,097,816	\$ 7,869,280	\$ 5,534,636	\$ 4,749,597
Total debt	\$ 4,556,646	\$ 4,216,415	\$ 3,587,243	\$ 2,691,196	\$ 2,118,622
Total stockholders' equity	\$ 3,975,346	\$ 3,894,574	\$ 3,366,959	\$ 2,387,214	\$ 2,236,400
Cash flow provided by operations	\$ 567,599	\$ 665,989	\$ 455,569	\$ 410,797	\$ 365,176
Cash flow used for investing activities	\$ (781,350)	\$ (1,507,611)	\$ (246,221)	\$ (716,015)	\$ (299,597)
Cash flow provided by (used for) financing activities	\$ 262,429	\$ 584,056	\$ 59,444	\$ 343,271	\$ (75,647)

- (1) Does not include (i) revenues from rental property relating to unconsolidated joint ventures, (ii) revenues relating to the investment in retail stores leases and (iii) revenues from properties included in discontinued operations.
- (2) All years have been adjusted to reflect the impact of operating properties sold during the years ended December 31, 2008, 2007, 2006, 2005 and 2004 and properties classified as held for sale as of December 31, 2008, which are reflected in discontinued operations in the Consolidated Statements of Income.
- (3) Does not include amounts reflected in discontinued operations.
- (4) Amounts exclude effect for income taxes
- (5) Does not include amounts reflected in discontinued operations and extraordinary gain. Amounts include income taxes related to gain on sale of development properties, gain on transfer/sale of operating properties and impairments.
- (6) Amounts include income taxes related to gain on sale of development properties and gain on transfer/sale of operating properties.
- (7) Amounts include gain on transfer/sale of operating properties, net of tax.
- (8) As of August 23, 2005, the Company effected a two-for-one split (the "Stock Split") of the Company's common stock in the form of a stock dividend paid to stockholders of record on August 8, 2005. All common share and per common share data has been adjusted to reflect this Stock Split.

#### Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the Consolidated Financial Statements and Notes thereto included in this annual report on Form 10-K. Historical results and percentage relationships set forth in the Consolidated Statements of Income contained in the Consolidated Financial Statements, including trends which might appear, should not be taken as indicative of future operations.

##### Executive Summary

Kimco Realty Corporation is one of the nation's largest publicly-traded owners and operators of neighborhood and community shopping centers. As of December 31, 2008, the Company had interests in 1,950 properties, totaling approximately 182.2 million square feet of GLA located in 45 states, Puerto Rico, Canada, Mexico, Chile, Brazil and Peru.

The Company is self-administered and self-managed through present management, which has owned and managed neighborhood and community shopping centers for over 50 years. The executive officers are engaged in the day-to-day management and operation of real estate exclusively with the Company, with nearly all operating functions, including leasing, asset management, maintenance, construction, legal, finance and accounting, administered by the Company.

In connection with the Tax Relief Extension Act of 1999 (the "RMA"), which became effective January 1, 2001, the Company is permitted to participate in activities which it was precluded from previously in order to maintain its qualification as a Real Estate Investment Trust ("REIT"), so long as these activities are conducted in entities which elect to be treated as taxable subsidiaries under the Code, subject to certain limitations. As such, the Company, through its taxable REIT subsidiaries, is engaged in various retail real estate-related opportunities including (i) merchant building, through its wholly owned taxable REIT subsidiaries, which are primarily engaged in the ground-up development of neighborhood and community shopping centers and the subsequent sale thereof upon completion, (ii) retail real estate advisory and disposition services, which primarily focus on leasing and disposition strategies of retail real estate controlled by both healthy and distressed and/or bankrupt retailers and (iii) acting as an agent or principal in connection with tax deferred exchange transactions. The Company will consider other investments through taxable REIT subsidiaries should suitable opportunities arise.

In addition, the Company continues to capitalize on its established expertise in retail real estate by establishing other ventures in which the Company owns a smaller equity interest and provides management, leasing and operational support for those properties. The Company also provides preferred equity capital for real estate entrepreneurs and provides real estate capital and advisory services to both healthy and distressed retailers. The Company has made selective investments in secondary market opportunities where a security or other investment was, in management's judgment, priced below the value of the underlying assets. However, these investments are subject to volatility within the equity and debt markets.

The Company's strategy is to maintain a strong balance sheet providing it the necessary flexibility to invest opportunistically and selectively, primarily focusing on neighborhood and community shopping centers.

The Company continually evaluates its debt maturities, and, based on management's current assessment, believes it has viable financing and refinancing alternatives that will not materially adversely impact its expected financial results. Although the credit environment has become much more constrained since the third quarter of 2008, the Company continues to pursue opportunities with large commercial U.S. and global banks, select life insurance companies and certain regional and local banks. The Company has noticed a trend that the approval process from lenders has slowed, while pricing and loan-to-value ratios remain dependent on specific deal terms, in general, spreads are higher and loan-to-values are lower, but the lenders are continuing to complete financing agreements. Moreover, the Company continues to assess 2009 and beyond to ensure the Company is prepared if the current credit market dislocation continues.

The retail shopping sector has been negatively affected by recent economic conditions. These conditions have forced some weaker retailers, in some cases, to declare bankruptcy and/or close stores. Certain retailers have announced store closings even though they have not filed for bankruptcy protection. However, any of these particular store closings affecting the Company often represent a small percentage of the Company's overall gross leasable area and the Company does not currently expect store closings to have a material adverse effect on the Company's overall performance.

The decline in market conditions has also had a negative effect on real estate transactional activity as it relates to the acquisition and sale of real estate assets. The Company believes that the lack of real estate transactions will continue throughout 2009 which will curtail the Company's growth in the near term.

Critical Accounting Policies

The Consolidated Financial Statements of the Company include the accounts of the Company, its wholly-owned subsidiaries and all entities in which the Company has a controlling interest, including where the Company has been determined to be a primary beneficiary of a variable interest entity in accordance with the provisions and guidance of Interpretation No. 46 (R), Consolidation of Variable Interest Entities, or meets certain criteria of a sole general partner or managing member in accordance with Emerging Issues Task Force ("EITF") Issue 04-5, Investor's Accounting for an Investment in a Limited Partnership when the Investor is the Sole General Partner and the Limited Partners have Certain Rights ("EITF 04-5"). The Company applies these provisions to each of its joint venture investments to determine whether the cost, equity or consolidation method of accounting is appropriate. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions in certain circumstances that affect amounts reported in the accompanying Consolidated Financial Statements and related notes. In preparing these financial statements, management has made its best estimates and assumptions that affect the reported amounts of assets and liabilities. These estimates are based on, but not limited to, historical results, industry standards and current economic conditions, giving due consideration to materiality. The most significant assumptions and estimates relate to revenue recognition and the recoverability of trade accounts receivable, depreciable lives, valuation of real estate and intangible assets and liabilities, valuation of joint venture investments, marketable securities and other investments and realizability of deferred tax assets. Application of these assumptions requires the exercise of judgment as to future uncertainties, and, as a result, actual results could materially differ from these estimates.

The Company is required to make subjective assessments as to whether there are impairments in the value of its real estate properties, investments in joint ventures, marketable securities and other investments. The Company's reported net income is directly affected by management's estimate of impairments and/or valuation allowances.

Revenue Recognition and Accounts Receivable

Base rental revenues from rental property are recognized on a straight-line basis over the terms of the related leases. Certain of these leases also provide for percentage rents based upon the level of sales achieved by the lessee. These percentage rents are recorded once the required sales level is achieved. Operating expense reimbursements are recognized as earned. Rental income may also include payments received in connection with lease termination agreements. In addition, leases typically provide for reimbursement to the Company of common area maintenance, real estate taxes and other operating expenses.

The Company makes estimates of the uncollectability of its accounts receivable related to base rents, expense reimbursements and other revenues. The Company analyzes accounts receivable and historical bad debt levels, customer credit-worthiness and current economic trends when evaluating the adequacy of the allowance for doubtful accounts. In addition, tenants in bankruptcy are analyzed and estimates are made in connection with the expected recovery of pre-petition and post-petition claims. The Company's reported net income is directly affected by management's estimate of the collectability of accounts receivable.

Real Estate

The Company's investments in real estate properties are stated at cost, less accumulated depreciation and amortization. Expenditures for maintenance and repairs are charged to operations as incurred. Significant renovations and replacements, which improve and extend the life of the asset, are capitalized.

Upon acquisition of operating real estate properties, the Company estimates the fair value of acquired tangible assets (primarily consisting of land, building, building improvements and tenant improvements) and identified intangible assets and liabilities (primarily consisting of above and below-market leases, in-place leases and tenant relationships), assumed debt and redeemable units issued in accordance with Statement of Financial Accounting Standards ("SFAS") No. 141, Business Combinations. Based on these estimates, the Company allocates the purchase price to the applicable assets and liabilities. The Company utilizes methods similar to those used by independent appraisers in estimating the fair value of acquired assets and liabilities. The useful lives of amortizable intangible assets are evaluated each reporting period with any changes in estimated useful lives being accounted for over the revised remaining useful life.

Depreciation and amortization are provided on the straight-line method over the estimated useful lives of the assets, as follows:

Buildings and building improvements	15 to 50 years
Fixtures, leasehold and tenant improvements (including certain identified intangible assets)	Terms of leases or useful lives, whichever is shorter

The Company is required to make subjective assessments as to the useful lives of its properties for purposes of determining the amount of depreciation to reflect on an annual basis with respect to those properties. These assessments have a direct impact on the Company's net income.

Real estate under development on the Company's Consolidated Balance Sheets represents ground-up development of neighborhood and community shopping center projects which are subsequently sold upon completion and projects which the Company may hold as long-term investments. These assets are carried at cost. The cost of land and buildings under development includes specifically

identifiable costs. The capitalized costs include pre-construction costs essential to the development of the property, development costs, construction costs, interest costs, real estate taxes, salaries and related costs of personnel directly involved and other costs incurred during the period of development. The Company ceases cost capitalization when the property is held available for occupancy upon substantial completion of tenant improvements, but no later than one year from the completion of major construction activity. If, in management's opinion, the estimated net sales price of these assets is less than the net carrying value, an adjustment to the carrying value would be recorded to reflect the estimated fair value of the property. A gain on the sale of these assets is generally recognized using the full accrual method in accordance with the provisions of SFAS No. 66, Accounting for Real Estate Sales.

On a continuous basis, management assesses whether there are any indicators, including property operating performance and general market conditions, that the value of the real estate properties (including any related amortizable intangible assets or liabilities) may be impaired. A property value is considered impaired only if management's estimate of current and projected operating cash flows (undiscounted and without interest charges) of the property over its remaining useful life is less than the net carrying value of the property. Such cash flow projections consider factors such as expected future operating income, trends and prospects, as well as the effects of demand, competition and other factors. To the extent impairment has occurred, the carrying value of the property would be adjusted to an amount to reflect the estimated fair value of the property.

When a real estate asset is identified by management as held-for-sale, the Company ceases depreciation of the asset and estimates the sales price of such asset net of selling costs. If, in management's opinion, the net sales price of the asset is less than the net book value of such asset, an adjustment to the carrying value would be recorded to reflect the estimated fair value of the property.

#### *Investments in Unconsolidated Joint Ventures*

The Company accounts for its investments in unconsolidated joint ventures under the equity method of accounting as the Company exercises significant influence, but does not control, these entities. These investments are recorded initially at cost and are subsequently adjusted for cash contributions and distributions. Earnings for each investment are recognized in accordance with each respective investment agreement and, where applicable, are based upon an allocation of the investment's net assets at book value as if the investment was hypothetically liquidated at the end of each reporting period.

The Company's joint ventures and other real estate investments primarily consist of co-investments with institutional and other joint venture partners in neighborhood and community shopping center properties, consistent with its core business. These joint ventures typically obtain non-recourse third-party financing on their property investments, thus contractually limiting the Company's exposure to losses to the amount of its equity investment, and, due to the lender's exposure to losses, a lender typically will require a minimum level of equity in order to mitigate its risk. The Company's exposure to losses associated with its unconsolidated joint ventures is primarily limited to its carrying value in these investments. The Company, on a selective basis, obtains unsecured financing for certain joint ventures. These unsecured financings are guaranteed by the Company with guarantees from the joint venture partners for their proportionate amounts of any guaranty payment the Company is obligated to make.

On a continuous basis, management assesses whether there are any indicators, including property operating performance and general market conditions, that the value of the Company's investments in unconsolidated joint ventures may be impaired. An investment's value is impaired only if management's estimate of the fair value of the investment is less than the carrying value of the investment and such difference is deemed to be other-than-temporary. To the extent impairment has occurred, the loss shall be measured as the excess of the carrying amount of the investment over the estimated fair value of the investment.

The Company's estimated fair values are based upon a discounted cash flow model for each specific property that includes all estimated cash inflows and outflows over a specified holding period. Capitalization rates and discount rates utilized in these models are based upon rates that the Company believes to be within a reasonable range of current market rates for each respective property.

#### *Marketable Securities*

The Company classifies its existing marketable equity securities as available-for-sale in accordance with the provisions of SFAS No. 115, Accounting for Certain Investments in Debt and Equity Securities. These securities are carried at fair market value with unrealized gains and losses reported in stockholders' equity as a component of Accumulated other comprehensive income ("OCI"). Gains or losses on securities sold are based on the specific identification method.

All debt securities are generally classified as held-to-maturity because the Company has the positive intent and ability to hold the securities to maturity. Held-to-maturity securities are stated at amortized cost, adjusted for amortization of premiums and accretion of discounts to maturity. Debt securities which contain conversion features are generally classified as available-for-sale.

On a continuous basis, management assesses whether there are any indicators that the value of the Company's marketable securities may be impaired. A marketable security is impaired if the fair value of the security is less than the carrying value of the security and such difference is deemed to be other-than-temporary. To the extent impairment has occurred, the loss shall be measured as the excess of the carrying amount of the security over the estimated fair value in the security.

## Results of Operations

### Comparison 2008 to 2007

	2008	2007	Increase/ (Decrease)	% change
	(all amounts in millions)			
Revenues from rental property (1)	\$ 758.7	\$ 674.5	\$ 84.2	12.5%
Rental property expenses: (2)				
Rent	\$ 13.4	\$ 12.1	\$ 1.3	10.7%
Real estate taxes	98.0	82.5	15.5	18.8%
Operating and maintenance	104.7	89.1	15.6	17.5%
	\$ 216.1	\$ 183.7	\$ 32.4	17.6%
Depreciation and amortization (3)	\$ 204.3	\$ 188.1	\$ 16.2	8.6%

- (1) Revenues from rental property increased primarily from the combined effect of (i) the acquisition of operating properties during 2008 and 2007, providing incremental revenues of approximately \$54.2 million, (ii) the completion of certain development and redevelopment projects and tenant buyouts providing incremental revenues of approximately \$34.1 million for the year ended 2008 as compared to the corresponding period in 2007, partially offset by (iii) a decrease in revenues of approximately \$4.1 million for the year ended December 31, 2008, as compared to the corresponding period in 2007, primarily resulting from the transfer of operating properties to various unconsolidated joint venture entities and the sale of certain properties during 2008 and 2007 and (iv) an overall occupancy decrease from the consolidated shopping center portfolio from 95.9% at December 31, 2007 to 93.2% at December 31, 2008.
- (2) Rental property expenses increased primarily due to operating property acquisitions during 2008 and 2007 which were partially offset by operating property dispositions including those transferred to various joint venture entities.
- (3) Depreciation and amortization increased primarily due to operating property acquisitions during 2008 and 2007 which were partially offset by operating property dispositions including those transferred to various joint venture entities.

Mortgage and other financing income increased \$4.1 million to \$18.3 million for the year ended December 31, 2008, as compared to \$14.2 million for the corresponding period in 2007. This increase is primarily due to an increase in interest income from new mortgage receivables entered into during 2008 and 2007.

Management and other fee income decreased approximately \$7.2 million for the year ended December 31, 2008, as compared to the corresponding period in 2007. This decrease is primarily due to a decrease in other transaction related fees of approximately \$9.1 million, recognized during the year ended December 31, 2007, partially offset by an increase in property management fees of approximately \$1.9 million for the year ended December 31, 2008.

General and administrative expenses increased approximately \$14.0 million for the year ended December 31, 2008, as compared to the corresponding period in 2007. This increase is primarily due to personnel-related costs, primarily due to the growth within the Company's co-investment programs and the overall continued growth of the Company during 2008 and 2007. In addition, due to current economic conditions resulting in the lack of transactional activity within the real estate industry as a whole, the Company has accrued approximately \$3.6 million at December 31, 2008, relating to severance costs associated with employees who have been terminated during January 2009.

Interest, dividends and other investment income increased approximately \$19.9 million for the year ended December 31, 2008, as compared to the corresponding period in 2007. This increase is primarily due to (i) an increase in realized gains of approximately \$2.5 million resulting from the sale of certain marketable securities during 2008 as compared to the corresponding period in 2007, (ii) an increase in interest income of approximately \$16.1 million, primarily resulting from interest earned on notes acquired in 2008 and (iii) an increase in dividend income of approximately \$1.2 million primarily resulting from increased investments in marketable securities during 2008.

Other expense, net decreased approximately \$8.3 million to \$2.2 million for the year ended December 31, 2008, as compared to \$10.6 million for the corresponding period in 2007. This decrease is primarily due to (i) a reduction in Canadian withholding tax expense relating to a 2007 capital transaction from a Canadian preferred equity investment, partially offset by (ii) the receipt of fewer shares during 2008 as compared to 2007 of Sears Holding Corp. common stock received as partial settlement of Kmart pre-petition claims and (iii) the recognition of a \$7.7 million unrealized decrease in the fair value of an embedded derivative instrument relating to the convertible option of certain debt securities.

(Provision)/benefit for income taxes changed \$45.9 million to a provision of \$3.5 million for the year ended December 31, 2008, as compared to a benefit of \$42.4 million for the corresponding period in 2007. This change is primarily due to (i) a tax provision of approximately \$17.3 million, partially offset by a reduction of approximately \$3.1 million in NOL valuation allowance from equity income recognized during 2008 in connection with the Albertson's investment and (ii) a reduction of approximately \$28.1 million of NOL valuation allowance during 2007.

Income from other real estate investments increased \$8.1 million for the year ended December 31, 2008, as compared to the corresponding period in 2007. This increase is primarily due to a gain of approximately \$7.2 million during the year ended December 31, 2008, from the sale of the Company's interest in a real estate company located in Mexico.

Equity in income of real estate joint ventures, net for the year ended December 31, 2008, was approximately \$132.2 million as compared to \$173.4 million for the corresponding period in 2007. This reduction of approximately \$41.2 million is primarily the result of (i) a decrease in equity in income of approximately \$47.1 million from the Kimco Retail Opportunity Portfolio ("KROP") joint venture investment primarily due to a decrease in profit participation from the sale/transfer of operating properties for the year ended December 31, 2008, as compared to the corresponding period in 2007, (ii) a decrease in equity in income of approximately \$25.2 million from the KIR joint venture investment primarily resulting from fewer gains on sales of operating properties during the year ended December 31, 2008, as compared to the corresponding period in 2007, (iii) impairment charges during 2008 of approximately \$11.2 million, before income tax benefit, relating to certain joint venture properties held by the KimPro joint venture that are deemed held-for-sale or were transitioned to held-for-use properties, (iv) lower gains on sale of approximately \$21.3 million for 2008 as compared to 2007, partially offset by (v) an increase in equity in income of approximately \$67.4 million from the Albertson's joint venture investment primarily resulting from gains on sale of 121 properties during 2008 as compared to 2007 and (vi) growth within the Company's other various real estate joint ventures due to additional capital investments for the acquisition of additional operating properties by ventures throughout 2007 and the year ended December 31, 2008.

During 2008, the Company sold, in separate transactions, (i) two completed merchant building projects, (ii) 21 out-parcels, (iii) a partial sale of one project and (iv) a partnership interest in one project for aggregate proceeds of approximately \$73.5 million and received approximately \$4.1 million of proceeds from completed earn-out requirements on three previously sold merchant building projects. These sales resulted in gains of approximately \$21.9 million, after income taxes of \$14.6 million.

During 2007, the Company sold, in separate transactions, (i) four completed merchant building projects, (ii) 26 out-parcels, (iii) 74.3 acres of undeveloped land and (iv) completed partial sales of two projects, for aggregate total proceeds of approximately \$310.5 million and approximately \$3.3 million of proceeds from completed earn-out requirements on previously sold projects. These transactions resulted in gains of approximately \$24.1 million, after income taxes of \$16.0 million.

For the year ended December 31, 2008, the Company recognized non-cash impairment charges of approximately \$114.8 million, net of income tax benefit of approximately \$31.1 million, of which approximately \$105.1 million of these charges were taken in the fourth quarter of 2008.

Approximately \$92.7 million of the total non-cash impairment charges for the year ended December 31, 2008, were due to the decline in value of certain marketable equity securities and other investments that were deemed to be other-than-temporary. Of the \$92.7 million, approximately \$83.1 million of these impairment charges were taken at the end of the fourth quarter of 2008 resulting from the unprecedented deterioration of the equity markets during the fourth quarter and the uncertainty of their future recoverability.

The Company recognized a non-cash impairment charge of \$15.5 million against the carrying value of its investment in its unconsolidated joint ventures with PREI, reflecting an other-than-temporary decline in the fair value of its investment resulting from further significant declines in the real estate markets during the fourth quarter of 2008. Also, impairments of approximately \$6.6 million were recognized on real estate development projects including Plantations Crossing located in Middleburg, FL and Miramar Town Center located in Miramar, FL. These development project impairment charges are the result of adverse changes in local market conditions and the uncertainty of their recovery in the future.

The Company will continue to assess the value of all its assets on an on-going basis. Based on these assessments, the Company may determine that a decline in value for one or more of its investments may be other-than-temporary or permanent and would therefore write-down its cost basis accordingly.

During 2008, the Company disposed of seven operating properties and a portion of four operating properties, in separate transactions, for an aggregate sales price of approximately \$73.0 million, which resulted in an aggregate gain of approximately \$20.0 million. In addition, the Company partially recognized deferred gains of approximately \$1.2 million on three properties relating to their transfer and partial sale in connection with the Kimco Income Fund II transaction described below.

During 2007 the Company transferred 11 operating properties to a wholly-owned consolidated entity, Kimco Income Fund II ("KIF II"), for an aggregate purchase price of approximately \$278.2 million, including non-recourse mortgage debt of \$180.9 million, encumbering 11 of the properties. During 2008, the Company transferred an additional three properties for \$73.9 million, including \$50.6 million in non-recourse mortgage debt. During 2008 the Company sold a 26.4% non-controlling ownership interest in the entity to third parties for approximately \$32.5 million, which approximated the Company's cost. The Company continues to consolidate this entity.

Additionally, during 2008, the Company disposed of an operating property for approximately \$21.4 million. The Company provided seller financing for approximately \$3.6 million, which bears interest at 10% per annum and is scheduled to mature on May 1, 2011. Due to the terms of this financing the Company has deferred its gain of \$3.7 million from this sale.

Additionally, during 2008, a consolidated joint venture in which the Company had a preferred equity investment disposed of a property for a sales price of approximately \$35.0 million. As a result of this capital transaction, the Company received approximately \$3.5 million of profit participation, before minority interest of approximately \$1.1 million. This profit participation has been recorded as income from other real estate investments and is reflected in Income from discontinued operating properties in the Company's Consolidated Statements of Income.

During 2007, the Company (i) disposed of six operating properties and completed partial sales of three operating properties, in separate transactions, for an aggregate sales price of approximately \$40.0 million, which resulted in an aggregate net gain of approximately \$6.4 million, after income taxes of approximately \$1.6 million and (ii) transferred one operating property, which was acquired in the first quarter of 2007, to a joint venture in which the Company holds a 15% non-controlling ownership interest for an aggregate price of approximately \$4.5 million, which represented the net book value.

Additionally, during 2007, two consolidated joint ventures in which the Company had preferred equity investments disposed of, in separate transactions, their respective properties for an aggregate sales price of approximately \$66.5 million. As a result of these capital transactions, the Company received approximately \$22.1 million of profit participation, before minority interest of approximately \$5.6 million. This profit participation has been recorded as income from other real estate investments and is reflected in Income from discontinued operating properties in the Company's Consolidated Statements of Income.

Net income for the year ended December 31, 2008, was \$249.9 million or \$0.78 on a diluted per share basis as compared to \$442.8 million or \$1.65 on a diluted per share basis for the corresponding period in 2007. This change is primarily attributable to (i) the recognition of non-cash impairment charges aggregating approximately \$121.5 million, net of income tax benefit, resulting from continuing declines in the equity securities and real estate markets, (ii) recognition of an extraordinary gain of approximately \$50.3 million, net of income tax, in 2007, relating to the Albertson's joint venture, (iii) a reduction of Equity in income of real estate joint ventures of approximately \$41.2 million, primarily due to a decrease in profit participation and gain on sales of operating properties during 2008 as compared to 2007, iv) a decrease in the reduction of NOL valuation allowance and the recording of a provision from equity in income recognized during 2008 in connection with the Albertson's investment, partially offset by (v) an increase in revenues from rental properties primarily due to acquisitions of operating properties during 2008 and 2007.

#### Comparison 2007 to 2006

	2007	2006	Increase/ (Decrease)	% change
	(all amounts in millions)			
Revenues from rental property (1)	\$ 674.5	\$ 580.6	\$ 93.9	16.2%
Rental property expenses: (2)				
Rent	\$ 12.1	\$ 11.5	\$ 0.6	5.2%
Real estate taxes	82.5	73.6	8.9	12.1%
Operating and maintenance	89.1	72.0	17.1	23.8%
	\$ 183.7	\$ 157.1	\$ 26.6	16.9%
Depreciation and amortization (3)	\$ 188.1	\$ 137.8	\$ 50.3	36.5%

- (1) Revenues from rental property increased primarily from the combined effect of (i) the acquisition of operating properties during 2007 and 2006, providing incremental revenues of approximately \$85.5 million, (ii) an overall occupancy increase from the consolidated shopping center portfolio to 95.9% at December 31, 2007, as compared to 95.1% at December 31, 2006, due to growth in rental rates from renewing expiring leases, the completion of certain redevelopment and development projects and tenant buyouts providing incremental revenues of approximately \$14.6 million for the year ended December 31, 2007, as compared to the corresponding period in 2006, offset by (iii) a decrease in revenues of approximately \$6.2 million for the year ended December 31, 2007, as compared to the corresponding period in 2006, resulting from the transfer of operating properties to various unconsolidated joint venture entities, and the sale of certain properties during 2007 and 2006.



- (2) Rental property expenses increased primarily due to operating property acquisitions during 2007 and 2006, which were partially offset by operating property dispositions including those transferred to various joint venture entities.
- (3) Depreciation and amortization increased primarily due to operating property acquisitions during 2007 and 2006, which were partially offset by operating property dispositions including those transferred to various joint venture entities.

Mortgage and other financing income decreased \$4.6 million to \$14.2 million for the year ended December 31, 2007, as compared to \$18.8 million for the corresponding period in 2006. This decrease is primarily due to the recognition of accretion income of approximately \$6.2 million, resulting from the early prepayment of a mortgage receivable in 2006 partially offset by an overall increase in interest income on mortgage receivables entered into in 2007 and 2006.

Management and other fee income increased approximately \$14.2 million for the year ended December 31, 2007, as compared to the corresponding period in 2006. This increase is primarily due to increased property management fees and other transaction related fees related to the growth in the Company's co-investment programs.

General and administrative expenses increased approximately \$27.4 million for the year ended December 31, 2007, as compared to the corresponding period in 2006. This increase is primarily due to personnel-related costs, primarily due to growth within the Company's co-investment programs and the overall continued growth of the Company.

Interest, dividends and other investment income decreased approximately \$19.6 million for the year ended December 31, 2007, as compared to the corresponding period in 2006. This decrease is primarily due to a decrease in realized gains resulting from the sale of certain marketable securities during 2007 as compared to the corresponding period in 2006.

Other (expense)/income, net decreased approximately \$19.5 million to \$10.6 million of an expense for the year ended December 31, 2007, as compared to \$8.9 million in income for the corresponding period in 2006. This decrease is primarily due to (i) the receipt of fewer shares during 2007 as compared to 2006 of Sears Holding Corp. common stock received as partial settlement of Knart pre-petition claims and (ii) an increase in Canadian withholding charges on profit participation proceeds received during 2007 relating to capital transactions from a Canadian preferred equity investment.

Interest expense increased approximately \$43.0 million for the year ended December 31, 2007, as compared to the corresponding period in 2006. This increase is due to higher interest rates and higher outstanding levels of debt during the year ended December 31, 2007, as compared to 2006.

Benefit for income taxes increased \$46.8 million for the year ended December 31, 2007, as compared to the corresponding period in 2006. This increase is primarily due to the reduction of approximately \$31.2 million of NOL valuation allowance and a tax benefit of approximately \$10.1 million from operating losses recognized in connection with the Albertson's investment.

Equity in income of real estate joint ventures, net increased \$67.8 million to \$173.4 million for the year ended December 31, 2007, as compared to \$105.5 million for the corresponding period in 2006. This increase is primarily the result of (i) an increase in equity in income from the Kinco Realty Opportunity Portfolio ("KROP") joint venture investment primarily resulting from profit participation of approximately \$39.3 million and gains on sale/transfer of operating properties during 2007 of which the Company's share of gains were \$12.8 million for the year ended December 31, 2007, (ii) an increase in equity in income from the Kinco Income Opportunity Portfolio ("KIR") joint venture investment primarily resulting from gains on sale of operating properties during 2007 of which the Company's share of gains was \$20.7 million for the year ended December 31, 2007, and (iii) the Company's growth of its various other real estate joint ventures due to additional capital investments for the acquisition of additional operating properties by the ventures throughout 2007 and 2006, partially offset by net operating losses and excess cash distribution from the Albertson's joint venture of approximately \$7.9 million during 2007.

During 2007, the Company sold, in separate transactions, (i) four completed merchant building projects, (ii) 26 out-parcels, (iii) 74.3 acres of undeveloped land and (iv) completed partial sales of two projects, for aggregate total proceeds of approximately \$310.5 million and approximately \$3.3 million of proceeds from completed earn-out requirements on previously sold projects. These transactions resulted in gains of approximately \$24.1 million, after income taxes of \$16.0 million.

As part of the Company's ongoing analysis of its merchant building projects, the Company has determined that for two of its projects, located in Jacksonville, FL and Anchorage, AK, the recoverable value will not exceed their estimated cost. This is primarily due to adverse changes in local market conditions and the uncertainty of their recovery in the future. As a result, the Company has recorded an aggregate pre-tax adjustment of property carrying value on these projects for the year ended December 31, 2007, of \$8.5 million, representing the excess of the carrying value of the projects over their estimated fair value.

During 2006, the Company sold six recently completed merchant building projects, its partnership interest in one project and 30 out-parcels, in separate transactions, for approximately \$260.0 million. These sales resulted in gains of approximately \$25.1 million, after income taxes of \$12.2 million. These gains exclude approximately \$1.1 million of gain relating to one project, which was deferred due to the Company's continued ownership interest.

During 2007, the Company (i) disposed of six operating properties and completed partial sales of three operating properties, in separate transactions, for an aggregate sales price of approximately \$40.0 million, which resulted in an aggregate net gain of approximately \$6.4 million, after income tax of approximately \$1.6 million and (ii) transferred one operating property, which was acquired in the first quarter of 2007, to a joint venture in which the Company holds a 15% non-controlling ownership interest for an aggregate price of approximately \$4.5 million, which represented the net book value.

Additionally, during 2007, two consolidated joint ventures in which the Company had preferred equity investments disposed of, in separate transactions, their respective properties for an aggregate sales price of approximately \$66.5 million. As a result of these capital transactions, the Company received approximately \$22.1 million of profit participation, before minority interest of approximately \$5.6 million. This profit participation has been recorded as income from other real estate investments and is reflected in Income from discontinued operating properties in the Company's Consolidated Statements of Income.

During 2006, the Company disposed of (i) 28 operating properties and one ground lease for an aggregate sales price of \$270.5 million, which resulted in an aggregate net gain of approximately \$71.7 million, net of income taxes of \$2.8 million relating to the sale of two properties, and (ii) transferred five operating properties, to joint ventures in which the Company has 20% non-controlling interests for an aggregate price of approximately \$95.4 million, which resulted in a gain of approximately \$1.4 million from one transferred property.

Net income for the year ended December 31, 2007 was \$442.8 million or \$1.65 on a diluted per share basis as compared to \$428.3 million or \$1.70 on a diluted per share basis for the corresponding period in 2006. This change is primarily attributable to (i) an increase in revenues from rental properties primarily due to acquisitions of operating properties during 2007 and 2006, (ii) an increase in equity in income of real estate joint ventures achieved from profit participation and gains on sale of joint venture operating properties and additional capital investments in the Company's joint venture programs for the acquisition of additional operating properties throughout 2007 and 2006, (iii) earnings of \$75.5 million related to the Albertson's investment monetization, partially offset by (iv) a decrease in income resulting from the sale of certain marketable securities during the corresponding period in 2006 and (v) a decrease in gains on sale of operating properties in 2007 as compared to 2006.

Tenant Concentrations

The Company seeks to reduce its operating and leasing risks through diversification achieved by the geographic distribution of its properties, avoiding dependence on any single property and a large tenant base. At December 31, 2008, the Company's five largest tenants were The Home Depot, TJX Companies, Sears Holdings, Kohl's and Wal-Mart, which represented approximately 3.3%, 2.8%, 2.5%, 2.2% and 1.8%, respectively, of the Company's annualized base rental revenues, including the proportionate share of base rental revenues from properties in which the Company has less than a 100% economic interest.

Liquidity and Capital Resources

The Company's capital resources include accessing the public debt and equity capital markets, when available, mortgage and construction loan financing and immediate access to unsecured revolving credit facilities with aggregate bank commitments of approximately \$1.7 billion.

The Company's cash flow activities are summarized as follows (in millions):

	Year Ended December 31,		
	2008	2007	2006
Net cash flow provided by operating activities	\$ 567.6	\$ 666.0	\$ 455.6
Net cash flow used for investing activities	\$(781.4)	\$(1,507.6)	\$ (246.2)
Net cash flow provided by financing activities	\$ 262.4	\$ 584.1	\$ 59.4

Operating Activities

Cash flows provided from operating activities for the year ended December 31, 2008, were approximately \$567.6 million, as compared to approximately \$666.0 million for the comparable period in 2007. The change of approximately \$98.4 million is primarily attributable to (i) a decrease in distributions from joint ventures resulting from a decrease of approximately \$66.2 million in distributions from the Albertson's investment during 2008 as compared to 2007 and a decrease of approximately \$74.8 million in

distributions from other joint venture investments, primarily from the KROP joint venture investment, which was due to a decrease in profit participation from the sale/transfer of operating properties for the year ended December 31, 2008, as compared to the corresponding period in 2007, partially offset by increased cash flows due to (ii) the acquisition of properties during 2008 and 2007 and (iii) growth in rental rates from lease renewals and the completion of certain re-development and development projects.

Recently, the capital and credit markets have become increasingly volatile and constrained as a result of adverse conditions that have caused the failure and near failure of a number of large financial services companies. If the capital and credit markets continue to experience volatility and the availability of funds remains limited, the Company will incur increased costs associated with issuing or obtaining debt. In addition, it is possible that the Company's ability to access the capital and credit markets may be limited by these or other factors. Notwithstanding the foregoing, at this time the Company anticipates that cash flows from operating activities will continue to provide adequate capital to fund its operating and administrative expenses, regular debt service obligations and dividend payments in accordance with REIT requirements in both the short term and long term.

The Company continually evaluates its debt maturities, and, based on management's current assessment, believes it has viable financing and refinancing alternatives that will not materially adversely impact its expected financial results. Although the credit environment has become much more constrained since the third quarter of 2008, the Company continues to pursue opportunities with large commercial U.S. and global banks, select life insurance companies and certain regional and local banks. The Company has noticed a trend that the approval process from lenders has slowed, while pricing and loan-to-value ratios remain dependent on specific deal terms, in general, spreads are higher and loan-to-values are lower, but the lenders are continuing to complete financing agreements. Moreover, the Company continues to assess 2009 and beyond to ensure the Company is prepared if the current credit market dislocation continues.

Debt maturities for 2009 consist of: \$451.9 million of consolidated debt; \$756.1 million of unconsolidated joint venture debt; and \$245.0 million of preferred equity debt, assuming the utilization of extension options where available. The 2009 consolidated debt maturities are anticipated to be repaid with operating cash flows, borrowings from the Company's credit facilities, which at December 31, 2008, the Company had approximately \$1.0 billion available under these credit facilities, and debt refinancings. The 2009 unconsolidated joint venture and preferred equity debt maturities are anticipated to be repaid through debt refinancing and partner capital contributions, as deemed appropriate.

The Company anticipates that cash on hand, borrowings under its revolving credit facilities, issuance of equity and public debt, as well as other debt and equity alternatives, will provide the necessary capital required by the Company. Net cash flow provided by operating activities for the year ended December 31, 2008, was primarily attributable to (i) cash flow from the diverse portfolio of rental properties, (ii) the acquisition of operating properties during 2008 and 2007, (iii) new leasing, expansion and re-tenanting of core portfolio properties and (iv) contributions from the Company's joint venture and Preferred Equity programs.

#### Investing Activities

Cash flows used for investing activities for the year ended December 31, 2008, were approximately \$781.4 million, as compared to approximately \$1.5 billion for the comparable period in 2007. This decrease in cash utilization of approximately \$726.3 million resulted primarily from decreases in (i) the acquisition of and improvements to operating real estate, (ii) the acquisition of and improvements to real estate under development and (iii) the Company's investment and advances to joint ventures, partially offset by (iv) an increase in cash utilized for investments in marketable securities including the acquisition of the Valad convertible notes and equity securities during 2008 and (v) a decrease in proceeds from the sale of development properties during the 2008 as compared to the corresponding period in 2007.

#### *Acquisitions of and Improvements to Operating Real Estate*

During the year ended December 31, 2008, the Company expended approximately \$266.2 million towards acquisition of and improvements to operating real estate including \$68.9 million expended in connection with redevelopments and re-tenanting projects as described below. (See Note 3 of the Notes to the Consolidated Financial Statements included in this annual report on Form 10-K.)

The Company has an ongoing program to reformat and re-tenant its properties to maintain or enhance its competitive position in the marketplace. The Company anticipates its capital commitment toward these and other redevelopment projects during 2009 will be approximately \$50.0 million to \$80.0 million. The funding of these capital requirements will be provided by cash flow from operating activities and availability under the Company's revolving lines of credit.

#### *Investments and Advances to Real Estate Joint Ventures*

During the year ended December 31, 2008, the Company expended approximately \$219.9 million for investments and advances to real estate joint ventures and received approximately \$118.7 million from reimbursements of advances to real estate joint ventures. (See Note 7 of the Notes to the Consolidated Financial Statements included in this annual report on Form 10-K.)

#### *Acquisitions of and Improvements to Real Estate Under Development*

The Company is engaged in ground-up development projects which consist of (i) merchant building through the Company's wholly-owned taxable REIT subsidiaries, which develop neighborhood and community shopping centers and the subsequent sale thereof upon completion, (ii) U.S. ground-up development projects which will be held as long-term investments by the Company and (iii) various ground-up development projects located in Latin America for long-term investment (see Recent Developments - International Real Estate Investments and Note 5 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K).

The ground-up development projects generally have significant pre-leasing prior to the commencement of construction. As of December 31, 2008, the Company had in progress a total of 47 ground-up development projects including 11 merchant building projects, one U.S. ground-up development project, 29 ground-up development projects located throughout Mexico, three ground-up development projects located in Chile, two ground-up development projects located in Brazil and one ground-up development project located in Peru.

During the year ended December 31, 2008, the Company expended approximately \$389.0 million in connection with construction costs and the purchase of land related to ground-up development projects. The Company anticipates its capital commitment during 2009 toward these and other development projects will be approximately \$150.0 million to \$200.0 million. The proceeds from the sales of completed ground-up development projects, proceeds from construction loans and availability under the Company's revolving lines of credit are expected to be sufficient to fund these anticipated capital requirements.

#### *Dispositions and Transfers*

During the year ended December 31, 2008, the Company received net proceeds of approximately \$176.3 million relating to the sale of various operating properties and ground-up development projects and approximately \$32.4 million from the transfer of operating properties to various joint ventures. (See Notes 3 and 7 of the Notes to the Consolidated Financial Statements included in this annual report on Form 10-K.)

#### Financing Activities

Cash flows provided from financing activities for the year ended December 31, 2008, were approximately \$262.4 million, as compared to approximately \$584.1 million for the comparable period in 2007. This decrease of approximately \$321.7 million resulted primarily from the (i) decrease in proceeds provided by mortgage/construction loan financing of approximately \$337.5 million, (ii) a decrease of \$300.0 million in proceeds from the issuance of unsecured senior notes and (iii) the increase in dividends paid during 2008 as compared to the corresponding period in 2007, offset by (iv) an increase in borrowings under the Company's unsecured revolving credit facilities of approximately \$185.0 million and (v) a decrease in repayment of unsecured senior notes and repayments of borrowings under unsecured revolving credit facilities of approximately \$187.5 million.

The Company intends to maintain strong debt service coverage and fixed charge coverage ratios as part of its commitment to maintaining its investment-grade debt ratings. The Company may, from time-to-time, seek to obtain funds through additional common and preferred equity offerings, unsecured debt financings and/or mortgage/construction loan financings and other capital alternatives in a manner consistent with its intention to operate with a conservative debt structure.

Since the completion of the Company's IPO in 1991, the Company has utilized the public debt and equity markets as its principal source of capital for its expansion needs. Since the IPO, the Company has completed additional offerings of its public unsecured debt and equity, raising in the aggregate over \$6.1 billion. Proceeds from public capital market activities have been used for the purposes of, among other things, repaying indebtedness, acquiring interests in neighborhood and community shopping centers, funding ground-up development projects, expanding and improving properties in the portfolio and other investments. These markets have experienced extreme volatility and deterioration since the third quarter 2008. As available, the Company will continue to access these markets. In March 2006, the Company was added to the S & P 500 Index, an index containing the stock of 500 Large Cap corporations, most of which are U.S. corporations.

The Company has a \$1.5 billion unsecured U.S. revolving credit facility (the "U.S. Credit Facility") with a group of banks, which is scheduled to expire in October 2011. The Company has a one-year extension option related to this facility. This credit facility has made available funds to finance general corporate purposes, including (i) property acquisitions, (ii) investments in the Company's institutional management programs, (iii) development and redevelopment costs and (iv) any short-term working capital requirements, including managing the Company's debt maturities. Interest on borrowings under the U.S. Credit Facility accrues at LIBOR plus

0.425% and fluctuates in accordance with changes in the Company's senior debt ratings. As part of this U.S. Credit Facility, the Company has a competitive bid option whereby the Company may auction up to \$750.0 million of its requested borrowings to the bank group. This competitive bid option provides the Company the opportunity to obtain pricing below the currently stated spread. A facility fee of 0.15% per annum is payable quarterly in arrears. As part of the U.S. Credit Facility, the Company has a \$200.0 million sub-limit which provides it the opportunity to borrow in alternative currencies such as Pounds Sterling, Japanese Yen or Euros. As of December 31, 2008, there was \$675.0 million outstanding and \$23.5 million in letter of credit appropriations under this credit facility. Pursuant to the terms of the U.S. Credit Facility, the Company, among other things, is subject to maintenance of various covenants. The Company is currently not in violation of these covenants. Financial covenants for the U.S. Credit Facility are as follows:

Covenant	Must Be	As of 12/31/08
Total Indebtedness to Gross Asset Value ("GAV")	<60%	47%
Total Priority Indebtedness to GAV	<35%	11%
Unencumbered Asset Net Operating Income to Total Unsecured Interest Expense	>1.75x	2.77x
Fixed Charge Total Adjusted EBITDA to Total Debt Service	>1.50x	2.57x
Limitation of Investments, Loans and Advances	<30% of GAV	18% of GAV

For a full description of the US Credit Facility's covenants refer to the Credit Agreement dated as of October 25, 2007 filed in the Company's Current Report on Form 8-K dated October 25, 2007.

The Company also has a three-year CAD \$250.0 million unsecured credit facility with a group of banks. This facility bore interest at the CDOR Rate, as defined, plus 0.45%, and was scheduled to expire in March 2008. During October 2007, the facility was amended to modify the covenant package to conform to the Company's U.S. Credit Facility. The facility was further amended in January 2008, to extend the maturity date to 2011, with an additional one-year extension option, at a reduced rate of CDOR plus 0.425%, subject to change in accordance with the Company's senior debt ratings. This facility also permits U.S. dollar denominated borrowings. Proceeds from this facility are used for general corporate purposes, including the funding of Canadian denominated investments. As of December 31, 2008, there was CAD \$40.0 million (approximately USD \$32.7 million) outstanding balance under this credit facility. The Canadian facility covenants are the same as the U.S. Credit Facility covenants described above.

Additionally, the Company had a three-year MXP 500.0 million unsecured revolving credit facility which bore interest at the TIIE Rate, as defined therein, plus 1.00%, subject to change in accordance with the Company's senior debt ratings, and was scheduled to mature in May 2008. During March 2008, the Company obtained a MXP 1.0 billion term loan, which bears interest at a rate of 8.58%, subject to change in accordance with the Company's senior debt ratings, and is scheduled to mature in March 2013. The Company utilized proceeds from this term loan to fully repay the outstanding balance of the MXP 500.0 million unsecured revolving credit facility, which has been terminated. Remaining proceeds from this term loan were used for funding MXP denominated investments. As of December 31, 2008, the outstanding balance on this term loan was MXP 1.0 billion (approximately USD \$73.9 million). The Mexican term loan covenants are the same as the U.S. and Canadian Credit Facilities covenants described above.

The Company has a Medium Term Notes ("MTN") program pursuant to which it may, from time-to-time, offer for sale its senior unsecured debt for any general corporate purposes, including (i) funding specific liquidity requirements in its business, including property acquisitions, development and redevelopment costs and (ii) managing the Company's debt maturities. (See Note 11 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K.)

The Company's supplemental indenture governing its medium term notes and senior notes contains the following covenants, all of which the Company is compliant with:

Covenant	Must Be	As of 12/31/08
Consolidated Indebtedness to Total Assets	<60%	49%
Consolidated Secured Indebtedness to Total Assets	<40%	11%
Consolidated Income Available for Debt Service to maximum Annual Service Charge	>1.50x	2.9x
Unencumbered Total Asset Value to Consolidated Unsecured Indebtedness	>1.50x	2.1x

For a full description of the Indenture's covenants refer to the Indenture dated September 1, 1993, First Supplemental Indenture dated August 4, 1994, the Second Supplemental Indenture dated April 7, 1995, and the Third Supplemental Indenture dated June 2, 2006, as filed with the SEC. See Exhibits Index on page 67, for specific filing information.

During the year ended December 31, 2008, the Company repaid its \$100.0 million 3.95% medium term notes, which matured on August 5, 2008, and its \$25.0 million 7.2% senior notes, which matured on September 15, 2008.

In addition to the public equity and debt markets as capital sources, the Company may, from time-to-time, obtain mortgage financing on selected properties and construction loans to partially fund the capital needs of its ground-up development projects. As of December 31, 2008, the Company had over 390 unencumbered property interests in its portfolio.

During 2008, the Company (i) obtained an aggregate of approximately \$16.7 million of non-recourse mortgage debt on three operating properties, (ii) assumed approximately \$101.1 million of individual non-recourse mortgage debt relating to the acquisition of five operating properties, including approximately \$0.8 million of fair value debt adjustments and (iii) paid off approximately \$73.4 million of individual non-recourse mortgage debt that encumbered 11 operating properties.

During 2008, the Company obtained individual construction loans on three merchant building projects. Additionally, the Company repaid a construction loan on one merchant building project. At December 31, 2008, total loan commitments on the Company's 16 outstanding construction loans aggregated approximately \$364.2 million of which approximately \$268.3 million has been funded. These loans have scheduled maturities ranging from two months to 42 months and bear interest at rates ranging from 1.81% to 3.19% at December 31, 2008. Approximately \$194.0 million of the outstanding loan balance matures in 2009. These maturing loans are anticipated to be repaid with operating cash flows, borrowings under the Company's credit facilities and additional debt financings. In addition, the Company may pursue or exercise existing extension options with lenders where available.

During May 2006, the Company filed a shelf registration statement on Form S-3ASR, which is effective for a term of three-years, for unlimited future offerings, from time-to-time, of debt securities, preferred stock, depositary shares, common stock and common stock warrants.

During September 2008, the Company completed a primary public stock offering of 11,500,000 shares of the Company's common stock. The net proceeds from this sale of common stock, totaling approximately \$409.4 million (after related transaction costs of \$0.6 million) were used to partially repay the outstanding balance under the Company's U.S. revolving credit facility.

During 2008, the Company received approximately \$38.3 million through employee stock option exercises and the dividend reinvestment program.

In connection with its intention to continue to qualify as a REIT for federal income tax purposes, the Company expects to continue paying regular dividends to its stockholders. These dividends will be paid from operating cash flows. The Company's Board of Directors will continue to evaluate the Company's dividend policy on a quarterly basis as they monitor sources of capital and evaluate the impact of the economy and capital markets availability on operating fundamentals. Since cash used to pay dividends reduces amounts available for capital investment, the Company generally intends to maintain a conservative dividend payout ratio, reserving such amounts as it considers necessary for the expansion and renovation of shopping centers in its portfolio, debt reduction, the acquisition of interests in new properties and other investments as suitable opportunities arise and such other factors as the Board of Directors considers appropriate. Cash dividends paid increased to \$469.0 million in 2008, compared to \$384.5 million in 2007 and \$332.6 million in 2006.

Although the Company receives substantially all of its rental payments on a monthly basis, it generally intends to continue paying dividends quarterly. Amounts accumulated in advance of each quarterly distribution will be invested by the Company in short-term money market or other suitable instruments. The Company's Board of Directors declared a quarterly dividend of \$0.44 per common share payable to shareholders of record on January 2, 2009, which was paid on January 15, 2009. In addition, the Board of Directors declared a regular quarterly cash dividend of \$0.44 per common share payable April 15, 2009 to shareholders of record on April 6, 2009.

#### Contractual Obligations and Other Commitments

The Company has debt obligations relating to its revolving credit facilities, MTNs, senior notes, mortgages and construction loans with maturities ranging from less than one year to 27 years. As of December 31, 2008, the Company's total debt had a weighted average term to maturity of approximately 4.5 years. In addition, the Company has non-cancelable operating leases pertaining to its shopping center portfolio. As of December 31, 2008, the Company has 48 shopping center properties that are subject to long-term ground leases where a third party owns and has leased the underlying land to the Company to construct and/or operate a shopping center. In addition, the Company has 16 non-cancelable operating leases pertaining to its retail store lease portfolio. The following table summarizes the Company's debt maturities, excluding extension options, and obligations under non-cancelable operating leases as of December 31, 2008 (in millions):

	2009	2010	2011	2012	2013	Thereafter	Total
Long-Term Debt-Principal (1)	\$566.7	\$346.5	\$1,112.8	\$293.8	\$599.7	\$ 1,619.6	\$4,539.1
Long-Term Debt- Interest(2)	\$200.0	\$183.4	\$157.5	\$141.2	\$107.2	\$134.5	\$923.8
Operating Leases							
Ground Leases	\$ 10.9	\$ 8.9	\$ 6.7	\$ 6.0	\$ 5.3	\$ 108.7	\$ 146.5
Retail Store Leases	\$ 3.7	\$ 3.7	\$ 3.1	\$ 2.1	\$ 1.3	\$ 0.5	\$ 14.4

- (1) maturities utilized do not reflect extension options, which range from six months to two years.
- (2) for loans which have interest at floating rates, future interest expense was calculated using the rate as of December 31, 2008.

The Company has \$50.0 million of medium term notes, \$130.0 million of senior unsecured notes, \$6.1 of unsecured notes payable, \$173.6 million of mortgage debt and \$194.0 million of construction loans scheduled to mature in 2009. The Company anticipates satisfying these maturities with a combination of operating cash flows, its unsecured revolving credit facilities, refinancing of debt, new debt issuances, when available, and the sale of completed ground-up development projects.

The Company has issued letters of credit in connection with completion and repayment guarantees for construction loans encumbering certain of the Company's ground-up development projects and guaranty of payment related to the Company's insurance program. These letters of credit aggregate approximately \$34.3 million.

During August 2008, KimPru entered into a new \$650.0 million credit facility which matures in August 2009, with the option to extend for one year, and bears interest at a rate of LIBOR plus 1.25%. KimPru is obligated to pay down a minimum of \$165.0 million, among other requirements, in order to exercise the one-year extension option. The required pay down is expected to be sourced from property sales, other debt financings and/or capital contributions by the partners. This facility is guaranteed by the Company with a guarantee from PREI to the Company for 85% of any guaranty payment the Company is obligated to make. Proceeds from this new credit facility were used to repay the outstanding balance of \$658.7 million under an existing \$1.2 billion credit facility, which was scheduled to mature in October 2008 and bore interest at a rate of LIBOR plus 0.45%. As of December 31, 2008, the outstanding balance on the new credit facility was \$650.0 million.

During September 2008, a joint venture in which the Company has a non-controlling ownership interest obtained a \$37.0 million mortgage loan, which is jointly and severally guaranteed by the Company and the joint venture partner, with a commitment of up to \$37.0 million of which \$26.9 million was outstanding as of December 31, 2008. This loan bears interest at 6.375% and is scheduled to mature in October 2019.

During October 2008, a joint venture in which the Company has a non-controlling ownership interest entered into an extension and modification agreement for a \$28.0 million term loan. The loan is guaranteed by the Company, with a commitment of up to \$28.0 million of which \$28.0 million was outstanding as of December 31, 2008. This loan bears interest at LIBOR plus 1.65%, which was 2.09% at December 31, 2008, and is scheduled to mature in March 2009. The Company is currently negotiating with lenders regarding extending or refinancing this debt.

During June 2007, the Company entered into a joint venture, in which the Company has a non-controlling ownership interest, and acquired all of the common stock of InTown Suites Management, Inc. This investment was funded with approximately \$186.0 million of new cross-collateralized non-recourse mortgage debt with a fixed interest rate of 5.59%, encumbering 35 properties, a \$153.0 million three-year unsecured credit facility, with two one-year extension options, which bears interest at LIBOR plus 0.375% and is guaranteed by the Company and the assumption of \$278.6 million cross-collateralized non-recourse mortgage debt with fixed interest rates ranging from 5.19% to 5.89%, encumbering 86 properties. The joint venture partner has pledged its equity interest for any guaranty payment the Company is obligated to pay. The outstanding balance on the three-year unsecured credit facility was \$147.5 million as of December 31, 2008. The joint venture obtained an interest rate swap at 5.37% on \$128.0 million of this debt. The swap is designated as a cash flow hedge and is deemed highly effective; as such adjustments to the swaps fair value are recorded in Other comprehensive income.

During November 2007, the Company entered into a joint venture, in which the Company has a non-controlling ownership interest, to acquire a property in Houston, Texas. This investment was funded with a \$24.5 million unsecured credit facility scheduled to mature in November 2009, with a six-month extension option, which bears interest at LIBOR plus 0.375% and is guaranteed by the Company. The outstanding balance on this credit facility as of December 31, 2008, was \$24.5 million.

During April 2007, the Company entered into a joint venture, in which the Company has a 50% non-controlling ownership interest to acquire a property in Visalia, CA. Subsequent to this acquisition the joint venture obtained a \$6.0 million three-year promissory note which bears interest at LIBOR plus 0.75% and has an extension option of two-years. This loan is jointly and severally guaranteed by the Company and the joint venture partner. As of December 31, 2008, the outstanding balance on this loan was \$6.0 million.

During 2006, an entity in which the Company has a preferred equity investment, located in Montreal, Canada, obtained a non-recourse construction loan, which is collateralized by the respective land and project improvements. Additionally, the Company has provided a guaranty to the lender and the developer partner has provided an indemnity to the Company for 25% of all debt. As of December 31, 2008, there was CAD \$89.0 million (approximately USD \$72.7 million) outstanding on this construction loan.

In connection with the construction of its development projects and related infrastructure, certain public agencies require performance and surety bonds be posted to guarantee that the Company's obligations are satisfied. These bonds expire upon the completion of the improvements and infrastructure. As of December 31, 2008, there were approximately \$61.8 million bonds outstanding.

Additionally, the RioCan Venture, an entity in which the Company holds a 50% non-controlling interest, has a CAD \$7.0 million (approximately USD \$5.7 million) letter of credit facility. This facility is jointly guaranteed by RioCan and the Company and had approximately CAD \$4.6 million (approximately USD \$3.8 million) outstanding as of December 31, 2008, relating to various development projects.

During 2005, an entity in which the Company has a preferred equity investment obtained a CAD \$24.3 million (approximately USD \$19.8 million) credit facility to finance the construction of a 0.1 million square foot shopping center property located in Kamloops, B.C. This facility bears interest at Royal Bank Prime Rate ("RBP") plus 0.5% per annum and was scheduled to mature in March 2008. During 2008, this facility was extended to expire on February 28, 2009. The Company and its partner in this entity each have a limited and several guarantee of CAD \$7.5 million (approximately USD \$6.1 million) on this facility. As of December 31, 2008, there was CAD \$22.3 million (approximately USD \$18.2 million) outstanding on this facility. The Company and its partner are currently negotiating with lenders regarding extending or refinancing this debt.

During 2005, PL Retail, a joint venture in which the Company holds a 15% non-controlling interest, entered into a \$39.5 million unsecured revolving credit facility, which bears interest at LIBOR plus 0.50% and was scheduled to mature in February 2008. During 2008, the loan was extended to February 2009. This facility is guaranteed by the Company and the joint venture partner has guaranteed reimbursement to the Company of 85% of any guaranty payment the Company is obligated to make. As of December 31, 2008, there was \$35.6 million outstanding under this facility. During February 2009, PL Retail made a principal payment of \$5.6 million and obtained a one-year extension option at LIBOR plus 400 basis points for the remaining balance of \$30.0 million.

Additionally, during 2005, the Company acquired three operating properties and one land parcel, through joint ventures, in which the Company holds 50% non-controlling interests. Subsequent to these acquisitions, the joint ventures obtained four individual loans aggregating \$20.4 million with interest rates ranging from LIBOR plus 1.00% to LIBOR plus 3.50%. During 2007, one of these properties was sold for a sales price of approximately \$10.5 million, including the pay down of \$5.0 million of debt. These loans are scheduled to mature in May 2009, October 2009 and December 2009. During 2008, one of the loans was increased by \$2.0 million. As of December 31, 2008, there was an aggregate of \$17.4 million outstanding on these loans. These loans are jointly and severally guaranteed by the Company and the joint venture partner.

#### Off-Balance Sheet Arrangements

##### *Unconsolidated Real Estate Joint Ventures*

The Company has investments in various unconsolidated real estate joint ventures with varying structures. These joint ventures operate either shopping center properties or are established for development projects. Such arrangements are generally with third-party institutional investors, local developers and individuals. The properties owned by the joint ventures are primarily financed with individual non-recourse mortgage loans, however, the Company, on a selective basis, obtains unsecured financing for certain joint ventures. These unsecured financings are guaranteed by the Company with guarantees from the joint venture partners for their proportionate amounts of any guaranty payment the Company is obligated to make. Non-recourse mortgage debt is generally defined as debt whereby the lenders' sole recourse with respect to borrower defaults is limited to the value of the property collateralized by the mortgage. The lender generally does not have recourse against any other assets owned by the borrower or any of the constituent members of the borrower, except for certain specified exceptions listed in the particular loan documents (See Note 7 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K).

These investments include the following joint ventures:

Venture	Kimco Ownership Interest	Number of Properties	Total GLA (in thousands)	Non-Recourse Mortgage Payable (in millions)	Recourse Notes Payable (in millions)	Number of Encumbered Properties	Average Interest Rate	Weighted Average Term (months)
KimPru (c)	15.00%	123	19,382	\$2,075.7	\$650.0(b)	92	4.64%	64.0
KIR (d)	45.00%	62	13,067	\$1,001.0	\$ -	49	5.74%	50.4
PL Retail (e)	15.00%	22	5,578	\$ 649.0	\$ 35.6(b)	22	4.51%	14.9
KUBS (f)	17.89%(a)	43	6,175	\$ 759.7	\$ -	43	5.62%	78.1
RioCan Venture (g)	50.00%	45	9,283	\$ 767.8	\$ -	45	5.92%	67.0

(a) Ownership % is a blended rate.

(b) See Contractual Obligations and Other Commitments regarding guarantees by the Company and its joint venture partners.

(c) Represents the Company's joint ventures with Prudential Real Estate Investors.

(d) Represents the Kimco Income REIT, formed in 1998.

(e) Represents the Company's joint venture formed from the acquisition of the Price Legacy Corporation.

(f) Represents the Company's joint ventures with UBS Wealth Management North American Property Fund Limited.

(g) Represents the Company's joint venture with RioCan Real Estate Investment Trust.



The Company has various other unconsolidated real estate joint ventures with varying structures. As of December 31, 2008, these unconsolidated joint ventures had individual non-recourse mortgage loans aggregating approximately \$2.8 billion and unsecured notes payable aggregating approximately \$189.4 million. The Company's share of this debt was approximately \$1.4 billion. These loans have scheduled maturities ranging from one month to 22 years and bear interest at rates ranging from 1.19% to 10.5% at December 31, 2008. Approximately \$312.8 million of the outstanding loan balance matures in 2009. These maturing loans are anticipated to be repaid with operating cash flows, debt refinancing and partner capital contributions, as deemed appropriate. (See Note 7 of the Notes to Consolidated Financial Statements included in this annual report on Form 10-K.)

#### *Other Real Estate Investments*

The Company maintains a Preferred Equity program, which provides capital to developers and owners of real estate properties. The Company accounts for its preferred equity investments under the equity method of accounting. As of December 31, 2008, the Company's net investment under the Preferred Equity Program was approximately \$437.3 million relating to 231 properties. As of December 31, 2008, these preferred equity investment properties had individual non-recourse mortgage loans aggregating approximately \$1.7 billion. Due to the Company's preferred position in these investments, the Company's share of each investment is subject to fluctuation and is dependent upon property cash flows. The Company's maximum exposure to losses associated with its preferred equity investments is primarily limited to its invested capital.

Additionally, during July 2007, the Company invested approximately \$81.7 million of preferred equity capital in a portfolio comprised of 403 net leased properties which are divided into 30 master leased pools with each pool leased to individual corporate operators. These properties consist of a diverse array of free-standing restaurants, fast food restaurants, convenience and auto parts stores. As of December 31, 2008, these properties were encumbered by third party loans aggregating approximately \$428.8 million with interest rates ranging from 5.08% to 10.47% with a weighted average interest rate of 9.3% and maturities ranging from 0.4 years to 14.2 years.

During June 2002, the Company acquired a 90% equity participation interest in an existing leveraged lease of 30 properties. The properties are leased under a long-term bond-type net lease whose primary term expires in 2016, with the lessee having certain renewal option rights. The Company's cash equity investment was approximately \$4.0 million. This equity investment is reported as a net investment in leveraged lease in accordance with SFAS No. 13, Accounting for Leases (as amended). The net investment in leveraged lease reflects the original cash investment adjusted by remaining net rentals, estimated unguaranteed residual value, unearned and deferred income and deferred taxes relating to the investment.

As of December 31, 2008, 18 of these leveraged lease properties were sold, whereby the proceeds from the sales were used to pay down the mortgage debt by approximately \$31.2 million. As of December 31, 2008, the remaining 12 properties were encumbered by third-party non-recourse debt of approximately \$42.8 million that is scheduled to fully amortize during the primary term of the lease from a portion of the periodic net rents receivable under the net lease. As an equity participant in the leveraged lease, the Company has no recourse obligation for principal or interest payments on the debt, which is collateralized by a first mortgage lien on the properties and collateral assignment of the lease. Accordingly, this debt has been offset against the related net rental receivable under the lease.

#### Effects of Inflation

Many of the Company's leases contain provisions designed to mitigate the adverse impact of inflation. Such provisions include clauses enabling the Company to receive payment of additional rent calculated as a percentage of tenants' gross sales above pre-determined thresholds, which generally increase as prices rise, and/or escalation clauses, which generally increase rental rates during the terms of the leases. Such escalation clauses often include increases based upon changes in the consumer price index or similar inflation indices. In addition, many of the Company's leases are for terms of less than 10 years, which permits the Company to seek to increase rents to market rates upon renewal. Most of the Company's leases require the tenant to pay an allocable share of operating expenses, including common area maintenance costs, real estate taxes and insurance, thereby reducing the Company's exposure to increases in costs and operating expenses resulting from inflation. The Company periodically evaluates its exposure to short-term interest rates and foreign currency exchange rates and will, from time-to-time, enter into interest rate protection agreements and/or foreign currency hedge agreements which mitigate, but do not eliminate, the effect of changes in interest rates on its floating-rate debt and fluctuations in foreign currency exchange rates.

#### Global Market and Economic Conditions: Real Estate and Retail Shopping Sector

In the U.S., recent market and economic conditions have been unprecedented and challenging with tighter credit conditions and slower growth throughout 2008. For the year ended December 31, 2008, continued concerns about the systemic impact of the availability and cost of credit, the U.S. mortgage market, inflation, energy costs, geopolitical issues and declining equity and real estate markets have contributed to increased market volatility and diminished expectations for the U.S. economy. In the third quarter, added concerns fueled by the federal government conservatorship of the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association, the declared bankruptcy of Lehman Brothers Holdings Inc., the U.S. government provided loans to American

International Group Inc. and other federal government interventions in the U.S. credit markets led to increased market uncertainty and instability in both U.S. and international capital and credit markets. These conditions, combined with volatile oil prices, declining business and consumer confidence and increased unemployment have contributed to volatility of unprecedented levels and has led to the unprecedented deterioration of the U.S. and international equity markets during the fourth quarter of 2008.

Historically, real estate has been subject to a wide range of cyclical economic conditions that affect various real estate markets and geographic regions with differing intensities and at different times. Different regions of the United States have and may continue to experience varying degrees of economic growth or distress. Adverse changes in general or local economic conditions could result in the inability of some tenants of the Company to meet their lease obligations and could otherwise adversely affect the Company's ability to attract or retain tenants. The Company's shopping centers are typically anchored by two or more national tenants which generally offer day-to-day necessities, rather than high-priced luxury items. In addition, the Company seeks to reduce its operating and leasing risks through ownership of a portfolio of properties with a diverse geographic and tenant base.

The Company monitors potential credit issues of its tenants, and analyzes the possible effects to the financial statements of the Company and its unconsolidated joint ventures. In addition to the collectability assessment of outstanding accounts receivable, the Company evaluates the related real estate for recoverability as well as any tenant related deferred charges for recoverability, which may include straight-line rents, deferred lease costs, tenant improvements, tenant inducements and intangible assets.

The retail shopping sector has been negatively affected by recent economic conditions. These conditions may result in our tenants delaying lease commencements or declining to extend or renew leases upon expiration. These conditions also have forced some weaker retailers, in some cases, to declare bankruptcy and/or close stores. Certain retailers have announced store closings even though they have not filed for bankruptcy protection. However, any of these particular store closings affecting the Company often represent a small percentage of the Company's overall gross leasable area and the Company does not currently expect store closings to have a material adverse effect on the Company's overall performance.

The decline in market conditions has also had a negative effect on real estate transactional activity as it relates to the acquisition and sale of real estate assets. The Company believes that the lack of real estate transactions will continue throughout 2009 which will curtail the Company's growth in the near term.

#### New Accounting Pronouncements -

In September 2006, the FASB issued Statement of Financial Accounting Standards ("SFAS") No. 157, Fair Value Measurement ("SFAS No. 157"), which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurement. This statement is effective for financial statements issued for fiscal years beginning after November 15, 2007. During February 2008, the FASB issued two Staff Positions that (i) partially deferred the effective date of SFAS No. 157 for one year for certain nonfinancial assets and nonfinancial liabilities and (ii) removed certain leasing transactions from the scope of SFAS No. 157. The impact of partially adopting SFAS No. 157 did not have a material impact on the Company's financial position or results of operations. (See footnote 15 for additional disclosure).

In February 2007, the FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities ("SFAS No. 159"). SFAS No. 159 permits entities to choose to measure many financial assets and financial liabilities at fair value. Unrealized gains and losses on items for which the fair value option has been elected are reported in earnings. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007. The impact of adopting SFAS No. 159 did not have a material impact on the Company's financial position or results of operations, as the Company did not elect the fair value option for its financial assets and liabilities.

In December 2007, the FASB issued SFAS No. 141 (revised 2007), Business Combinations ("SFAS No. 141(R)"). The objective of this statement is to improve the relevance, representational faithfulness and comparability of the information that a reporting entity provides in its financial reports about a business combination and its effects. To accomplish that, this statement establishes principles and requirements for how the acquirer: (i) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree, (ii) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase, (iii) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination and (iv) requires expensing of transaction costs associated with a business combination. This statement applies prospectively to business combinations for which the acquisition date is on or after the first annual reporting period beginning on or after December 15, 2008. An entity may not apply it before that date. The impact the adoption of SFAS No. 141(R) will have on the Company's financial position and results of operations will be dependent upon the volume of business combinations entered into by the Company.

In December 2007, the FASB issued SFAS No. 160, "Non-controlling Interests in Consolidated Financial Statements" ("FAS 160"). FAS 160 establishes accounting and reporting standards that require the ownership interests in subsidiaries held by parties other than the parent be clearly identified, labeled and presented in the consolidated statement of financial position within equity, but separate

from the parent's equity; the amount of consolidated net income attributable to the parent and to the non-controlling interest be clearly identified and presented on the face of the consolidated statement of income; changes in a parent's ownership interest while the parent retains its controlling financial interest in its subsidiary be accounted for consistently; when a subsidiary is deconsolidated, any retained non-controlling equity investment in the former subsidiary be initially measured at fair value; and entities provide sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the non-controlling owners. The objective of the guidance is to improve the relevance, comparability, and transparency of the financial information that a reporting entity provides in its consolidated financial statements. FAS 160 is effective for fiscal years beginning on or after December 15, 2008. Earlier adoption is prohibited. The impact the adoption of SFAS No. 160 will have on the Company's financial position and results of operations will be dependent upon the volume of transactions which will specifically be impacted by this pronouncement.

In March 2008, the FASB issued FAS 161, "Disclosures about Derivative Instruments and Hedging Activities an amendment of FASB Statement No. 133", ("SFAS No. 161") which amends and expands the disclosure requirements of FAS 133 to require qualitative disclosure about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of and gains and losses on derivative instruments and disclosures about credit-risk-related contingent features in derivative agreements. SFAS No. 161 is to be applied prospectively for the first annual reporting period beginning on or after November 15, 2008, with early application encouraged. SFAS No. 161 also encourages, but does not require, comparative disclosures for earlier periods at initial adoption. The adoption of SFAS No. 161 is not expected to have a material impact on the Company's disclosures.

In April 2008, the FASB issued FSP No. FAS 142-3, Determination of the Useful Life of Intangible Assets ("FSP 142-3"). FSP 142-3 removes the requirement under SFAS No. 142, Goodwill and Other Intangible Assets to consider whether an intangible asset can be renewed without substantial cost or material modifications to the existing terms and conditions and replaces it with a requirement that an entity consider its own historical experience in renewing similar arrangements, or a consideration of market participant assumptions in the absence of historical experience. FSP 142-3 also requires entities to disclose information that enables users of financial statements to assess the extent to which the expected future cash flows associated with the asset are affected by the entity's intent and/or ability to renew or extend the arrangement. FSP 142-3 is effective for fiscal years beginning on or after December 15, 2008. Earlier adoption is prohibited. The adoption of FSP 142-3 is not expected to have a material impact on the Company's financial position and results of operations.

In June 2008, the FASB issued FASB Staff Position No. EITF 03-6-1, "Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities," ("EITF 03-6-1"), which classifies unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents (whether paid or unpaid) as participating securities and requires them to be included in the computation of earnings per share pursuant to the two-class method described in SFAS No. 128, "Earnings per Share." EITF 03-6-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008. Earlier adoption is prohibited. All prior-period earnings per share data presented are to be adjusted retrospectively. The Company's adoption of EITF 03-6-1 is not expected to have a material impact on the Company's financial position and results of operations.

In December 2008, the FASB issued FSP FAS 140-4 and FIN46(R)-8, Disclosures by Public Entities (Enterprises) about Transfers of Financial Assets and Interests in Variable Interest Entities, which promptly improves disclosures by public companies until the pending amendments to FASB Statement No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities ("SFAS No. 140"), and FIN 46(R), are finalized and approved by the Board. The FSP amends SFAS No. 140 to require public companies to provide additional disclosures about transfers of financial assets and variable interests in qualifying special-purpose entities. It also amends FIN 46(R) to require public companies to provide additional disclosures about their involvement with variable interest entities. This FSP is effective for reporting periods ending after December 15, 2008. (See footnotes 3, 7 and 8 for additional disclosure).

#### Item 7A. Quantitative and Qualitative Disclosures About Market Risk

The Company's primary market risk exposure is interest rate risk. The following table presents the Company's aggregate fixed rate and variable rate domestic and foreign debt obligations outstanding as of December 31, 2008, with corresponding weighted-average interest rates sorted by maturity date. The table does not include extension options where available. Amounts include purchase price allocation adjustments for assumed debt. The information is presented in U.S. dollar equivalents, which is the Company's reporting currency. The instruments' actual cash flows are denominated in U.S. dollars, Canadian dollars and Mexican pesos as indicated by geographic description (USD equivalent in millions).

	2009	2010	2011	2012	2013	2014+	Total	Fair Value
<u>U.S. Dollar Denominated</u>								
<u>Secured Debt</u>								
Fixed Rate	\$ 56.6	\$ 17.2	\$ 43.4	\$ 61.3	\$ 85.1	\$ 429.7	\$ 693.3	\$ 689.6
Average Interest Rate	7.01%	8.47%	7.43%	6.53%	6.16%	6.18%	6.41%	
Variable Rate	\$ 311.0	\$ 107.0	\$ -	\$ 4.3	\$ -	\$ 0.2	\$ 422.5	\$ 411.4
Average Interest Rate	2.01%	1.97%	-	2.44%	-	3.25%	2.00%	
<u>Unsecured Debt</u>								
Fixed Rate	\$180.0	\$ 75.7	\$357.2	\$217.0	\$276.6	\$1,250.9	\$2,357.4	\$1,778.9
Average Interest Rate	6.98%	5.51%	6.31%	6.00%	5.40%	5.49%	5.76%	
Variable Rate	\$ 6.1	\$ 9.8	\$675.0	\$ -	\$ -	\$ -	\$ 690.9	\$ 610.9
Average Interest Rate	2.94%	2.74%	0.81%	-	-	-	0.86%	
<u>Canadian Dollar Denominated</u>								
<u>Unsecured Debt</u>								
Fixed Rate	\$ -	\$ 122.5	\$ -	\$ -	\$ 163.4	\$ -	\$ 285.9	\$ 286.8
Average Interest Rate	-	4.45%	-	-	5.18%	-	4.87%	
Variable Rate	\$ -	\$ -	\$ 32.7	\$ -	\$ -	\$ -	\$ 32.7	\$ 24.5
Average Interest Rate	-	-	2.00%	-	-	-	2.00%	
<u>Mexican Pesos Denominated</u>								
<u>Unsecured Debt</u>								
Fixed Rate	\$ -	\$ -	\$ -	\$ -	\$ 73.9	\$ -	\$ 73.9	\$ 65.0
Average Interest Rate	-	-	-	-	8.58%	-	8.58%	

Based on the Company's variable-rate debt balances, interest expense would have increased by approximately \$11.5 million in 2008 if short-term interest rates were 1.0% higher.

As of December 31, 2008, the Company had (i) Canadian investments totaling CAD \$444.5 million (approximately USD \$363.2 million) comprised of real estate joint venture investments and marketable securities, (ii) Mexican real estate investments of approximately MXP 9.4 billion (approximately USD \$695.9 million), (iii) Chilean real estate investments of approximately 15.2 billion Chilean Pesos (approximately USD \$24.2 million), (iv) Peruvian real estate investments of approximately 3.7 million Peruvian Nuevo Sol (approximately USD \$1.2 million), (v) Brazilian real estate investments of approximately 41.6 million Brazilian Real ("BRL") (approximately USD \$17.8 million) and (vi) Australian investments in marketable securities of approximately AUD 190.2 million (approximately USD \$131.4 million). The foreign currency exchange risk has been partially mitigated, but not eliminated, through the use of local currency denominated debt. The Company has not, and does not plan to, enter into any derivative financial instruments for trading or speculative purposes. As of December 31, 2008, the Company has no other material exposure to market risk.

#### Item 8. Financial Statements and Supplementary Data

The response to this Item 8 is included in our audited Notes to Consolidated Financial Statements, which are contained in a separate section of this annual report on Form 10-K.

#### Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

#### Item 9A. Controls and Procedures

##### Evaluation of Disclosure Controls and Procedures

The Company's management, with the participation of the Company's chief executive officer and chief financial officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this report. Based on such evaluation, the Company's chief executive officer and chief financial officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures are effective.

##### Changes in Internal Control over Financial Reporting

There have not been any changes in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fourth fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

##### Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the framework in Internal Control-Integrated Framework, our management concluded that our internal control over financial reporting was effective as of December 31, 2008.

The effectiveness of our internal control over financial reporting as of December 31, 2008, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which is included herein.

#### Item 9B. Other Information

##### Bylaw Amendments -

On February 25, 2009, our Board of Directors approved amendments to the Company's Bylaws that became effective upon adoption. The following summarizes these amendments.

##### *Advance Notice and Indemnification Matters*

- Article II, Section 12 of the Bylaws was amended with respect to the advance notice provisions for stockholder nominations for director and stockholder business proposals. The amendments expand the information required to be disclosed by the stockholder making the nomination or proposal including, among other items, (a) information about persons controlling, or acting in concert with, such stockholder, (b) the proponent's investment strategy or objective and any related disclosure document the proponent has provided to its investors and (c) information about the extent to which the proponent has hedged its interest in the Company.
- Article V was amended to further clarify that subsequent amendments to Article V do not alter a director or officer's entitlement to indemnification and advance of expenses.

##### *Meetings of Stockholders*

- Article II, Section 2 was amended to remove the reference to the month of the annual meeting of stockholders.
- Article II, Section 3 was amended to clarify the procedures for stockholders to request the calling of a special meeting of stockholders.
- Article II, Section 7 was amended to (a) provide for "householding" of notices of a meeting of stockholders, as permitted by the MGCL and the SEC's rules applicable to delivery of stockholder proxy statements and (b) clarify the procedures for the postponement of a meeting.

A copy of the Company's Amended and Restated Bylaws is attached as Exhibit 3.2 to this report. The foregoing is a brief description of the amendments to the Bylaws that is qualified in its entirety by reference to the text of the Company's Amended and Restated Bylaws, which is incorporated by reference herein.

Indemnification Agreement

On February 25, 2009, our Board of Directors approved a form of Indemnification Agreement (the "Indemnification Agreement") to be entered into between the Company and each of its executive officers, members of the Board of Directors and such other employees or consultants of the Company or any subsidiary as may be determined from time to time by our Chief Executive Officer in his discretion (each, an "Indemnitee").

The Indemnification Agreement provides that the Company will indemnify each Indemnitee against any and all expenses, judgments, penalties, fines and amounts paid in settlement (collectively, "Losses") actually and necessarily incurred by the Indemnitee or on his behalf, to the fullest extent permitted by law, in connection with any present or future threatened, pending or completed proceeding based upon, arising from, relating to or by reason of the Indemnitee's status as a director, officer, employee, agent or fiduciary of the Company or any other entity the Indemnitee serves at the request of the Company. The Indemnitee will also be indemnified against all expenses actually and reasonably incurred by him in connection with a proceeding if the Indemnitee is, by reason of his service to the Company or other entity at the Company's request, a witness in any such proceeding to which he is not a party.

No indemnification shall be made under the Indemnification Agreement on account of Indemnitee's conduct in respect of any proceeding charging impersonal benefit to the Indemnitee, whether or not involving action in the Indemnitee's official capacity, in which the Indemnitee was adjudged to be liable on the basis that personal benefit was improperly received. In addition to certain other exclusions set forth in the Indemnification Agreement, the Company will also not be obligated to make any indemnity or advance in connection with any claim made against the Indemnitee (a) for which payment has been made to the Indemnitee under any insurance policy or other indemnity provision, (b) for an accounting of short-swing profits made by Indemnitee from securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934, as amended, or, subject to certain exceptions, (c) prior to a change in control of the Company, in connection with any proceeding initiated by Indemnitee against the Company or its directors, officers, employees or other Indemnitees.

The Company will advance, to the extent not prohibited by law, the expenses incurred by the Indemnitee in connection with any proceeding. The Indemnification Agreement provides procedures for determining the Indemnitee's entitlement to indemnification and advancement of expenses in the event of a claim. The Indemnitee is required to deliver to the Company a written affirmation of the Indemnitee's good faith belief that the standard of conduct necessary for indemnification by the Company as authorized by law has been met and a written undertaking to reimburse any expenses if it shall ultimately be established that the standard of conduct has not been met.

To the fullest extent permitted by applicable law, if the indemnification provided for in the Indemnification Agreement is unavailable to the Indemnitee for any reason, then the Company, in lieu of indemnifying and holding harmless the Indemnitee, shall pay the entire amount of Losses incurred by the Indemnitee in connection with any proceeding without requiring the Indemnitee to contribute to such payment, and the Company further waives and relinquishes any right of contribution it may have at any time against the Indemnitee. The Company shall not enter into any settlement of any proceeding in which the Company is jointly liable with the Indemnitee (or would be if joined in such proceeding) unless such settlement provides for a full and final release of all claims asserted against the Indemnitee. Furthermore, the Company agrees to fully indemnify and hold harmless the Indemnitee from any claims for contribution which may be brought by officers, directors or employees of the Company other than the Indemnitee who may be jointly liable with the Indemnitee.

A copy of the form of the Indemnification Agreement is attached as Exhibit 10.16 to this report. The foregoing is a brief description of the terms and conditions of the Indemnification Agreement that are material to the Company and is qualified in its entirety by reference to Exhibit 10.16 hereto, which is incorporated by reference herein.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Incorporated herein by reference to the Company's definitive proxy statement to be filed with respect to its Annual Meeting of Stockholders expected to be held on May 12, 2009.

Information with respect to the Executive Officers of the Registrant follows Part I, Item 4 of this annual report on Form 10-K.

On June 11, 2008, the Company's Chief Executive Officer submitted to the New York Stock Exchange (the "NYSE") the annual certification required by Section 303A.12 (a) of the NYSE Company Manual. In addition, the Company has filed with the Securities and Exchange Commission as exhibits to this Form 10-K the certifications, required pursuant to Section 302 of the Sarbanes-Oxley Act, of its Chief Executive Officer and Chief Financial Officer relating to the quality of its public disclosure.

If the Company makes any substantive amendments to its Code of Business Conduct and Ethics or grant any waiver, including any implicit waiver, from a provision of the Code to the Chief Executive Officer, Chief Financial Officer, or Chief Accounting Officer, the Company will disclose the nature of the amendment or waiver on its website or in a report on Form 8-K.

Item 11. Executive Compensation

Incorporated herein by reference to the Company's definitive proxy statement to be filed with respect to its Annual Meeting of Stockholders expected to be held on May 12, 2009.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Incorporated herein by reference to the Company's definitive proxy statement to be filed with respect to its Annual Meeting of Stockholders expected to be held on May 12, 2009.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Incorporated herein by reference to the Company's definitive proxy statement to be filed with respect to its Annual Meeting of Stockholders expected to be held on May 12, 2009.

Item 14. Principal Accountant Fees and Services

Incorporated herein by reference to the Company's definitive proxy statement to be filed with respect to its Annual Meeting of Stockholders expected to be held on May 12, 2009.

PART IV

		Form10-K Report Page
(a)	1. Financial Statements – The following consolidated financial information is included as a separate section of this annual report on Form 10-K.	
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	2. Financial Statement Schedules -	
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	All other schedules are omitted since the required information is not present or is not present in amounts sufficient to require submission of the schedule.	
	3. Exhibits -	
	The exhibits listed on the accompanying Index to Exhibits are filed as part of this report.	145



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Exhibits

- 2.1 – Form of Plan of Reorganization of Kimco Realty Corporation [Incorporated by reference to Exhibit 2.1 to the Company's Registration Statement on Form S-11 No. 33-42588].
- 2.2 – Agreement and Plan of Merger by and between Kimco Realty Corporation, KRC CT Acquisition Limited Partnership, KRC PC Acquisition Limited Partnership, Pan Pacific Retail Properties, Inc., CT Operating Partnership L.P., and Western/PineCreek, Ltd. dated July 9, 2006. [Incorporated by reference to Exhibit 2.1 to the Company's Form 10-Q filed July 28, 2006].
- 2.3 – Amendment No. 1 to Agreement and Plan of Merger, dated as of October 30, 2006, by and between Kimco Realty Corporation, KRC CT Acquisition Limited Partnership, KRC PC Acquisition Limited Partnership, Pan Pacific Retail Properties, Inc., CT Operating Partnership L.P., and Western/PineCreek, Ltd. [Incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K dated November 3, 2006].
- 3.1 – Articles of Amendment and Restatement of the Company, dated August 4, 1994 [Incorporated by reference to Exhibit 3.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 1994].
- 3.1(ii) – Articles Supplementary relating to the 8 1/2% Class B Cumulative Redeemable Preferred Stock, par value \$1.00 per share, of the Company, dated July 25, 1995. [Incorporated by reference to Exhibit 3.3 to the Company's Annual Report on Form 10-K for the year ended December 31, 1995 (file #1-10899) the "1995 Form 10-K").
- 3.1(iii) – Articles Supplementary relating to the 8 3/8% Class C Cumulative Redeemable Preferred Stock, par value \$1.00 per share, of the Company, dated April 9, 1996 [Incorporated by reference to Exhibit 3.4 to the Company's Annual Report on Form 10-K for the year ended December 31, 1996].
- 3.1(iv) – Articles Supplementary relating to the 7 1/2% Class D Cumulative Convertible Preferred Stock, par value \$1.00 per share, of the Company [Incorporated by reference to Exhibit A of Annex A of the Company's and The Price REIT, Inc.'s Joint Proxy Statement/Prospectus on Form S-4 filed May 14, 1998].
- 3.1(v) – Articles Supplementary relating to the Class E Floating Rate Cumulative Preferred Stock, par value \$1.00 per share, of the Company [Incorporated by reference to Exhibit B of Exhibit 4(a) of the Company's Current Report on Form 8-K dated June 4, 1998].
- 3.1(vi) – Articles Supplementary relating to the 6.65% Class F Cumulative Redeemable Preferred Stock, par value \$1.00 per share, of the Company, dated May 7, 2003 [Incorporated by reference to the Company's filing on Form 8-A dated June 3, 2003].
- 3.1(vii) – Articles Supplementary relating to the 7.75% Class G Cumulative Redeemable Preferred Stock, par value \$1.00 per share, of the Company, dated October 2, 2007 [Incorporated by reference to the Company's filing on Form 8-A12B dated October 9, 2007].
- \*3.2 – Amended and Restated By-laws of the Company dated February 25, 2009.
- 4.1 – Agreement of the Company pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K [Incorporated by reference to Exhibit 4.1 to Amendment No. 3 to the Company's Registration Statement on Form S-11 No. 33-42588].
- 4.2 – Certificate of Designations [Incorporated by reference to Exhibit 4(d) to Amendment No. 1 to the Registration Statement on Form S-3 dated September 10, 1993 (the "Registration Statement", Commission File No. 33-67552)].

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Exhibits

- 4.3 – Indenture dated September 1, 1993, between Kimco Realty Corporation and Bank of New York (as successor to IBJ Schroder Bank and Trust Company) [Incorporated by reference to Exhibit 4(a) to the Registration Statement].
- 4.4 – First Supplemental Indenture, dated as of August 4, 1994. [Incorporated by reference to Exhibit 4.6 to the 1995 Form 10-K].
- 4.5 – Second Supplemental Indenture, dated as of April 7, 1995 [Incorporated by reference to Exhibit 4(a) to the Company's Current Report on Form 8-K dated April 7, 1995 (the "April 1995 8-K")].
- 4.6 – Form of Medium-Term Note (Fixed Rate) [Incorporated by reference to Exhibit 4.6 to the Company's Annual Report on Form 10-K for the year ended December 31, 2001 (the "2001 Form 10-K")].
- 4.7 – Form of Medium-Term Note (Floating Rate) [Incorporated by reference to Exhibit 4.7 to the 2001 Form 10-K].
- 4.8 – Indenture dated April 1, 2005, between Kimco North Trust III, Kimco Realty Corporation, as Guarantor and BNY Trust Company of Canada, as Trustee [Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated April 21, 2005].
- 4.9 – Third Supplemental Indenture dated as of June 2, 2006. [Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated June 5, 2006].
- 4.10 – Fifth Supplemental Indenture, dated as of October 31, 2006, among Kimco Realty Corporation, Pan Pacific Retail Properties, Inc. and Bank of New York Trust Company, N.A., as trustee [Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated November 3, 2006 (the "November 2006 8-K")].
- 4.11 – First Supplemental Indenture, dated as of October 31, 2006, among Kimco Realty Corporation, Pan Pacific Retail Properties, Inc. and Bank of New York Trust Company, N.A., as trustee [Incorporated by reference to Exhibit 4.2 to the November 2006 8-K].
- 4.12 – First Supplemental Indenture, dated as of June 2, 2006, among Kimco North Trust III, Kimco Realty Corporation, as Guarantor and BNY Trust Company of Canada, as trustee. [Incorporated by reference to Exhibit 4.12 to the Company's Annual Report on Form 10-K for the year ended December 31, 2006 (the "2006 Form 10-K")].
- 4.13 – Second Supplemental Indenture, dated as of August 16, 2006, among Kimco North Trust III, Kimco Realty Corporation, as Guarantor and BNY Trust Company of Canada, as trustee. [Incorporated by reference to Exhibit 4.13 to the 2006 Form 10-K].
- 10.1 – Management Agreement between the Company and KC Holdings, Inc. [Incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-11 No. 33-47915].
- 10.2 – Amended and Restated Stock Option Plan [Incorporated by reference to Exhibit 10.3 to the 1995 Form 10-K].
- 10.3 – CAD \$150,000,000 Credit Agreement dated September 21, 2004, among Kimco North Trust I, North Trust II, North Trust III, North Trust V, North Trust VI, Kimco North Loan Trust IV, Kimco Realty Corporation, the Several Lenders from Time-to-Time Parties Hereto, Royal Bank of Canada, as Issuing Lender and Administrative Agent, The Bank of Nova Scotia and Bank of America, N.A., as Syndication Agents, Canadian Imperial Bank of Commerce as Documentation Agent and RBC Capital Markets, as Bookrunner and Lead Arranger [Incorporated by reference to Exhibit 10.14 to the Company's Current Report on Form 8-K dated September 21, 2004].
- 10.4 – CAD \$250,000,000 Amended and Restated Credit Facility dated March 31, 2005, with Royal Bank of Canada, as Issuing Lender and Administrative Agent and various lenders [Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated March 31, 2005].

Exhibits

10.5 – CAD \$250,000,000 Amended and Restated Credit Facility dated January 25, 2006, with Royal Bank of Canada, as Issuing Lender and Administrative Agent and various lenders.	
10.6 – \$1.5 Billion Credit Agreement, dated as of October 25, 2007, among Kimco Realty Corporation, the subsidiaries of Kimco from time-to-time parties thereto, the several banks, financial institutions and other entities from time-to-time parties thereto, Bank of America, N.A., the Bank of Nova Scotia, New York Agency, and Wachovia Bank, National Association, as Syndication Agents, UBS Securities, LLC, Deutsche Bank Securities, Inc., Royal Bank of Canada and the Royal Bank of Scotland PLC, as Documentation Agents, the Bank of Tokyo-Mitsubishi UFJ, Ltd., Citicorp North America, Inc., Merrill Lynch Bank USA, Morgan Stanley Bank, Regions Bank, Sumitomo Mitsui Banking Corporation and U.S. Bank National Association, as Managing Agents, The Bank of New York, Barclays Bank PLC, Eurohypo AG New York Branch, Suntrust Bank and Wells Fargo Bank National Association, as Co-Agents, and JPMorgan Chase Bank, N.A., as Administrative Agent for the lenders thereunder. [Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated October 25, 2007].	
10.7 – Employment Agreement between Kimco Realty Corporation and David B. Henry, dated March 8, 2007. [Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated March 21, 2007].	
10.8 – CAD \$250,000,000 Amended and Restated Credit Facility dated January 11, 2008, with Royal Bank of Canada as Issuing Lender and Administrative Agent and various lenders. [Incorporated by reference to Exhibit 10.17 to the Company's 2007 Form 10-K].	
*10.9 – Second Amended and Restated 1998 Equity Participation Plan of Kimco Realty Corporation (restated February 25, 2009).	160
10.10 – Employment Agreement between Kimco Realty Corporation and Michael V. Pappagallo dated November 3, 2008. [Incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q filed on November 10, 2008].	
10.11 – Letter Agreement dated November 3, 2008 and Employment Agreement dated November 3, 2008 between Kimco Realty Corporation and David R. Lukes. [Incorporated by reference to Exhibit 10.2 to the Company's Form 10-Q filed on November 10, 2008].	
10.12 – Agreement and General Release between Kimco Realty Corporation and Jerald Friedman dated November 3, 2008. [Incorporated by reference to Exhibit 10.3 to the Company's Form 10-Q filed on November 10, 2008].	
10.13 – Amendment to Employment Agreement between Kimco Realty Corporation and David B. Henry dated December 17, 2008. [Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated January 7, 2009 (the "January 2009 8-K").	
10.14 – Amendment to Employment Agreement between Kimco Realty Corporation and Michael V. Pappagallo dated December 17, 2008. [Incorporated by reference to Exhibit 10.2 to the January 2009 8-K].	
10.15 – Amendment to Employment Agreement between Kimco Realty Corporation and David R. Lukes dated December 17, 2008. [Incorporated by reference to Exhibit 10.3 to the January 2009 8-K].	
*10.16 – Form of Indemnification Agreement. Filed herewith as Exhibit 99.1	182
*10.17 – Employment Agreement between Kimco Realty Corporation and Glenn G. Cohen dated February 25, 2009. Filed herewith as Exhibit 99.2	195

<u>Exhibits</u>	Form 10-K <u>Page</u>
*10.18 – \$650 Million Credit Agreement, dated as of August 26, 2008, among PK Sale LLC, as borrower, PRK Holdings I LLC, PRK Holdings II LLC and PK Holdings III LLC, as guarantors, Kimco Realty Corporation, as guarantor, the lenders party hereto from time to time, JP Morgan Chase Bank, N.A., as Administrative Agent and Wachovia Bank, National Association, The Bank Of Nova Scotia, as Syndication Agents Bank of America, N.A., as Co-Syndication Agents, Wells Fargo Bank, National Association and Royal Bank of Canada, as Co-Documentation Agents. Filed herewith as Exhibit 99.3	210
*10.19 – 1 billion MXP Credit Agreement, dated as of March 3, 2008, among KRC Mexico Acquisition, LLC, as borrower, Kimco Realty Corporation, as guarantor, and Scotiabank Inverlat, S.A., Institucio De Banca Multiple, Grupo Financiero Scotiabank Inverlat, as lender. Filed herewith as Exhibit 99.4	298
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*31.2 – Certification of the Company's Chief Financial Officer, Michael V. Pappagallo, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	410
*32.1 – Certification of the Company's Chief Executive Officer, Milton Cooper, and the Company's Chief Financial Officer, Michael V. Pappagallo, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	411

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\* Filed herewith.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

KIMCO REALTY CORPORATION  
(Registrant)

By: /s/ Milton Cooper  
Milton Cooper  
Chief Executive Officer

Dated: February 26, 2009

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Milton Cooper</u> Milton Cooper	Chairman of the Board of Directors and Chief Executive Officer	February 26, 2009
<u>/s/ David B. Henry</u> David B. Henry	Vice Chairman of the Board of Directors and Chief Investment Officer	February 26, 2009
<u>/s/ David R. Lukes</u> David R. Lukes	Chief Operating Officer	February 26, 2009
<u>/s/ Michael J. Flynn</u> Michael J. Flynn	Director	February 26, 2009
<u>/s/ Richard G. Dooley</u> Richard G. Dooley	Director	February 26, 2009
<u>/s/ Joe Grills</u> Joe Grills	Director	February 26, 2009
<u>/s/ F. Patrick Hughes</u> F. Patrick Hughes	Director	February 26, 2009
<u>/s/ Frank Lourenso</u> Frank Lourenso	Director	February 26, 2009
<u>/s/ Richard Saltzman</u> Richard Saltzman	Director	February 26, 2009
<u>/s/ Philip Coviello</u> Philip Coviello	Director	February 26, 2009
<u>/s/ Michael V. Pappagallo</u> Michael V. Pappagallo	Executive Vice President - Chief Financial Officer and Chief Administrative Officer	February 26, 2009
<u>/s/ Glenn G. Cohen</u> Glenn G. Cohen	Senior Vice President - Treasurer and Chief Accounting Officer	February 26, 2009
<u>/s/ Paul Westbrook</u> Paul Westbrook	Director of Accounting	February 26, 2009

ANNUAL REPORT ON FORM 10-K  
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KIMCO REALTY CORPORATION AND SUBSIDIARIES

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**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Stockholders  
of Kimco Realty Corporation:

In our opinion, the consolidated financial statements listed in the index appearing under Item 15(a)(1) present fairly, in all material respects, the financial position of Kimco Realty Corporation and its Subsidiaries (collectively, the "Company") at December 31, 2008 and 2007, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2008, in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedules listed in the index appearing under Item 15(a)(2) present fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2008, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedules, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included under Item 9A. Our responsibility is to express opinions on these financial statements, on the financial statement schedules, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP  
New York, New York  
February 26, 2009

**KIMCO REALTY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(in thousands, except share information)

	December 31, 2008	December 31, 2007
Assets:		
Real Estate		
Rental property		
Land	\$ 1,395,645	\$ 1,262,879
Building and improvements	5,454,296	4,917,750
	6,849,941	6,180,629
Less, accumulated depreciation and amortization	1,159,664	977,444
	5,690,277	5,203,185
Real estate under development	968,975	1,144,406
Real estate, net	6,659,252	6,347,591
Investments and advances in real estate joint ventures	1,161,382	1,246,917
Other real estate investments	566,324	615,016
Mortgages and other financing receivables	181,992	153,847
Cash and cash equivalents	136,177	87,499
Marketable securities	258,174	212,988
Accounts and notes receivable	97,702	88,017
Deferred charges and prepaid expenses	122,481	121,690
Other assets	213,663	224,251
Total assets	<u>\$ 9,397,147</u>	<u>\$ 9,097,816</u>
Liabilities & Stockholders' Equity:		
Notes payable	\$ 3,440,818	\$ 3,131,765
Mortgages payable	847,491	838,736
Construction loans payable	268,337	245,914
Accounts payable and accrued expenses	151,241	161,526
Dividends payable	131,097	112,052
Other liabilities	237,577	265,090
Total liabilities	5,076,561	4,755,083
Minority interests	345,240	448,159
Commitments and contingencies		
Stockholders' equity:		
Preferred Stock, \$1.00 par value, authorized 3,232,000 shares		
Class F Preferred Stock, \$1.00 par value, authorized 700,000 shares	700	700
Issued and outstanding 700,000 shares		
Aggregate liquidation preference \$175,000		
Class G Preferred Stock, \$1.00 par value, authorized 184,000 shares	184	184
Issued and outstanding 184,000 shares		
Aggregate liquidation preference \$460,000		
Common stock, \$0.01 par value, authorized 750,000,000 shares		
Issued 271,080,525 and 253,350,144 shares; outstanding 271,080,525 and 252,803,564, respectively.	2,711	2,528
Paid-in capital	4,217,806	3,677,509
Retained earnings/(cumulative distributions in excess of net income)	(58,162)	180,005
	4,163,239	3,860,926
Accumulated other comprehensive income	(187,893)	33,648
Total stockholders' equity	3,975,346	3,894,574
Total liabilities and stockholders' equity	<u>\$ 9,397,147</u>	<u>\$ 9,097,816</u>

The accompanying notes are an integral part of these consolidated financial statements.



**KIMCO REALTY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
For the Years Ended 2008, 2007 and 2006  
(in thousands, except per share data)

	Year Ended December 31,		
	2008	2007	2006
Revenues from rental property	\$ 758,704	\$ 674,534	\$ 580,551
Rental property expenses:			
Rent	(13,367)	(12,131)	(11,531)
Real estate taxes	(98,005)	(82,508)	(73,622)
Operating and maintenance	(104,698)	(89,098)	(71,974)
Mortgage and other financing income	18,333	14,197	18,816
Management and other fee income	47,666	54,844	40,684
Depreciation and amortization	(204,310)	(188,063)	(137,820)
General and administrative expenses	(117,879)	(103,882)	(76,519)
Interest, dividends and other investment income	56,119	36,238	55,817
Other (expense)/income, net	(2,208)	(10,550)	8,932
Interest expense	(212,591)	(213,086)	(170,079)
<b>Income from continuing operations before income taxes, income from other real estate investments, equity in income of joint ventures, minority interests in income, gain on sale of development properties and impairments</b>	<b>127,764</b>	<b>80,495</b>	<b>163,255</b>
Benefit/(provision) for income taxes	(3,542)	42,372	(4,387)
Income from other real estate investments	86,643	78,524	77,062
Equity in income of joint ventures, net	132,208	173,362	105,525
Minority interests in income, net	(26,832)	(34,251)	(26,246)
Gain on sale of development properties,			
net of tax of \$14,626, \$16,040 and \$12,155, respectively	21,939	24,059	25,121
Impairments:			
Property carrying values,			
net of tax benefit of \$5,445, \$3,400 and \$0, respectively and minority interests	(6,557)	(5,100)	-
Marketable equity securities & other equity investments,			
net of tax benefit of \$25,697, \$2,118 and \$0, respectively	(92,719)	(3,178)	-
Investments in real estate joint ventures	(15,500)	-	-
<b>Income from continuing operations</b>	<b>223,404</b>	<b>356,283</b>	<b>340,330</b>
<b>Discontinued operations:</b>			
Income from discontinued operating properties	6,577	35,608	16,352
Minority interests in income	(1,281)	(5,740)	(1,504)
Loss on operating properties held for sale/sold	(598)	(1,832)	(1,421)
Gain on disposition of operating properties, net of tax	20,018	5,538	72,042
<b>Income from discontinued operations</b>	<b>24,716</b>	<b>33,574</b>	<b>85,469</b>
Gain on transfer of operating properties	1,195	-	1,394
Gain on sale of operating properties, net of tax	587	2,708	1,066
<b>Total gain on transfer or sale of operating properties, net of tax</b>	<b>1,782</b>	<b>2,708</b>	<b>2,460</b>
<b>Income before extraordinary item</b>	<b>249,902</b>	<b>392,565</b>	<b>428,259</b>
Extraordinary gain from joint venture resulting from purchase price allocation, net of tax and minority interest	-	50,265	-
<b>Net income</b>	<b>249,902</b>	<b>442,830</b>	<b>428,259</b>
Preferred stock dividends	(47,288)	(19,659)	(11,638)
<b>Net income available to common shareholders</b>	<b>\$ 202,614</b>	<b>\$ 423,171</b>	<b>\$ 416,621</b>
Per common share:			
Income from continuing operations:			
-Basic	\$ 0.69	\$ 1.35	\$ 1.38
-Diluted	\$ 0.69	\$ 1.32	\$ 1.35
Net income :			
-Basic	\$ 0.79	\$ 1.68	\$ 1.74
-Diluted	\$ 0.78	\$ 1.65	\$ 1.70
Weighted average shares:			
-Basic	257,811	252,129	239,552
-Diluted	258,843	257,058	244,615

The accompanying notes are an integral part of these consolidated financial statements.

**KIMCO REALTY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(in thousands)

Year Ended December 31,

	2008	2007	2006
Net income	\$ 249,902	\$ 442,830	\$ 428,259
Other comprehensive income:			
Change in unrealized loss on marketable securities	(71,535)	(25,803)	(26,467)
Change in unrealized loss on interest rate swaps	(170)	(176)	-
Change in unrealized gain/(loss) on foreign currency hedge agreements	-	(1,294)	143
Change in foreign currency translation adjustment	(149,836)	15,696	2,503
Other comprehensive income	(221,541)	(11,577)	(23,821)
Comprehensive income	\$ 28,361	\$ 431,253	\$ 404,438

The accompanying notes are an integral part of these consolidated financial statements.

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**KIMCO REALTY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
For the Years Ended December 31, 2008, 2007 and 2006  
(in thousands, except per share information)

	Preferred Stock		Common Stock		Paid-in Capital	Retained Earnings / (Cumulative Distributions in Excess of Net Income)	Accumulated Other Comprehensive Income	Total Stockholders' Equity
	Issued	Amount	Issued	Amount				
Balance, January 1, 2006	700	\$ 700	228,059	\$ 2,281	\$ 2,255,332	\$ 59,855	\$ 69,046	\$ 2,387,214
Net income						428,259		428,259
Dividends (\$1.38 per common share; \$1.6625 Class F Depositary Share, respectively)						(347,605)		(347,605)
Issuance of common stock			20,614	206	870,465			870,671
Exercise of common stock options			2,197	22	42,007			42,029
Amortization of stock option expense					10,212			10,212
Other comprehensive income							(23,821)	(23,821)
Balance, December 31, 2006	700	700	250,870	2,509	3,178,016	140,509	45,225	3,366,959
Net income						442,830		442,830
Dividends (\$1.52 per common share; \$1.6625 Class F Depositary Share, and \$4.359 per Class G share, respectively)						(403,334)		(403,334)
Issuance of common stock			50	1	2,413			2,414
Exercise of common stock options			1,884	18	40,546			40,564
Issuance of Class G Preferred Stock	184	184			444,283			444,467
Amortization of stock option expense					12,251			12,251
Other comprehensive income							(11,577)	(11,577)
Balance, December 31, 2007	884	884	252,804	2,528	3,677,509	180,005	33,648	3,894,574
Net income						249,902		249,902
Dividends (\$1.64 per common share; \$1.6625 Class F Depositary Share, and \$1.9375 per Class G share, respectively)						(488,069)		(488,069)
Issuance of common stock			16,391	164	486,709			486,873
Exercise of common stock options			1,886	19	41,330			41,349
Amortization of stock option expense					12,258			12,258
Other comprehensive income							(221,541)	(221,541)
Balance, December 31, 2008	884	\$ 884	271,081	\$ 2,711	\$ 4,217,806	\$ (58,162)	\$ (187,893)	\$ 3,975,346

The accompanying notes are an integral part of these consolidated financial statements.

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**KIMCO REALTY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands)

	Year Ended December 31,		
	2008	2007	2006
Cash flow from operating activities:			
Net income	\$ 249,902	\$ 442,830	\$ 428,259
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	206,518	191,270	144,767
Extraordinary item	-	(50,265)	-
Loss on operating properties held for sale/sold/transferred	598	1,832	1,421
Impairment charges	147,529	8,500	-

Gain on sale of development properties	(36,565)	(40,099)	(37,276)
Gain on sale/transfer of operating properties	(21,800)	(9,800)	(77,300)
Minority interests in income of partnerships, net	26,502	39,992	27,751
Equity in income of joint ventures, net	(132,208)	(173,363)	(106,930)
Income from other real estate investments	(79,099)	(64,046)	(54,494)
Distributions from joint ventures	261,993	403,032	152,099
Cash retained from excess tax benefits	(1,958)	(2,471)	(2,926)
Change in accounts and notes receivable	(9,704)	(4,876)	(17,778)
Change in accounts payable and accrued expenses	(1,983)	1,361	38,619
Change in other operating assets and liabilities	(42,126)	(77,908)	(40,643)
Net cash flow provided by operating activities	<u>567,599</u>	<u>665,989</u>	<u>455,569</u>
Cash flow from investing activities:			
Acquisition of and improvements to operating real estate	(266,198)	(1,077,202)	(547,001)
Acquisition of and improvements to real estate under development	(388,991)	(640,934)	(619,083)
Investment in marketable securities	(263,985)	(55,235)	(86,463)
Proceeds from sale of marketable securities	52,427	35,525	83,832
Proceeds from transferred operating/development properties	32,400	69,869	1,186,851
Investments and advances to real estate joint ventures	(219,913)	(413,172)	(472,666)
Reimbursements of advances to real estate joint ventures	118,742	293,537	183,368
Other real estate investments	(77,455)	(192,890)	(254,245)
Reimbursements of advances to other real estate investments	71,762	87,925	74,677
Investment in mortgage loans receivable	(68,908)	(97,592)	(154,894)
Collection of mortgage loans receivable	54,717	94,720	125,003
Other investments	(25,466)	(26,688)	(123,609)
Reimbursements of other investments	23,254	55,361	16,113
Settlement of net investment hedges	-	-	(953)
Proceeds from sale of operating properties	120,729	59,450	110,404
Proceeds from sale of development properties	55,535	299,715	232,445
Net cash flow used for investing activities	<u>(781,350)</u>	<u>(1,507,611)</u>	<u>(246,221)</u>
Cash flow from financing activities:			
Principal payments on debt, excluding normal amortization of rental property debt	(88,841)	(82,337)	(61,758)
Principal payments on rental property debt	(14,047)	(14,014)	(11,062)
Principal payments on construction loan financings	(30,814)	(78,295)	(79,399)
Proceeds from mortgage/construction loan financings	76,025	413,488	174,087
Borrowings under unsecured credit facilities	812,329	627,369	317,661
Repayment of borrowings under unsecured revolving credit facilities	(281,056)	(343,553)	(653,219)
Proceeds from issuance of unsecured senior notes	-	300,000	478,947
Repayment of unsecured senior notes	(125,000)	(250,000)	(185,000)
Financing origination costs	(3,300)	(10,819)	(11,442)
Redemption of minority interests in real estate partnerships	(66,803)	(80,972)	(31,554)
Dividends paid	(469,024)	(384,502)	(332,552)
Cash retained from excess tax benefits	1,958	2,471	2,926
Proceeds from issuance of stock	451,002	485,220	451,809
Net cash flow provided by financing activities	<u>262,429</u>	<u>584,056</u>	<u>59,444</u>
Change in cash and cash equivalents	48,678	(257,566)	268,792
Cash and cash equivalents, beginning of year	87,499	345,065	76,273
Cash and cash equivalents, end of year	<u>\$ 136,177</u>	<u>\$ 87,499</u>	<u>\$ 345,065</u>
Interest paid during the year (net of capitalized interest of \$28,753, \$25,505 and \$22,741, respectively)	<u>\$ 217,629</u>	<u>\$ 215,121</u>	<u>\$ 153,664</u>
Income taxes paid during the year	<u>\$ 29,652</u>	<u>\$ 14,292</u>	<u>\$ 9,350</u>

The accompanying notes are an integral part of these consolidated financial statements.

## KIMCO REALTY CORPORATION AND SUBSIDIARIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Amounts relating to the number of buildings, square footage, tenant and occupancy data and estimated project costs are unaudited.

#### 1. Summary of Significant Accounting Policies:

##### Business

Kimco Realty Corporation (the "Company" or "Kimco"), its subsidiaries, affiliates and related real estate joint ventures are engaged principally in the operation of neighborhood and community shopping centers which are anchored generally by discount department stores, supermarkets or drugstores. The Company also provides property management services for shopping centers owned by affiliated entities, various real estate joint ventures and unaffiliated third parties.

Additionally, in connection with the Tax Relief Extension Act of 1999 (the "RMA"), which became effective January 1, 2001, the Company is permitted to participate in activities which it was precluded from previously in order to maintain its qualification as a Real Estate Investment Trust ("REIT"), so long as these activities are conducted in entities which elect to be treated as taxable subsidiaries under the Internal Revenue Code, as amended (the "Code"), subject to certain limitations. As such, the Company, through its taxable REIT subsidiaries, is engaged in various retail real estate related opportunities including (i) merchant building through its wholly-owned taxable REIT subsidiaries ("TRS"), which are primarily engaged in the ground-up development of neighborhood and community shopping centers and the subsequent sale thereof upon completion, (ii) retail real estate advisory and disposition services which primarily focuses on leasing and disposition strategies of retail real estate controlled by both healthy and distressed and/or bankrupt retailers and (iii) acting as an agent or principal in connection with tax deferred exchange transactions.

The Company seeks to reduce its operating and leasing risks through diversification achieved by the geographic distribution of its properties, avoiding dependence on any single property and a large tenant base. At December 31, 2008, the Company's single largest neighborhood and community shopping center accounted for only 1.0% of the Company's annualized base rental revenues and only 0.9% of the Company's total shopping center gross leasable area ("GLA"). At December 31, 2008, the Company's five largest tenants were The Home Depot, TJX Companies, Sears Holdings, Kohl's and Wal-Mart, which represented approximately 3.3%, 2.8%, 2.5%, 2.2% and 1.8%, respectively, of the Company's annualized base rental revenues, including the proportionate share of base rental revenues from properties in which the Company has less than a 100% economic interest.

The principal business of the Company and its consolidated subsidiaries is the ownership, development, management and operation of retail shopping centers, including complementary services that capitalize on the Company's established retail real estate expertise. The Company does not distinguish its principal business or group its operations on a geographical basis for purposes of measuring performance. Accordingly, the Company believes it has a single reportable segment for disclosure purposes in accordance with accounting principles generally accepted in the United States of America ("GAAP").

##### Principles of Consolidation and Estimates

The accompanying Consolidated Financial Statements include the accounts of the Company, its subsidiaries, all of which are wholly-owned, and all entities in which the Company has a controlling interest, including where the Company has been determined to be a primary beneficiary of a variable interest entity in accordance with the provisions and guidance of Interpretation No. 46(R), Consolidation of Variable Interest Entities ("FIN 46(R)") or meets certain criteria of a sole general partner or managing member as identified in accordance with Emerging Issues Task Force ("EITF") Issue 04-5, Investor's Accounting for an Investment in a Limited Partnership when the Investor is the Sole General Partner and the Limited Partners have Certain Rights ("EITF 04-5"). All intercompany balances and transactions have been eliminated in consolidation.

GAAP requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses during a reporting period. The most significant assumptions and estimates relate to the valuation of real estate and related intangible assets and liabilities, the assessment of impairments of real estate and related intangible assets and liabilities,

equity method investments, marketable securities and other investments, as well as, depreciable lives, revenue recognition, the collectability of trade accounts receivable and the realizability of deferred tax assets. Application of these assumptions requires the exercise of judgment as to future uncertainties, and, as a result, actual results could differ from these estimates.

#### Minority Interests

Minority interests represent the portion of equity that the Company does not own in those entities it consolidates as a result of having a controlling interest or determined that the Company was the primary beneficiary of a variable interest entity in accordance with the provisions and guidance of FIN 46(R).

Minority interests also include partnership units issued from consolidated subsidiaries of the Company in connection with certain property acquisitions. These units have a stated redemption value or a redemption amount based upon the Adjusted Current Trading Price, as defined, of the Company's common stock ("Common Stock") and provide the unit holders various rates of return during the holding period. The unit holders generally have the right to redeem their units for cash at any time after one year from issuance. The Company typically has the option to settle redemption amounts in cash or Common Stock for the issuance of convertible units. The Company evaluates the terms of the partnership units issued in accordance with Statement of Financial Accounting Standards ("SFAS") No. 150, Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity, and EITF D-98, Classification and Measurement of Redeemable Securities, to determine if the units are mandatorily redeemable and as such accounts for them accordingly.

The acquisitions of minority interests, through the redemption of redeemable units, for shares of Common Stock are recorded under the purchase method at the fair market value of the Common Stock on the date of acquisition. The acquisition amounts are allocated to the underlying total assets of the Company based on their estimated fair values.

#### Real Estate

Real estate assets are stated at cost, less accumulated depreciation and amortization. If there is an event or a change in circumstances that indicates that the basis of a property (including any related amortizable intangible assets or liabilities) may not be recoverable, then management will assess any impairment in value by making a comparison of (i) the current and projected operating cash flows (undiscounted and without interest charges) of the property over its estimated holding period, and (ii) the net carrying amount of the property. If the current and projected operating cash flows (undiscounted and without interest charges) are less than the carrying value of the property, the carrying value would be adjusted to an amount to reflect the estimated fair value of the property.

When a real estate asset is identified by management as held-for-sale, the Company ceases depreciation of the asset and estimates the sales price, net of selling costs. If, in management's opinion, the net sales price of the asset is less than the net book value of the asset, an adjustment to the carrying value would be recorded to reflect the estimated fair value of the property.

Upon acquisition of real estate operating properties, the Company estimates the fair value of acquired tangible assets (consisting of land, building, building improvements and tenant improvements) and identified intangible assets and liabilities (consisting of above and below-market leases, in-place leases and tenant relationships), assumed debt and redeemable units issued in accordance with SFAS No. 141, Business Combinations ("SFAS No. 141"), at the date of acquisition, based on evaluation of information and estimates available at that date. Based on these estimates, the Company allocates the initial purchase price to the applicable assets and liabilities. As final information regarding fair value of the assets acquired and liabilities assumed is received and estimates are refined, appropriate adjustments are made to the purchase price allocation. The allocations are finalized within twelve months of the acquisition date.

The Company utilizes methods similar to those used by independent appraisers in estimating the fair value of acquired assets and liabilities. The fair value of the tangible assets of an acquired property considers the value of the property "as-if-vacant". The fair value reflects the depreciated replacement cost of the permanent assets, with no trade fixtures included.

In allocating the purchase price to identified intangible assets and liabilities of an acquired property, the value of above-market and below-market leases is estimated based on the present value of the difference between the contractual amounts to be paid pursuant to the leases and management's estimate of the market lease rates and other lease provisions (i.e., expense recapture, base rental changes, etc.) measured over a period equal to the estimated remaining term of the lease. The capitalized above-market or below-market intangible is amortized to rental income over the estimated remaining term of the respective leases. Mortgage debt premiums are amortized into interest expense over the remaining term of the related debt instrument. Unit discounts and premiums are amortized into Minority interest in income, net over the period from the date of issuance to the earliest redemption date of the units.

In determining the value of in-place leases, management considers current market conditions and costs to execute similar leases in arriving at an estimate of the carrying costs during the expected lease-up period from vacant to existing occupancy. In estimating carrying costs, management includes real estate taxes, insurance, other operating expenses, estimates of lost rental revenue during the expected lease-up periods and costs to execute similar leases including leasing commissions, legal and other related costs based on current market demand. In estimating the value of tenant relationships, management considers the nature and extent of the existing tenant relationship, the expectation of lease renewals, growth prospects and tenant credit quality, among other factors. The value assigned to in-place leases and tenant relationships is amortized over the estimated remaining term of the leases. If a lease were to be terminated prior to its scheduled expiration, all unamortized costs relating to that lease would be written off.

Depreciation and amortization are provided on the straight-line method over the estimated useful lives of the assets, as follows:

Buildings and building improvements	15 to 50 years
Fixtures, leasehold and tenant improvements (including certain identified intangible assets)	Terms of leases or useful lives, whichever is shorter

Expenditures for maintenance and repairs are charged to operations as incurred. Significant renovations and replacements, which improve and extend the life of the asset, are capitalized. The useful lives of amortizable intangible assets are evaluated each reporting period with any changes in estimated useful lives being accounted for over the revised remaining useful life.

#### Real Estate Under Development

Real estate under development represents both the ground-up development of neighborhood and community shopping center projects which are subsequently sold upon completion and projects which the Company may hold as long-term investments. These properties are carried at cost. The cost of land and buildings under development includes specifically identifiable costs. The capitalized costs include pre-construction costs essential to the development of the property, development costs, construction costs, interest costs, real estate taxes, salaries and related costs of personnel directly involved and other costs incurred during the period of development. The Company ceases cost capitalization when the property is held available for occupancy upon substantial completion of tenant improvements, but no later than one year from the completion of major construction activity. If, in management's opinion, the net sales price of assets held for resale or the current and projected undiscounted cash flows of these assets to be held as long-term investments is less than the net carrying value, the carrying value would be adjusted to an amount to reflect the estimated fair value of the property.

#### Investments in Unconsolidated Joint Ventures

The Company accounts for its investments in unconsolidated joint ventures under the equity method of accounting as the Company exercises significant influence, but does not control these entities. These investments are recorded initially at cost and subsequently adjusted for cash contributions and distributions. Earnings for each investment are recognized in accordance with each respective investment agreement and where applicable, based upon an allocation of the investment's net assets at book value as if the investment was hypothetically liquidated at the end of each reporting period.

The Company's joint ventures and other real estate investments primarily consist of co-investments with institutional and other joint venture partners in neighborhood and community shopping center properties, consistent with its core business. These joint ventures typically obtain non-recourse third-party financing on their property investments, thus contractually limiting the Company's exposure to losses primarily to the amount of its equity investment; and due to the lender's exposure to losses, a lender typically will require a minimum level of equity in order to mitigate its risk. The Company's exposure to losses associated with its unconsolidated joint ventures is primarily limited to its carrying value in these investments. The Company, on a selective basis, obtains unsecured financing for certain joint ventures. These unsecured financings are guaranteed by the Company with guarantees from the joint venture partners for their proportionate amounts of any guaranty payment the Company is obligated to make.

On a continuous basis, management assesses whether there are any indicators, including the underlying investment property operating performance and general market conditions, that the value of the Company's investments in unconsolidated joint ventures may be impaired. An investment's value is impaired only if management's estimate of the fair value of the investment is less than the carrying value of the investment and such difference is deemed to be other-than-temporary. To the extent impairment has occurred, the loss shall be measured as the excess of the carrying amount of the investment over the estimated fair value of the investment.

The Company's estimated fair values are based upon a discounted cash flow model for each specific property that includes all estimated cash inflows and outflows over a specified holding period. Capitalization rates and discount rates utilized in these models are based upon rates that the Company believes to be within a reasonable range of current market rates for each respective property.

#### Other Real Estate Investments

Other real estate investments primarily consist of preferred equity investments for which the Company provides capital to developers and owners of real estate. The Company typically accounts for its preferred equity investments on the equity method of accounting, whereby earnings for each investment are recognized in accordance with each respective investment agreement and based upon an allocation of the investment's net assets at book value as if the investment was hypothetically liquidated at the end of each reporting period.

On a continuous basis, management assesses whether there are any indicators, including the underlying investment property operating performance and general market conditions, that the value of the Company's Other real estate investments may be impaired. An investment's value is impaired only if management's estimate of the fair value of the investment is less than the carrying value of the investment and such difference is deemed to be other-than-temporary. To the extent impairment has occurred, the loss shall be measured as the excess of the carrying amount of the investment over the estimated fair value of the investment.

The Company's estimated fair values are based upon a discounted cash flow model for each specific property that includes all estimated cash inflows and outflows over a specified holding period. Capitalization rates and discount rates utilized in these models are based upon rates that the Company believes to be within a reasonable range of current market rates for each respective property.

#### Mortgages and Other Financing Receivables

Mortgages and other financing receivables consist of loans acquired and loans originated by the Company. Loan receivables are recorded at stated principal amounts net of any discount or premium or deferred loan origination costs or fees. The related discounts or premiums on mortgages and other loans purchased are amortized or accreted over the life of the related loan receivable. The Company defers certain loan origination and commitment fees, net of certain origination costs and amortizes them as an adjustment of the loan's yield over the term of the related loan. The Company evaluates the collectability of both interest and principal on each loan to determine whether it is impaired. A loan is considered to be impaired, when based upon current information and events, it is probable that the Company will be unable to collect all amounts due according to the existing contractual terms. When a loan is considered to be impaired, the amount of loss is calculated by comparing the recorded investment to the value determined by discounting the expected future cash flows at the loan's effective interest rate or to the value of the underlying collateral if the loan is collateralized. Interest income on performing loans is accrued as earned. Interest income on impaired loans is recognized on a cash basis.

Cash and Cash Equivalents

Cash and cash equivalents (demand deposits in banks, commercial paper and certificates of deposit with original maturities of three months or less) includes tenants' security deposits, escrowed funds and other restricted deposits approximating \$12.5 million and \$6.7 million for the years ended December 31, 2008 and 2007, respectively.

Cash and cash equivalent balances may, at a limited number of banks and financial institutions, exceed insurable amounts. The Company believes it mitigates risk by investing in or through major financial institutions and primarily in funds that are currently U.S. federal government insured. Recoverability of investments is dependent upon the performance of the issuers.

Marketable Securities

The Company classifies its existing marketable equity securities as available-for-sale in accordance with the provisions of SFAS No. 115, Accounting for Certain Investments in Debt and Equity Securities. These securities are carried at fair market value with unrealized gains and losses reported in stockholders' equity as a component of Accumulated other comprehensive income ("OCI"). Gains or losses on securities sold are based on the specific identification method.

All debt securities are generally classified as held-to-maturity because the Company has the positive intent and ability to hold the securities to maturity. Held-to-maturity securities are stated at amortized cost, adjusted for amortization of premiums and accretion of discounts to maturity. Debt securities which contain conversion features are generally classified as available-for-sale.

On a continuous basis, management assesses whether there are any indicators that the value of the Company's marketable securities may be impaired. A marketable security is impaired if the fair value of the security is less than the carrying value of the security and such difference is deemed to be other-than-temporary. To the extent impairment has occurred, the loss shall be measured as the excess of the carrying amount of the security over the estimated fair value in the security.

Deferred Leasing and Financing Costs

Costs incurred in obtaining tenant leases and long-term financing, included in deferred charges and prepaid expenses in the accompanying Consolidated Balance Sheets, are amortized over the terms of the related leases or debt agreements, as applicable. Such capitalized costs include salaries and related costs of personnel directly involved in successful leasing efforts.

Revenue Recognition and Accounts Receivable

Base rental revenues from rental property are recognized on a straight-line basis over the terms of the related leases. Certain of these leases also provide for percentage rents based upon the level of sales achieved by the lessee. These percentage rents are recognized once the required sales level is achieved. Rental income may also include payments received in connection with lease termination agreements. In addition, leases typically provide for reimbursement to the Company of common area maintenance costs, real estate taxes and other operating expenses. Operating expense reimbursements are recognized as earned.

Management and other fee income consists of property management fees, leasing fees, property acquisition and disposition fees, development fees and asset management fees. These fees arise from contractual agreements with third parties or with entities in which the Company has a partial non-controlling interest. Management and other fee income, including acquisition and disposition fees, are recognized as earned under the respective agreements. Management and other fee income related to partially owned entities are recognized to the extent attributable to the unaffiliated interest.

Gains and losses from the sale of depreciated operating property and ground-up development projects are generally recognized using the full accrual method in accordance with SFAS No. 66, Accounting for Sales of Real Estate ("SFAS No. 66"), provided that various criteria relating to the terms of sale and subsequent involvement by the Company with the properties are met.

Gains and losses on transfers of operating properties result from the sale of a partial interest in properties to unconsolidated joint ventures and are recognized using the partial sale provisions of SFAS No. 66.

The Company makes estimates of the uncollectability of its accounts receivable related to base rents, expense reimbursements and other revenues. The Company analyzes accounts receivable and historical bad debt levels, customer credit worthiness and current economic trends when evaluating the adequacy of the allowance for doubtful accounts. In addition, tenants in bankruptcy are analyzed and estimates are made in connection with the expected recovery of pre-petition and post-petition claims. The Company's reported net income is directly affected by management's estimate of the collectability of accounts receivable.

#### Income Taxes

The Company has made an election to qualify, and believes it is operating so as to qualify, as a REIT for federal income tax purposes. Accordingly, the Company generally will not be subject to federal income tax, provided that distributions to its stockholders equal at least the amount of its REIT taxable income as defined under Section 856 through 860 of the Code.

In connection with the RMA, which became effective January 1, 2001, the Company is permitted to participate in certain activities which it was previously precluded from in order to maintain its qualification as a REIT, so long as these activities are conducted in entities which elect to be treated as taxable subsidiaries under the Code. As such, the Company is subject to federal and state income taxes on the income from these activities.

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. The Company provides a valuation allowance for deferred tax assets for which it does not consider realization of such assets to be more likely than not.

#### Foreign Currency Translation and Transactions

Assets and liabilities of the Company's foreign operations are translated using year-end exchange rates, and revenues and expenses are translated using exchange rates as determined throughout the year. Gains or losses resulting from translation are included in OCI, as a separate component of the Company's stockholders' equity. Gains or losses resulting from foreign currency transactions are translated to local currency at the rates of exchange prevailing at the dates of the transactions. The effect of the transactions gain or loss is included in the caption Other income, net in the Consolidated Statements of Income.

#### Derivative/Financial Instruments

The Company measures its derivative instruments at fair value and records them in the Consolidated Balance Sheet as an asset or liability, depending on the Company's rights or obligations under the applicable derivative contract. In addition, the fair value adjustments will be recorded in either stockholders' equity or earnings in the current period based on the designation of the derivative. The effective portions of changes in fair value of cash flow hedges are reported in OCI and are subsequently reclassified into earnings when the hedged item affects earnings. Changes in the fair value of foreign currency hedges that are designated and effective as net investment hedges are included in the cumulative translation component of OCI to the extent they are economically effective and are subsequently reclassified to earnings when the hedged investments are sold or otherwise disposed of. The changes in fair value of derivative instruments which are not designated as hedging instruments and the ineffective portions of hedges are recorded in earnings for the current period.

The Company utilizes derivative financial instruments to reduce exposure to fluctuations in interest rates, foreign currency exchange rates and market fluctuations on equity securities. The Company has established policies and procedures for risk assessment and the approval, reporting and monitoring of derivative financial instrument activities. The Company has not entered, and does not plan to enter, into financial instruments for trading or speculative purposes. Additionally, the



Company has a policy of only entering into derivative contracts with major financial institutions. The principal financial instruments used by the Company are interest rate swaps, foreign currency exchange forward contracts, cross-currency swaps and warrant contracts. These derivative instruments were designated and qualified as cash flow, fair value or foreign currency hedges (see Note 16).

#### Earnings Per Share

The following table sets forth the reconciliation of earnings and the weighted average number of shares used in the calculation of basic and diluted earnings per share (amounts presented in thousands, except per share data):

	2008	2007	2006
<i>Computation of Basic Earnings Per Share:</i>			
Income from continuing operations before extraordinary gain	\$ 223,404	\$ 356,283	\$ 340,330
Gain on transfer of operating properties	1,195	-	1,394
Gain on sale of operating properties, net of tax	587	2,708	1,066
Preferred stock dividends	(47,288)	(19,659)	(11,638)
Income from continuing operations before extraordinary gain applicable to common shares	177,898	339,332	331,152
Income from discontinued operations	24,716	33,574	85,469
Extraordinary gain	-	50,265	-
Net income applicable to common shares	\$ 202,614	\$ 423,171	\$ 416,621
Weighted average common shares outstanding	257,811	252,129	239,552
Basic Earnings Per Share:			
Income from continuing operations before extraordinary gain	\$ 0.69	\$ 1.35	\$ 1.38
Income from discontinued operations	0.10	0.13	0.36
Extraordinary gain	-	0.20	-
Net income	\$ 0.79	\$ 1.68	\$ 1.74
<i>Computation of Diluted Earnings Per Share:</i>			
Income from continuing operations before extraordinary gain applicable to common shares	\$ 177,898	\$ 339,332	\$ 331,152
Distributions on convertible units (a)	18	-	-
Income from continuing operations for diluted earnings per share	177,916	339,332	331,152
Income from discontinued operations	24,716	33,574	85,469
Extraordinary gain	-	50,265	-
Net income for diluted earnings per common share	\$ 202,632	\$ 423,171	\$ 416,621
Weighted average common shares outstanding – Basic	257,811	252,129	239,552
Effect of dilutive securities:			
Stock options/deferred stock awards	999	4,929	5,063
Assumed conversion of convertible units (a)	33	-	-
Shares for diluted earnings per common share	258,843	257,058	244,615
Diluted Earnings Per Share:			
Income from continuing operations before extraordinary gain	\$ 0.69	\$ 1.32	\$ 1.35
Income from discontinued operations	0.09	0.13	0.35
Extraordinary gain	-	0.20	-
Net income	\$ 0.78	\$ 1.65	\$ 1.70

- (a) The effect of the assumed conversion of certain convertible units had an anti-dilutive effect upon the calculation of Income from continuing operations before extraordinary gain per share. Accordingly, the impact of such conversions has not been included in the determination of diluted earnings per share calculations.

In addition, there were approximately 13,731,767, 3,017,400, and 71,250, stock options that were anti-dilutive as of December 31, 2008, 2007 and 2006, respectively.

Stock Compensation

The Company maintains an equity participation plan (the "Plan") pursuant to which a maximum of 47,000,000 shares of the Company's common stock may be issued for qualified and non-qualified options and restricted stock grants. Unless otherwise determined by the Board of Directors at its sole discretion, options granted under the Plan generally vest ratably over a range of three to five years, expire ten years from the date of grant and are exercisable at the market price on the date of grant. Restricted stock grants vest 100% on the fourth or fifth anniversary of the grant. In addition, the Plan provides for the granting of certain options and restricted stock to each of the Company's non-employee directors (the "Independent Directors") and permits such Independent Directors to elect to receive deferred stock awards in lieu of directors' fees.

The Company accounts for stock options in accordance with SFAS No. 123 (revised 2004), "Share-Based Payment" ("SFAS No. 123R"). SFAS 123R requires that all share based payments to employees, including grants of employee stock options, be recognized in the statement of operations over the service period based on their fair values. Fair value is determined using the Black-Scholes option pricing formula, intended to estimate the fair value of the awards at the grant date. (See footnote 21 for additional disclosure on the assumptions and methodology.)

New Accounting Pronouncements

In September 2006, the FASB issued Statement of Financial Accounting Standards ("SFAS") No. 157, Fair Value Measurement ("SFAS No. 157"), which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurement. This statement is effective for financial statements issued for fiscal years beginning after November 15, 2007. During February 2008, the FASB issued two Staff Positions that (i) partially deferred the effective date of SFAS No. 157 for one year for certain nonfinancial assets and nonfinancial liabilities and (ii) removed certain leasing transactions from the scope of SFAS No. 157. The impact of partially adopting SFAS No. 157 did not have a material impact on the Company's financial position or results of operations. (See footnote 15 for additional disclosure).

In February 2007, the FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities ("SFAS No. 159"). SFAS No. 159 permits entities to choose to measure many financial assets and financial liabilities at fair value. Unrealized gains and losses on items for which the fair value option has been elected are reported in earnings. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007. The impact of adopting SFAS No. 159 did not have a material impact on the Company's financial position or results of operations, as the Company did not elect the fair value option for its financial assets and liabilities.

In December 2007, the FASB issued SFAS No. 141 (revised 2007), Business Combinations ("SFAS No. 141(R)"). The objective of this statement is to improve the relevance, representational faithfulness and comparability of the information that a reporting entity provides in its financial reports about a business combination and its effects. To accomplish that, this statement establishes principles and requirements for how the acquirer: (i) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree, (ii) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase, (iii) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination and (iv) requires expensing of transaction costs associated with a business combination. This statement applies prospectively to business combinations for which the acquisition date is on or after the first annual reporting period beginning on or after December 15, 2008. An entity may not apply it before that date. The impact the adoption of SFAS No. 141(R) will have on the Company's financial position and results of operations will be dependent upon the volume of business combinations entered into by the Company.

In December 2007, the FASB issued SFAS No. 160, "Non-controlling Interests in Consolidated Financial Statements" ("SFAS 160"). FAS 160 establishes accounting and reporting standards that require the ownership interests in subsidiaries held by parties other than the parent be clearly identified, labeled and presented in the consolidated statement of financial position within equity, but separate from the parent's equity; the amount of consolidated net income attributable to the parent and to the non-controlling interest be clearly identified and presented on the face of the consolidated statement of income; changes in a parent's ownership interest while the parent retains its controlling financial interest in its subsidiary be accounted for consistently; when a subsidiary is deconsolidated, any retained non-controlling equity investment in the

former subsidiary be initially measured at fair value; and entities provide sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the non-controlling owners. The objective of the guidance is to improve the relevance, comparability and transparency of the financial information that a reporting entity provides in its consolidated financial statements. FAS 160 is effective for fiscal years beginning on or after December 15, 2008. Earlier adoption is prohibited. The impact the adoption of SFAS No. 160 will have on the Company's financial position and results of operations, will be dependent upon the volume of transactions which will specifically be impacted by this pronouncement.

In March 2008, the FASB issued FAS 161, "Disclosures about Derivative Instruments and Hedging Activities an amendment of FASB Statement No. 133", ("SFAS No. 161") which amends and expands the disclosure requirements of FAS 133 to require qualitative disclosure about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of gains and losses on derivative instruments, and disclosures about credit-risk-related contingent features in derivative agreements. SFAS No. 161 is to be applied prospectively for the first annual reporting period beginning on or after November 15, 2008, with early application encouraged. SFAS No. 161 also encourages, but does not require, comparative disclosures for earlier periods at initial adoption. The adoption of SFAS No. 161 is not expected to have a material impact on the Company's disclosures.

In April 2008, the FASB issued FSP No. FAS 142-3, Determination of the Useful Life of Intangible Assets ("FSP 142-3"). FSP 142-3 removes the requirement under SFAS No. 142, Goodwill and Other Intangible Assets to consider whether an intangible asset can be renewed without substantial cost or material modifications to the existing terms and conditions, and replaces it with a requirement that an entity consider its own historical experience in renewing similar arrangements, or a consideration of market participant assumptions in the absence of historical experience. FSP 142-3 also requires entities to disclose information that enables users of financial statements to assess the extent to which the expected future cash flows associated with the asset are affected by the entity's intent and/or ability to renew or extend the arrangement. FSP 142-3 is effective for fiscal years beginning on or after December 15, 2008. Earlier adoption is prohibited. The adoption of FSP 142-3 is not expected to have a material impact on the Company's financial position and results of operations.

In June 2008, the FASB issued FASB Staff Position No. EITF 03-6-1, "Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities," ("EITF 03-6-1"), which classifies unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents (whether paid or unpaid) as participating securities and requires them to be included in the computation of earnings per share pursuant to the two-class method described in SFAS No. 128, "Earnings per Share." EITF 03-6-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008. Earlier adoption is prohibited. All prior-period earnings per share data presented are to be adjusted retrospectively. The Company adoption of EITF 03-6-1 is not expected to have a material impact on the Company's financial position and results of operations.

In December 2008, the FASB issued FSP FAS 140-4 and FIN 46(R)-8, Disclosures by Public Entities (Enterprises) about Transfers of Financial Assets and Interests in Variable Interest Entities, which promptly improves disclosures by public companies until the pending amendments to FASB Statement No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities ("SFAS No. 140"), and FIN 46(R), are finalized and approved by the Board. The FSP amends SFAS No. 140 to require public companies to provide additional disclosures about transfers of financial assets and variable interests in qualifying special-purpose entities. It also amends FIN 46(R) to require public companies to provide additional disclosures about their involvement with variable interest entities. This FSP is effective for reporting periods ending after December 15, 2008. (See footnotes 3, 7 and 8 for additional disclosure).

#### *Reclassifications*

Certain reclassifications have been made to the 2007 balances to conform to the 2008 presentation.

#### 2. Real Estate:

The Company's components of Rental property consist of the following (in thousands):

	December 31,	
	2008	2007
Land	\$ 1,395,645	\$ 1,262,879
Buildings and improvements		
Buildings	3,847,544	3,559,465
Building improvements	692,040	566,720
Tenant improvements	633,883	549,490
Fixtures and leasehold improvements	35,377	33,932
Other rental property (1)	245,452	208,143
	6,849,941	6,180,629
Accumulated depreciation and amortization	(1,159,664)	(977,444)
Total	\$ 5,690,277	\$ 5,203,185

- (1) At December 31, 2008 and 2007, Other rental property consisted of intangible assets including \$161,556 and \$130,598 respectively, of in-place leases, \$22,400 and \$21,555 respectively, of tenant relationships, and \$61,495 and \$55,991 respectively, of above-market leases.

In addition, at December 31, 2008 and 2007, the Company had intangible liabilities relating to below-market leases from property acquisitions of approximately \$171.4 million and \$182.3 million, respectively. These amounts are included in the caption Other liabilities in the Company's Consolidated Balance Sheets.

### 3. Property Acquisitions, Developments and Other Investments:

Operating property acquisitions, ground-up development costs and other investments have been funded principally through the application of proceeds from the Company's public equity and unsecured debt issuances, proceeds from mortgage and construction financings, availability under the Company's revolving lines of credit and issuance of various partnership units.

#### Operating Properties

##### Acquisition of Operating Properties –

During the year December 31, 2008, the Company acquired, in separate transactions, 10 operating properties, comprising an aggregate 1.2 million square feet of a GLA, for an aggregate purchase price of approximately \$215.9 million including the assumption of approximately \$96.2 million of non-recourse mortgage debt encumbering four of the properties. Details of these transactions are as follows (in thousands):

Property Name	Location	Month Acquired	Purchase Price			GLA
			Cash	Debt Assumed	Total	
U.S. Acquisitions:						
108 West Germania	Chicago, IL	Jan-08	\$ 9,250	\$ -	\$ 9,250	41
1429 Walnut St	Philadelphia, PA	Jan-08	22,100	6,400	28,500	76
168 North Michigan Ave	Chicago, IL	Jan-08 (1)	13,000	-	13,000	74
118 Market St	Philadelphia, PA	Feb-08 (1)	600	-	600	1
Alison Building	Philadelphia, PA	Apr-08 (1)	15,875	-	15,875	58
Lorden Plaza	Millford, NH	Apr-08	5,650	26,000	31,650	149
East Windsor Village	East Windsor, NJ	May-08 (2)	10,370	19,780	30,150	249
Potomac Run Plaza	Sterling, VA	Sep-08 (5)	21,430	44,046	65,476	361
			98,275	96,226	194,501	1,009
Latin American Acquisitions:						
Valinhos	Valinhos, Brazil	Jun-08 (3)	17,384	-	17,384	121
Vicuna Mackenna	Santiago, Chile	Aug-08 (4)	4,025	-	4,025	26
Total Acquisitions			\$ 119,684	\$ 96,226	\$ 215,910	1,156

- (1) Property is scheduled for redevelopment.
- (2) The Company acquired this property from a joint venture in which the Company had an approximate 15% non-controlling ownership interest.
- (3) The Company provided \$12.2 million as part of its 70% economic interest in this newly formed joint venture for the acquisition of this operating property and land parcel. The Company has determined, under the provisions of FIN 46(R), that this joint venture is a VIE and that the Company is the primary beneficiary. As such, the Company has consolidated this entity for accounting and reporting purposes.
- (4) The Company provided a \$3.0 million equity investment to a newly formed joint venture in which the Company has a 75% economic interest for the acquisition of this operating property and has determined under the provisions of FIN 46(R) that this joint venture is a VIE and that the Company is the primary beneficiary. As such, the Company has consolidated this entity for accounting and reporting purposes.
- (5) The Company acquired this property from a joint venture in which the Company holds a 20% non-controlling interest.

During the year ended December 31, 2007, the Company acquired, in separate transactions, 61 operating properties, comprising an aggregate 4.4 million square feet of GLA, for an aggregate purchase price of approximately \$1.1 billion including the assumption of approximately \$114.3 million of non-recourse mortgage debt encumbering nine of the properties. Details of these transactions are as follows (in thousands):

Property Name	Location	Month Acquired	Purchase Price			GLA
			Cash	Debt Assumed	Total	
U.S. Acquisitions:						
3 Properties	Various	Jan-07 (1)	\$ 22,535	\$19,480	\$ 42,015	240
Emby Village	Atlanta, GA	Feb-07	46,800	-	46,800	215
Park Place	Morrisville, NC	Mar-07 (2)	10,700	10,700	21,400	170
35 North Third Street	Philadelphia, PA	Mar-07	2,100	-	2,100	2
Cranberry Commons II	Pittsburgh, PA	Mar-07 (3)	1,431	3,108	4,539	17
Lake Grove	Lake Grove, NY	Apr-07 (4)	31,500	-	31,500	158
1628 Walnut St	Philadelphia, PA	Apr-07	3,500	-	3,500	2
2 Properties	Various	Apr-07 (5)	62,800	-	62,800	436
Flagler Park	Miami, FL	Apr-07	95,000	-	95,000	350
2 Properties	Various	May-07 (6)	36,801	16,800	53,601	169
Suburban Square	Ardmore, PA	May-07	215,000	-	215,000	359
1701 Walnut St	Philadelphia, PA	May-07	12,000	-	12,000	15
30 West 21st St	New York, NY	May-07	6,250	18,750	25,000	5
Chatham Plaza	Savannah, GA	June-07	44,600	-	44,600	199
2 Properties	Various	June-07 (7)	16,920	-	16,920	22
Birchwood Portfolio (11 Properties)	Long Island, NY	July-07	92,090	-	92,090	280
493-497 Commonwealth Ave	Boston, MA	July-07	5,650	-	5,650	20
3 Properties	Philadelphia, PA	July-07 (8)	60,890	-	60,890	68
Highlands Square	Clearwater, FL	July-07(9)	4,531	-	4,531	76
Mooreville Crossings	Mooreville, NC	Aug-07	41,000	-	41,000	155
Corona Hills Marketplace	Corona, CA	Aug-07	32,000	-	32,000	149
127-129 Newbury St	Boston, MA	Oct-07	11,600	-	11,600	9
Talavi	Glendale, AZ	Nov-07 (10)	12,500	-	12,500	109
Wayne Plaza	Chambersburg, PA	Nov-07 (2)	6,849	14,289	21,138	132
Rockford Crossing	Rockford, IL	Dec-07 (2)	3,867	11,033	14,900	89
Center at Westbank	Harvey, LA	Dec-07 (2)	11,551	20,149	31,700	182
			890,465	114,309	1,004,774	3,628

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, continued

Property Name	Location	Month Acquired	Purchase Price			GLA
			Cash	Debt Assumed	Total	
Latin American Acquisitions:						
Waldo's Mexico Portfolio (17 properties)	Various, Mexico	Mar-07	51,500	-	51,500	488
Gran Plaza Cancun	Mexico	Dec-07	38,909	-	38,909	273
Total Acquisitions			\$980,874	\$114,309	\$1,095,183	4,389

- (1) Three properties acquired in separate transactions, located in Alpharetta, GA, Southlake, TX and Apopka, FL.  
(2) The Company acquired these properties from a joint venture in which the Company holds a 20% non-controlling interest.  
(3) The Company acquired this property from a venture in which the Company had a preferred equity investment.  
(4) The Company provided a \$31.0 million preferred equity investment to a newly formed joint venture in which the Company has a 98% economic interest for the acquisition of this operating property and has determined under the provisions of FIN 46(R) that this joint venture is a VIE and that the Company is the primary beneficiary. As such, the Company has consolidated this entity for accounting and reporting purposes.  
(5) The Company acquired, in separate transactions, these two properties located in Chico, CA and Auburn, WA from a joint venture in which the Company holds a 15% non-controlling interest.  
(6) Two properties acquired in separate transactions, located in Sparks, NV and San Diego, CA.  
(7) Two properties acquired in separate transactions, located in Boston, MA and Philadelphia, PA.  
(8) Three mixed use residential/retail properties acquired in separate transactions, located in Philadelphia, PA.  
(9) The Company provided a \$4.3 million preferred equity investment to a newly formed joint venture in which the Company has a 94% economic interest for the acquisition of this operating property and has determined under the provisions of FIN 46(R) that this joint venture is a VIE and that the Company is the primary beneficiary. As such, the Company has consolidated this entity for accounting and reporting purposes.  
(10) The Company acquired an additional 50% ownership interest in this operating property, as such the Company now holds a 100% interest in this property and consolidates it for financial reporting purposes.

The aggregate purchase price of the above mentioned 2008 and 2007 properties have been allocated to the tangible and intangible assets and liabilities of the properties in accordance with SFAS No. 141, at the date of acquisition, based on evaluation of information and estimates available at such date. As final information regarding the fair value of the assets acquired and liabilities assumed is received and estimates are refined, appropriate adjustments will be made to the purchase price allocation. The allocations are finalized no later than twelve months from the acquisition date. The total aggregate purchase price was allocated as follows (in thousands):

	2008	2007
Land	\$ 55,323	\$327,970
Buildings	121,927	625,640
Below Market Rents	(8,926)	(62,802)
Above Market Rents	2,167	13,629
In-Place Leases	6,879	41,281
Other Intangibles	2,739	10,181
Building Improvements	28,589	105,716
Tenant Improvements	7,147	35,897
Mortgage Fair Value Adjustment	65	(2,329)
	<u>\$ 215,910</u>	<u>\$1,095,183</u>

Included within the Company's consolidated operating properties are 10 consolidated entities that are VIE's and for which the Company is the primary beneficiary. All of these entities have been established to own and operate real estate property. The Company's involvement with these entities is through its majority ownership and management of the properties. These entities were deemed VIE's primarily based on the fact that the voting rights of the equity investors is not proportional to their obligation to absorb expected losses or receive the expected residual returns of the entity and substantially all of the entity's activities are conducted on behalf of the investor which has disproportionately few voting rights. The Company determined that it was the primary beneficiary of these VIE's as a result of its economic ownership percentage which provides that the Company would absorb a majority of the entity's expected losses, receive a majority of the entity's expected residual returns, or both.

At December 31, 2008, total assets of these VIE's were approximately \$1.0 billion and total liabilities were approximately \$552.9 million, including \$323.1 million of non-recourse mortgage debt. The classification of these assets is primarily within real estate and the classification of liabilities are primarily within mortgages payable and minority interests in the Company's consolidated balance sheets.

The majority of the operations of these VIE's are funded with cash flows generated from the properties. Three of these entities are encumbered by third party non-recourse mortgage debt aggregating approximately \$323.1 million. The Company has not provided financial support to any of these VIE's that it was not previously contractually required to provide, which consists primarily of funding any capital expenditures, including tenant improvements, which are deemed necessary to continue to operate the entity and any operating cash shortfalls that the entity may experience.

Ground-Up Development -

The Company is engaged in ground-up development projects which consist of (i) merchant building through the Company's wholly-owned taxable REIT subsidiaries, which develop neighborhood and community shopping centers and the subsequent sale after completion, (ii) U.S. ground-up development projects which will be held as long-term investments by the Company and (iii) various ground-up development projects located in Latin America for long-term investment. The ground-up development projects generally have significant pre-leasing prior to the commencement of construction. As of December 31, 2008, the Company had in progress a total of 47 ground-up development projects, consisting of 11 merchant building projects, of which seven are anticipated to be substantially complete during the first half of 2009, one U.S. ground-up development project, 29 ground-up development projects located throughout Mexico, three ground-up development projects located in Chile, two ground-up development projects located in Brazil and one ground-up development project located in Peru.

Merchant Building -

During the years 2008, 2007 and 2006, the Company expended approximately \$111.9 million, \$269.6 million, and \$287.0 million, respectively, in connection with the purchase of land and construction costs related to its merchant building projects. These costs have been funded principally through proceeds from sales of completed projects and construction loans.

Long-term Investment Projects -

During 2008, the Company acquired (i) 5 land parcels located throughout Mexico for an aggregate purchase price of approximately 368.2 million Mexican Pesos ("MXP") (approximately USD \$33.3 million), (ii) one land parcel located in Lima, Peru for a purchase price of approximately 1.9 million Peruvian Nuevo Sol ("PEN") (approximately USD \$0.7 million), (iii) two land parcels located in Chile for a purchase price of approximately 7.9 billion CLP (approximately USD \$16.1 million) and (iv) one land parcel located in Hortolandia, Brazil for a purchase price of approximately 7.4 BRL (approximately USD\$ 3.2 million). These nine land parcels will be developed into retail centers aggregating approximately 1.7 million square feet of gross leasable area with a total estimated aggregate project cost of approximately USD \$195.5 million.

During 2008, the Company acquired, through an unconsolidated joint venture investment, 11 land parcels, in separate transactions, located in various cities throughout Mexico for an aggregate purchase price of approximately \$54.9 million MXP (approximately USD \$48.5 million) which will be held for investment or possible future development.

Additionally, during 2008, the Company acquired, through an existing consolidated joint venture, a redevelopment property in Bronx, NY, for a purchase price of approximately \$5.2 million. The property will be redeveloped into a retail center with a total estimated project cost of approximately \$17.7 million.

During 2007, the Company expended approximately \$7.7 million in connection with the purchase of undeveloped land in Union, NJ, which will be developed into a 0.2 million square foot retail center and approximately \$21.5 million in connection with the purchase of three redevelopment properties located in Bronx, NY, which will be redeveloped into mixed-use residential/retail centers aggregating 0.1 million square feet. These projects have a total estimated project cost of approximately \$71.5 million.

During 2007, the Company acquired, in separate transactions, seven land parcels located in various cities throughout Mexico, for an aggregate purchase price of approximately MXP 865.9 million (approximately USD \$78.0 million). These land parcels will be developed into retail centers aggregating approximately 2.8 million square feet of GLA, with a total estimated aggregate project cost of approximately MXP 2.3 billion (approximately USD \$210.2 million).

During 2007, the Company acquired, through an unconsolidated joint venture investment, two land parcels, in separate transactions, located in Mexico for an aggregate purchase price of approximately 184.8 million MXP (approximately USD \$16.8 million) which will be held for investment or possible future development.

During 2007, the Company acquired, through a newly formed joint venture in which the Company has a controlling ownership interest, a 0.3 million square foot development project in Neuvo Vallarta, Mexico, for a purchase price of approximately MXP 119.5 million (approximately USD \$11.0 million). Total estimated project costs are approximately USD \$28.3 million.

During 2007, the Company acquired, through a newly formed joint venture in which the Company has a non-controlling interest, a 0.1 million square foot development project in Tuxtepec, Mexico, for a purchase price of MXP 48.6 million (approximately USD \$4.4 million). Total estimated project costs are approximately USD \$14.4 million.

Included within the Company's ground-up development projects are 18 consolidated entities that are VIE's and for which the Company is the primary beneficiary. These entities were established to develop real estate property to either hold as a long-term investment or sell after completion. The Company's involvement with these entities is through its majority ownership and management of the properties. These entities were deemed VIE's primarily based on the fact that the equity investment at risk is not sufficient to permit the entity to finance its activities without additional financial support. The initial equity contributed to these entities was not sufficient to fully finance the real estate construction as development costs are funded by the partners throughout the construction period. The Company determined that it was the primary beneficiary of these VIE's as a result of its economic ownership percentage which provides that the Company would absorb a majority of the entity's expected losses, receive a majority of the entity's expected residual returns, or both.

At December 31, 2008, total assets of these VIE's were approximately \$353.0 million and total liabilities were approximately \$95.0 million, including \$46.1 million of construction loans encumbering three of these entities. The classification of these assets is primarily within real estate and the classification of liabilities are primarily within construction loans payable and minority interests in the Company's consolidated balance sheets.

The majority of the projected development costs to be funded to these VIE's, aggregating approximately \$82.0 million, will be funded with capital contributions from the Company and when contractually obligated, the outside partner. Three of these entities have third party construction loans aggregating approximately \$46.1 million. The Company has not provided financial support to the VIE that it was not previously contractually required to provide.

Also included within the Company's ground-up developments are 10 unconsolidated joint ventures, which are VIE's for which the Company is not the primary beneficiary. These joint ventures were primarily established to develop real estate property for long-term investment. These entities were deemed VIE's primarily based on the fact that the equity investment at risk was not sufficient to permit the entity to finance its activities without additional financial support. The initial equity contributed to these entities was not sufficient to fully finance the real estate construction as development costs are funded by the partners throughout the construction period. The Company determined that it was not the primary beneficiary of these VIE's based on the fact that the Company would receive less than a majority of the entity's expected residual returns or expected losses.

The Company's aggregate investment in these VIE's was approximately \$127.9 million as of December 31, 2008, which is included in Real estate under development in the Company's Consolidated Balance Sheets. The Company's maximum exposure to loss as a result of its involvement with these VIE's is estimated to be \$217.7 million, which primarily represents the Company's current investment and estimated future funding commitments. The Company has not provided financial support to these VIE's that it was not previously contractually required to provide. All future costs of development will be funded with capital contributions from the Company and the outside partner in accordance with their respective ownership percentages.



Kimsouth -

On May 12, 2006, the Company acquired an additional 48% interest in Kimsouth Realty Inc. ("Kimsouth"), a joint venture investment in which the Company had previously held a 44.5% non-controlling interest, for approximately \$22.9 million. As a result of this transaction, the Company's total ownership increased to 92.5% and the Company became the controlling shareholder. The Company commenced consolidation of Kimsouth upon the closing date. The acquisition of the additional 48% ownership interest has been accounted for as a step acquisition with the purchase price being allocated to the identified assets and liabilities of Kimsouth. As of May 12, 2006, Kimsouth consisted of five properties, all of which have been subsequently sold and/or transferred.

As of May 12, 2006, Kimsouth had approximately \$133.0 million of net operating loss ("NOL") carry-forwards, which could be utilized to offset future taxable income of Kimsouth. The Company evaluated the need for a valuation allowance based on projected taxable income and determined that a valuation allowance of approximately \$34.2 million was required. As such, a purchase price adjustment of \$17.5 million was recorded. As of December 31, 2008, Kimsouth had fully utilized its NOLs. (See Note 22 for additional information).

During June 2006, Kimsouth contributed approximately \$51.0 million, of which \$47.2 million or 92.5% was provided by the Company, to fund its 15% non-controlling interest in a newly formed joint venture with an investment group to acquire a portion of Albertson's Inc. To maximize investment returns, the investment group's strategy with respect to this joint venture, includes refinancing, selling selected stores and the enhancement of operations at the remaining stores. Kimsouth accounts for this investment under the equity method of accounting. During 2007, this joint venture completed the disposition of certain operating stores and a refinancing of the remaining assets in the joint venture. As a result of these transactions, Kimsouth received a cash distribution of approximately \$148.6 million. Kimsouth had a remaining capital commitment obligation to fund up to an additional \$15.0 million for general purposes. This amount was included in Other liabilities in the Consolidated Balance Sheets. During March 2008, the Albertson's partnership agreement was amended to release the Company of its remaining capital commitment obligation, as a result the Company recognized pre-tax income of \$15.0 million from cash received in excess of the Company's investment.

During 2008, the Albertson's joint venture disposed of 121 operating properties for an aggregate sales price of approximately \$564.0 million, resulting in a gain of approximately \$552.3 million, of which Kimsouth's share was approximately \$73.1 million. During 2008, Kimsouth recognized equity in income from the Albertson's joint venture of approximately \$64.4 million before income taxes, including the \$73.1 million of gain and \$15.0 million from cash received in excess of the Company's investment. As a result of these transactions, Kimsouth fully reduced its deferred tax asset valuation allowance and utilized all of its remaining NOL carryforwards, which provided a tax benefit of approximately \$3.1 million.

Additionally, during 2008, the Albertson's joint venture acquired six operating properties and four leasehold properties for approximately \$26.0 million, including the assumption of approximately \$5.8 million in non-recourse mortgage debt encumbering one of the properties.

During the year ended December 31, 2007, Kimsouth's income from the Albertson's joint venture aggregated approximately \$49.6 million, net of income tax. This amount includes (i) an operating loss of approximately \$15.1 million, net of an income tax benefit of approximately \$10.1 million, (ii) distribution in excess of Kimsouth's investment of approximately \$10.4 million, net of income tax expense of approximately \$6.9 million, and (iii) an extraordinary gain of approximately \$54.3 million, net of income tax expense of approximately \$36.2 million, resulting from purchase price allocation adjustments as determined in accordance with SFAS No. 141. In accordance with Accounting Principles Board Opinion 18, The Equity Method of Accounting for Investments in Common Stock, the Company has classified its 15% share of the extraordinary gain, net of income taxes, as a separate component on the Company's Consolidated Statements of Income.

During 2007, Kimsouth sold its remaining property for an aggregate sales price of approximately \$9.1 million. This sale resulted in a gain of approximately \$7.9 million, net of income taxes.

During 2007, the Albertson's joint venture acquired two operating properties for approximately \$20.3 million, including the assumption of \$18.5 million in non-recourse mortgage debt.

4. Dispositions of Real Estate:

Operating Real Estate -

During 2008, the Company disposed of seven operating properties and a portion of four operating properties, in separate transactions, for an aggregate sales price of approximately \$73.0 million, which resulted in an aggregate gain of approximately \$20.0 million. In addition, the Company partially recognized deferred gains of approximately \$1.2 million on three properties relating to their transfer and partial sale in connection with the Kimco Income Fund II transaction described below.

During 2007, the Company transferred 11 operating properties to a wholly-owned consolidated entity, Kimco Income Fund II ("KIF II"), for an aggregate purchase price of approximately \$278.2 million, including non-recourse mortgage debt of \$180.9 million, encumbering 11 of the properties. During 2008, the Company transferred an additional three properties for \$73.9 million, including \$50.6 million in non-recourse mortgage debt. During 2008 the Company sold a 26.4% non-controlling ownership interest in the entity to third parties for approximately \$32.5 million, which approximated the Company's cost. The Company continues to consolidate this entity.

Additionally, during 2008, the Company disposed of an operating property for approximately \$21.4 million. The Company provided seller financing for approximately \$3.6 million, which bears interest at 10% per annum and is scheduled to mature on May 1, 2011. Due to the terms of this financing, the Company has deferred its gain of \$3.7 million from this sale.

Additionally, during 2008, a consolidated joint venture in which the Company had a preferred equity investment disposed of a property for a sales price of approximately \$35.0 million. As a result of this capital transaction, the Company received approximately \$3.5 million of profit participation, before minority interest of approximately \$1.1 million. This profit participation has been recorded as income from other real estate investments and is reflected in Income from discontinued operating properties in the Company's Consolidated Statements of Income.

During 2008, FNC Realty Corporation ("FNC"), a consolidated entity in which the Company holds a 53% controlling ownership interest, disposed of a property for a sales price of approximately \$3.3 million. This transaction resulted in a pre-tax profit of approximately \$2.1 million, before minority interest of \$1.0 million. This income has been recorded as Income from other real estate investments in the Company's Consolidated Statements of Income.

During 2007, the Company (i) disposed of six operating properties and completed partial sales of three operating properties, in separate transactions, for an aggregate sales price of approximately \$40.0 million, which resulted in an aggregate net gain of approximately \$6.4 million, after income taxes of approximately \$1.6 million, and (ii) transferred one operating property, which was acquired in the first quarter of 2007, to a joint venture in which the Company holds a 15% non-controlling ownership interest for an aggregate price of approximately \$4.5 million, which represented the net book value.

During 2007, FNC disposed of, in separate transactions, seven properties and completed the partial sale of an additional property for an aggregate sales price of \$10.4 million. These transactions resulted in pre-tax profits of approximately \$4.7 million, before minority interest of \$3.3 million.

Additionally, during 2007, two consolidated joint ventures in which the Company had preferred equity investments disposed of, in separate transactions, their respective properties for an aggregate sales price of approximately \$66.5 million. As a result of these capital transactions, the Company received approximately \$22.1 million of profit participation, before minority interest of approximately \$5.6 million. This profit participation has been recorded as income from other real estate investments and is reflected in Income from discontinued operating properties in the Company's Consolidated Statements of Income.

During 2006, the Company disposed of (i) 28 operating properties and one ground lease for an aggregate sales price of approximately \$270.5 million, which resulted in an aggregate net gain of approximately \$71.7 million, net of income taxes of \$2.8 million relating to the sale of two properties, and (ii) transferred five operating properties, to joint ventures in which the Company has 20% non-controlling interests for an aggregate price of approximately \$95.4 million, which resulted in a gain of approximately \$1.4 million from one transferred property.

During November 2006, the Company disposed of a vacant land parcel located in Bel Air, MD, for approximately \$1.8 million resulting in a \$1.6 million gain on sale. This gain is included in Other income (expense), net on the Company's Consolidated Statements of Income.

Merchant Building –

During 2008, the Company sold, in separate transactions, (i) two completed merchant building projects, (ii) 21 out-parcels, (iii) a partial sale of one project and (iv) a partnership interest in one project for aggregate proceeds of approximately \$73.5 million and received approximately \$4.1 million of proceeds from completed earn-out requirements on three previously sold merchant building projects. These sales resulted in gains of approximately \$21.9 million, after income taxes of \$14.6 million.

During 2007, the Company sold, in separate transactions, (i) four of its recently completed merchant building projects, (ii) 26 out-parcels, (iii) 74.3 acres of undeveloped land and (iv) completed partial sales of two projects, for an aggregate total proceeds of approximately \$310.5 million and received approximately \$3.3 million of proceeds from completed earn-out requirements on previously sold projects. These sales resulted in pre-tax gains of approximately \$40.1 million.

During 2006, the Company sold, in separate transactions, six of its recently completed projects, its partnership interest in one project and 30 out-parcels for approximately \$260.0 million. These sales resulted in pre-tax gains of approximately \$37.3 million.

5. Adjustment of Property Carrying Values:

During 2008, as part of the Company's ongoing analysis of its merchant building projects, the Company had determined that for two of its projects, located in Middelburg, FL and Miramar, FL, the estimated recoverable value will not exceed their estimated cost. This is primarily due to continued adverse changes in local market conditions and the uncertainty of their recovery in the future. As a result, the Company has recorded an aggregate pre-tax adjustment of property carrying value on these projects of \$7.9 million, representing the excess of the carrying values of the projects over their estimated fair values. The Company's estimated fair values are based upon a discounted cash flow model for each specific property that includes all estimated cash inflows and outflows over a specified holding period. Capitalization rates and discount rates utilized in these models are based upon rates that the Company believes to be within a reasonable range of current market rates for each respective property.

During 2007, the Company's analysis of its merchant building projects resulted in an aggregate pre-tax adjustment of property carrying value for two of its projects, located in Jacksonville, FL and Anchorage, AK, of \$8.5 million, representing the excess of the carrying values of the projects over their estimated fair values. This adjustment was also due to adverse changes in local market conditions and the uncertainty of recovery in the future.

6. Discontinued Operations and Assets Held for Sale:

The Company reports as discontinued operations assets held-for-sale as of the end of the current period and assets sold during the period. All results of these discontinued operations are included in a separate component of income on the Consolidated Statements of Income under the caption Discontinued operations. This has resulted in certain reclassifications of 2008, 2007 and 2006 financial statement amounts.

The components of Income from discontinued operations for each of the three years in the period ended December 31, 2008, are shown below. These include the results of operations through the date of each respective sale for properties sold during 2008, 2007 and 2006 and a full year of operations for those assets classified as held-for-sale as of December 31, 2008 (in thousands):

	2008	2007	2006
Discontinued operations:			
Revenues from rental property	\$ 6,316	\$11,468	\$28,647
Rental property expenses	(1,031)	(3,783)	(7,092)
Depreciation and amortization	(2,208)	(3,207)	(6,947)
Interest expense	(116)	(597)	(3,188)
Income from other real estate investments	3,451	34,740	3,708
Other income/(expenses)	165	(3,013)	1,224
Income from discontinued operating properties	6,577	35,608	16,352
Provision for income taxes	-	-	(2,096)
Minority interest in income	(1,281)	(5,740)	(1,504)
Loss on operating properties held for sale/sold	(598)	(1,832)	(1,421)
Gain on disposition of operating properties	20,018	5,538	74,138
Income from discontinued operations	\$24,716	\$33,574	\$85,469

During 2008, the Company classified as held-for-sale four shopping center properties comprising approximately 0.2 million square feet of GLA. The book value of each of these properties, aggregating approximately \$16.2 million, net of accumulated depreciation of approximately \$11.3 million, did not exceed each of their estimated fair value. As a result, no adjustment of property carrying value has been recorded. The Company's determination of the fair value for these properties, aggregating approximately \$28.6 million, is based upon executed contracts of sale with third parties less estimated selling costs. During 2008, the Company reclassified one property previously classified as held-for-sale into held-for-use and completed the sale of two of these properties.

During 2007, the Company classified as held-for-sale ten shopping center properties comprising approximately 0.6 million square feet of GLA. The book value of each of these properties, aggregating approximately \$80.7 million, net of accumulated depreciation of approximately \$4.9 million, did not exceed each of their estimated fair values. As a result, no adjustment of property carrying value has been recorded. The Company's determination of the fair value for each of these properties, aggregating approximately \$116.8 million, is based primarily upon executed contracts of sale with third parties less estimated selling costs. During 2008 and 2007, the Company completed the sale of seven of these properties and reclassified three properties as held-for-use.

During 2006, the Company reclassified as held-for-sale 13 operating properties comprising 0.8 million square feet of GLA. The aggregate book value of these properties was approximately \$36.5 million, net of accumulated depreciation of approximately \$5.9 million. The book value of one property exceeded its estimated fair value by approximately \$0.6 million, and, as a result, the Company recorded a loss resulting from an adjustment of property carrying value of approximately \$0.6 million. The remaining properties had fair values exceeding their book values, and, as a result, no adjustment of property carrying value was recorded. The Company's determination of the fair value for each of these properties, aggregating approximately \$50.0 million, is based primarily upon executed contracts of sale with third parties less estimated selling costs. The Company completed the sale of these operating properties during 2006 and 2007.

7. Investment and Advances in Real Estate Joint Ventures:

Kimco Prudential Joint Ventures ("Kim Pru") -

On October 31, 2006, the Company completed the merger of Pan Pacific Retail Properties Inc. ("Pan Pacific"), which had a total transaction value of approximately \$4.1 billion, including Pan Pacific's outstanding debt totaling approximately \$1.1 billion. As of October 31, 2006, Pan Pacific owned interests in 138 operating properties, which comprised approximately 19.9 million square feet of GLA, located primarily in California, Oregon, Washington and Nevada.

Immediately following the merger, the Company commenced its joint venture agreements with Prudential Real Estate Investors ("PREI") through three separate accounts managed by PREI. In accordance with the joint venture agreements, all Pan Pacific assets and respective non-recourse mortgage debt and a newly obtained \$1.2 billion credit facility used to fund the transaction were transferred to the separate accounts. PREI contributed approximately \$1.1 billion on behalf of institutional investors in three of its portfolios. The Company holds a 15% non-controlling ownership interest in each of the joint ventures, collectively, KimPru. The Company accounts for its investment in KimPru under the equity method of accounting. In addition, the Company manages the portfolios and earns acquisition fees, leasing commissions, property management fees and construction management fees.

During August 2008, KimPru entered into a new \$650.0 million credit facility which matures in August 2009, with the option to extend for one year and bears interest at a rate of LIBOR plus 1.25%. KimPru is obligated to pay down a minimum of \$165.0 million, among other requirements, in order to exercise the one-year extension option. The required pay down is expected to be sourced from property sales, other debt financings and/or capital contributions by the partners. This facility is guaranteed by the Company with a guarantee from PREI to the Company for 85% of any guaranty payment the Company is obligated to make. Proceeds from this new credit facility were used to repay the outstanding balance of \$658.7 million under the \$1.2 billion credit facility, referred to above, which was scheduled to mature in October 2008 and bore interest at a rate of LIBOR plus 0.45%. As of December 31, 2008, the outstanding balance on the new credit facility was \$650.0 million.

During 2008, KimPru sold four operating properties for an aggregate sales price of approximately \$45.3 million. Proceeds from this property sale were used to repay a portion of the outstanding balance on the \$1.2 billion credit facility.

During the fourth quarter of 2008, the Company recognized non-cash impairment charges of \$15.5 million, against the carrying value of its investment in KimPru, reflecting an other-than-temporary decline in the fair value of its investment resulting from a significant decline in the real estate markets during the fourth quarter of 2008.

In addition to the impairment charges above, the Company recognized impairment charges during 2008 of approximately \$11.2 million, before income tax benefit of approximately \$4.5 million, relating to certain properties held by an unconsolidated joint venture within the KimPru joint venture that are deemed held-for-sale or were transitioned from held-for-sale to held-for-use properties.

The Company's estimated fair values relating to the impairment assessments above are based upon discounted cash flow models that include all estimated cash inflows and outflows over a specified holding period. Capitalization rates and discount rates utilized in these models are based upon rates that the Company believes to be within a reasonable range of current market rates for the respective properties.

During 2007, KimPru sold, in separate transactions, 27 operating properties, two of which were sold to the Company and one development property in separate transactions, for an aggregate sales price of approximately \$517.0 million. These sales resulted in an aggregate loss of approximately \$2.8 million, of which the Company's share was approximately \$0.4 million.

Additionally, during January 2007, the Company and PREI entered into a new joint venture in which the Company holds a 15% non-controlling interest, which acquired 16 operating properties, aggregating 3.3 million square feet of GLA, for an aggregate purchase price of approximately \$822.5 million, including the assumption of approximately \$487.0 million in non-recourse mortgage debt. Six of these properties were transferred from a joint venture in which the Company held a 5% non-controlling ownership interest. One of the properties was transferred from a joint venture in which the Company held a 30% non-controlling ownership interest. As a result of this transaction, the Company recognized profit participation of approximately \$3.7 million and recognized its share of the gain. The Company will manage these properties.

As of December 31, 2008, the KimPru portfolio was comprised of 123 shopping center properties aggregating approximately 19.4 million square feet of GLA located in 13 states.

Kimco Income REIT ("KIR") -

The Company has a non-controlling limited partnership interest in KIR and manages the portfolio. Effective July 1, 2006, the Company acquired an additional 1.7% limited partnership interest in KIR, which increased the Company's total non-controlling interest to approximately 45.0%.

During the year ended December 31, 2008, KIR repaid 16 non-recourse mortgages aggregating approximately \$209.6 million, which were scheduled to mature in 2008 and bore interest at rates ranging from 6.57% to 7.28%. Proceeds from eight individual non-recourse mortgages obtained during 2008, aggregating approximately \$218.3 million, bearing interest at rates ranging from 6.0% to 6.5% with maturity dates ranging from 2015 to 2018 were used to fund these repayments.

During 2008, KIR disposed of one operating property for a sales price of approximately \$1.9 million. This sale resulted in an aggregate loss of approximately \$0.6 million of which the Company's share was approximately \$0.3 million.

During 2007, KIR disposed of three operating properties, in separate transactions, for an aggregate sales price of approximately \$149.3 million. These sales resulted in an aggregate gain of approximately \$46.0 million of which the Company's share was approximately \$20.7 million.

As of December 31, 2008, the KIR portfolio was comprised of 62 shopping center properties aggregating approximately 13.1 million square feet of GLA located in 18 states.

RioCan Investments -

During October 2001, the Company formed a joint venture (the "RioCan Venture") with RioCan Real Estate Investment Trust ("RioCan"), in which the Company has a 50% non-controlling interest, to acquire retail properties and development projects in Canada. The acquisition and development projects are to be sourced and managed by RioCan and are subject to review and approval by a joint oversight committee consisting of RioCan management and the Company's management personnel. Capital contributions will only be required as suitable opportunities arise and are agreed to by the Company and RioCan.

Additionally, during June 2008, the Company and RioCan entered into a new joint venture ("RioCan Venture II") in which the Company holds a 50% non-controlling interest, which acquired 10 operating properties, aggregating 1.1 million square feet of GLA, for an aggregate purchase price of approximately \$153.4 million, including the assumption of approximately \$81.1 million in non-recourse mortgage debt.

As of December 31, 2008, the RioCan Ventures were comprised of 45 operating properties and one joint venture investment consisting of approximately 9.3 million square feet of GLA.

Kimco / G.E. Joint Venture ("KROP")

During 2001, the Company formed a joint venture (the "Kimco Retail Opportunity Portfolio" or "KROP") with GE Capital Real Estate ("GECRE"), in which the Company has a 20% non-controlling interest and manages the portfolio. During August 2006, the Company and GECRE agreed to market for sale the properties within the KROP venture.

During 2008, KROP transferred an operating property to the Company for a sales price of approximately \$65.5 million, including the assumption of approximately \$44.0 million in non-recourse mortgage debt. This sale resulted in a gain of \$15.0 million of which the Company's share was approximately \$3.0 million. As a result of this transaction, the Company has deferred its share of the gain related to its remaining ownership interest in the properties.

During 2007, KROP sold seven operating properties for an aggregate sales price of approximately \$162.9 million. These sales resulted in an aggregate gain of \$43.1 million of which the Company's share was approximately \$8.6 million.

During 2007, KROP transferred ten operating properties for an aggregate sales price of approximately \$267.8 million, including approximately \$111.6 million of non-recourse mortgage debt, to a new joint venture in which the Company holds a 15% non-controlling ownership interest. As a result of this transaction, the Company has deferred its share of the gain related to its remaining ownership interest in the properties. The Company manages this joint venture and accounts for this investment under the equity method of accounting.

Additionally, during 2007, KROP sold four operating properties to the Company for an aggregate sales price of approximately \$89.1 million, including the assumption of \$41.9 million in non-recourse mortgage debt. The Company's share of the gains related to these transactions has been deferred.

Additionally during 2006, KROP obtained a one-year \$15.0 million unsecured term loan, which bore interest at LIBOR plus 0.5%. This loan is guaranteed by the Company and GECRE has guaranteed reimbursement to the Company of 80% of any guaranty payment the Company is obligated to make. During 2007, this loan was fully paid off.

As of December 31, 2008, the KROP portfolio was comprised of three operating properties aggregating approximately 0.3 million square feet of GLA located in two states.

The Company's equity in income from KROP for the year ended December 31, 2007, exceeded 10% of the Company's income from continuing operations, as such the Company is providing summarized financial information for KROP as follows (in millions):

	December 31,		
	2008	2007	
Assets:			
Real estate, net	\$ 83.5	\$ 137.4	
Other assets	5.5	4.5	
	<u>\$ 89.0</u>	<u>\$ 141.9</u>	
Liabilities and Members' Capital:			
Mortgages payable	\$ 68.4	\$ 113.4	
Other liabilities	1.4	3.8	
Minority interest	3.9	3.9	
Members' capital	15.3	20.8	
	<u>\$ 89.0</u>	<u>\$ 141.9</u>	
	Year Ended December 31,		
	2008	2007	2006
Revenues from rental property	\$ 9.4	\$ 17.1	\$ 54.7
Operating expenses	(3.0)	(4.8)	(14.5)
Interest	(3.7)	(7.2)	(17.9)
Depreciation and amortization	(3.0)	(5.2)	(15.8)
Other, net	1.1	(0.7)	(0.6)
	<u>(8.6)</u>	<u>(17.9)</u>	<u>(48.8)</u>
Income/(loss) from continuing operations	0.8	(0.8)	5.9
Discontinued Operations:			
Income/(loss) from discontinued operations	(1.7)	3.1	5.4
Gain on dispositions of properties	20.5	147.8	110.1
Net income	<u>\$ 19.6</u>	<u>\$ 150.1</u>	<u>\$ 121.4</u>

Kimco/UBS Joint Ventures ("KUBS") -

The Company has joint venture investments with UBS Wealth Management North American Property Fund Limited ("UBS"), in which the Company has non-controlling interests ranging from 15% to 20%. These joint ventures, (collectively "KUBS"), were established to acquire high quality retail properties primarily financed through the use of individual non-recourse mortgages. Capital contributions are only required as suitable opportunities arise and are agreed to by the Company and UBS. The Company manages the properties.

During 2007, KUBS acquired twelve operating properties for an aggregate purchase price of approximately \$354.3 million, which included approximately \$94.6 million of assumed non-recourse debt encumbering eight properties and \$73.5 million of new non-recourse debt encumbering four properties. These mortgage loans have combined maturities ranging from four to seventeen years and interest rates ranging from 5.29% to 8.39%.

As of December 31, 2008, the KUBS portfolio was comprised of 43 operating properties aggregating approximately 6.2 million square feet of GLA located in 12 states.

PL Retail -

During December 2004, the Company acquired the Price Legacy Corporation through a newly formed joint venture, PL Retail LLC ("PL Retail"), in which the Company has a 15% non-controlling interest and manages the portfolio. In connection with this transaction, PL Retail acquired 33 operating properties aggregating approximately 7.6 million square feet of GLA located in ten states. To partially fund the acquisition, the Company provided PL Retail approximately \$30.6 million of secured mezzanine financing. This interest-only loan bore interest at a fixed rate of 7.5% and was repaid during 2006.

During 2007, PL Retail sold one operating property for a sales price of \$40.1 million which resulted in a gain of approximately \$13.5 million, of which the Company's share was approximately \$2.0 million. Proceeds from this sale were used to partially pay down the outstanding balance on PL Retail's revolving credit facility described below.

During 2007, PL Retail obtained two non-recourse mortgage loans for an aggregate total of \$84.0 million on a previously unencumbered property, which bears interest at LIBOR plus 1.15% and 2.55%, respectively. These mortgage loans are scheduled to mature in May 2010.

Additionally during 2007, PL Retail obtained a non-recourse mortgage loan for \$48.9 million on three properties, which bears interest at 5.95% and is scheduled to mature in September 2012.

During 2005, PL Retail entered into a \$39.5 million unsecured revolving credit facility, which bore interest at LIBOR plus 0.675% and was scheduled to mature in February 2007. During 2008, the loan was extended to February 2009 at a reduced rate of LIBOR plus 0.50%. This facility is guaranteed by the Company and the joint venture partner has guaranteed reimbursement to the Company of 85% of any guaranty payment the Company is obligated to make. As of December 31, 2008, there was \$35.6 million outstanding under this facility. During February 2009, PL Retail made a principal payment of \$5.6 million and obtained a one-year extension option at LIBOR plus 400 basis points for the remaining balance of \$30.0 million.

As of December 31, 2008, PL Retail consisted of 22 operating properties aggregating approximately 5.6 million square feet of GLA located in seven states.

Other Real Estate Joint Ventures -

The Company and its subsidiaries have investments in and advances to various other real estate joint ventures. These joint ventures are engaged primarily in the operation and development of shopping centers which are either owned or held under long-term operating leases.

During 2008, the Company acquired nine operating properties, one leasehold interest and two land parcels through joint ventures in which the Company has non-controlling interests for an aggregate purchase price of approximately \$62.2 million including the assumption of approximately \$20.6 million of non-recourse mortgage debt encumbering two of the properties. The Company accounts for its investment in these joint ventures under the equity method of accounting. The Company's aggregate investment resulting from these transactions was approximately \$32.3 million. Details of these transactions are as follows (in thousands):



KIMCO REALTY CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, continued

Property Name	Location	Month Acquired	Purchase Price		
			Cash	Debt	Total
Intown Suites (2 extended stay residential properties, 299 units)	Houston, TX	Feb-08	\$ 8,750	\$ -	\$ 8,750
American Industries (land parcel)	Chihuahua, Mexico	Feb-08	1,933	-	1,933
American Industries	Monterrey, Mexico	Apr-08	8,700	-	8,700
Little Ferry (leasehold interest)	Little Ferry, NJ	June-08	5,000	-	5,000
Tacoma Plaza	Dartmouth, Canada	Sept-08	8,714	9,026	17,740
American Industries (land parcel)	San Luis Potosi, Mexico	Sept-08	224	-	224
River Point Shopping Center	British Columbia, Canada	Nov-08	4,486	11,606	16,092
Patio-Portfolio II (4 properties)	Santiago, Chile	Nov-08	3,810	-	3,810
<i>Total Acquisitions</i>			<u>\$ 41,617</u>	<u>\$ 20,632</u>	<u>\$62,249</u>

In addition, two joint venture investments in which the Company holds a 50% interest in each obtained individual non-recourse mortgages totaling \$77.0 million. These mortgages have interest rates ranging from 6.38% to 6.47% and maturities ranging from 2018 to 2019. Proceeds from these mortgages were used to retire \$36.0 million of mortgage debt encumbering two properties held by the joint ventures.

During September 2008, a joint venture in which the Company has a non-controlling ownership interest obtained a \$37.0 million mortgage loan, which is jointly and severally guaranteed by the Company and the joint venture partner, with a commitment of up to \$37.0 million of which \$26.9 million was outstanding as of December 31, 2008. This loan bears interest at 6.375% and is scheduled to mature in October 2019.

During October 2008, a joint venture in which the Company has a non-controlling ownership interest entered into an extension and modification agreement for a \$28.0 million term loan. The loan is guaranteed by the Company, with a commitment of up to \$28.0 million of which \$28.0 million was outstanding as of December 31, 2008. This loan bears interest at LIBOR plus 1.65%, or 2.09% at December 31, 2008, and is scheduled to mature in March 2009. The Company is currently negotiating with lenders regarding extending or refinancing this debt.

During 2007, the Company acquired, in separate transactions, 177 operating properties, through joint ventures in which the Company has various non-controlling interests. These properties were acquired for an aggregate purchase price of approximately \$1.3 billion, including the assumption of approximately \$612.1 million of non-recourse mortgage debt encumbering 142 of the properties and \$177.5 million in proceeds from unsecured credit facilities obtained by two joint ventures, which are guaranteed by the Company. The joint venture partners have pledged their respective equity interest for any guarantee payments the Company is obligated to pay. The Company accounts for its investment in these joint ventures under the equity method of accounting. The Company's aggregate investment in these joint ventures was approximately \$261.1 million. Details of these transactions are as follows (in thousands):

KIMCO REALTY CORPORATION AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, continued

Property Name	Location	Month Acquired	Purchase Price		
			Cash	Debt	Total
Cypress Towne Center (Phase II)	Houston, TX	Jan-07 (1)	\$ 2,175	\$ 4,039	\$ 6,214
Perimeter Expo	Atlanta, GA	Mar-07	62,150	-	62,150
Cranberry Commons (Phase I)	Pittsburgh, PA	Mar-07 (2)	9,961	18,500	28,461
Westgate Plaza	Tampa, FL	Mar-07 (2)	4,000	8,100	12,100
Sequoia Mall & Tower	Visalia, CA	Apr-07	29,550	-	29,550
Patio (4 Properties)	Santiago, Chile	Apr-07	5,374	11,148	16,522
Cranberry Commons (Phase II)	Pittsburgh, PA	May-07 (3)	4,539	-	4,539
550 Adelaide Street East	Toronto, Ontario	May-07	9,900	-	9,900
K-Mart Shopping Ctr	Pompano Beach, FL	Jun-07	7,800	-	7,800
American Industries (2 Properties)	Chihuahua, Mexico	Jun-07	3,968	-	3,968
Frederick 125th St	New York, NY	Jun-07 (4)	5,000	25,000	30,000
In Town Suites (127 extended stay residential properties, 16,364 units)	Various	Jun-07	155,800	617,607	773,407
American Industries (6 Properties)	Various, Mexico	Jul-07	13,300	-	13,300
1150 Provincial Road	Windsor, Ontario	Jul-07	11,346	-	11,346
In Town Suites (9 extended stay residential properties, 129 units)	Various	Jul-07	1,156	39,744	40,900
2 Properties	Various, Mexico	Jul-07	57,729	-	57,729
American Industries	Reynosa, Mexico	Aug-07	3,579	-	3,579
California Portfolio (3 Properties)	Various, CA (6)	Oct-07	7,900	31,300	39,200
In Town Suites (extended stay residential property, 129 units)	Louisville, KY	Oct-07	3,150	-	3,150
American Industries (9 Properties)	Various, Mexico	Oct-07	44,535	-	44,535
Harston Woods (1 Property, 411 residential units)	Euless, TX	Nov-07	2,300	9,700	12,000
Willowick (1 Property, 171 residential units)	Houston, TX	Nov-07	14,051	24,500	38,551
American Industries	Chihuahua, Mexico	Dec-07	5,600	-	5,600
Total Acquisitions			<u>\$464,863</u>	<u>\$789,638</u>	<u>\$1,254,501</u>

- (1) This property was transferred from KDI.
- (2) These properties were transferred from ventures in which the Company had preferred equity investments.
- (3) This property was transferred from the Company.
- (4) This property was purchased for redevelopment purposes.
- (5) Includes approximately \$278.6 million of assumed cross-collateralized non-recourse mortgage debt with interest rates ranging from 5.19% to 5.89%, encumbering 86 properties, \$186.0 million of new cross-collateralized non-recourse mortgage debt with an interest rate of 5.59%, encumbering 35 properties and a \$153.0 million three-year unsecured credit facility, which bears interest at LIBOR plus 0.325% (5.55% as of December 31, 2007), and is guaranteed by the Company. The joint venture partner has pledged its equity interest for any guaranty payment the Company is obligated to pay.
- (6) Three properties acquired located in Pleasanton, CA, Laguna Hills, CA and San Diego, CA.

During 2007, the Company transferred in separate transactions, 50% of its 100% interest in seven projects located in Juarez, Tecamac, Mexicali, Cuauhtla, Ciudad Del Carmen, Tijuana and Rosarito, Mexico to a joint venture partner for approximately \$48.3 million, which approximated their carrying values. As a result of these transactions, the Company has deconsolidated these entities and now accounts for its investments under the equity method of accounting.

During 2007, joint ventures in which the Company has non-controlling interests disposed of, in separate transactions, (i) seven properties for an aggregate sales price of approximately \$467.3 million resulting in an aggregate gain of approximately \$42.7 million, of which the Company's share was approximately \$24.9 million and (ii) two vacant parcels of land for an aggregate sales price of \$6.7 million, which resulted in no gain or loss.

Summarized financial information for these real estate joint ventures (excluding KROP, which is presented separately above) is as follows (in millions):

	December 31,		
	2008	2007	
Assets:			
Real estate, net	\$ 12,559.8	\$ 12,176.0	
Other assets	727.9	1,317.5	
	<u>\$ 13,287.7</u>	<u>\$ 13,493.5</u>	
Liabilities and Partners'/Members' Capital:			
Mortgages payable	\$ 7,892.3	\$ 7,901.1	
Notes payable	872.7	917.6	
Construction loans	118.0	39.8	
Other liabilities	302.2	278.6	
Minority interest	116.9	101.3	
Partners'/Members' capital	<u>3,985.6</u>	<u>4,255.1</u>	
	<u>\$ 13,287.7</u>	<u>\$ 13,493.5</u>	
	Year Ended December 31,		
	2008	2007	2006
Revenues from rental property	\$ 1,645.8	\$ 1,452.2	\$ 936.3
Operating expenses	(562.7)	(435.4)	(268.9)
Interest	(514.7)	(497.9)	(299.2)
Depreciation and amortization	(450.6)	(383.8)	(204.8)
Other, net	(96.0)	(18.8)	(12.7)
	<u>(1,624.0)</u>	<u>(1,335.9)</u>	<u>(785.6)</u>
Income from continuing operations	21.8	116.3	150.7
Discontinued Operations:			
Income/(loss) from discontinued operations	(0.7)	2.6	5.6
Gain on dispositions of properties	13.4	164.5	24.6
Net income	<u>\$ 34.5</u>	<u>\$ 283.4</u>	<u>\$ 180.9</u>

Other liabilities included in the Company's accompanying Consolidated Balance Sheets include accounts with certain real estate joint ventures totaling approximately \$9.7 million and \$16.9 million at December 31, 2008 and 2007, respectively. The Company and its subsidiaries have varying equity interests in these real estate joint ventures, which may differ from their proportionate share of net income or loss recognized in accordance with GAAP.

The Company's maximum exposure to losses associated with its unconsolidated joint ventures is primarily limited to its carrying value in these investments. Generally such investments contain operating properties and the Company has determined these entities do not contain the characteristics of a VIE. As of December 31, 2008 and 2007, the Company's carrying value in these investments approximated \$1.2 billion.

8. Other Real Estate Investments:

Preferred Equity Capital -

The Company maintains a Preferred Equity program, which provides capital to developers and owners of real estate properties.

During 2008, the Company provided, in separate transactions, an aggregate of approximately \$51.9 million in investment capital to developers and owners of 28 real estate properties. During 2007, the Company provided, in separate transactions, an aggregate of approximately \$103.6 million in investment capital to developers and owners of 61 real estate properties. As of December 31, 2008, the Company's net investment under the Preferred Equity program was approximately \$534.0 million relating to 633 properties including 402 net lease properties described below. For the years ended December 31, 2008, 2007 and 2006, the Company earned approximately \$66.8 million, including \$24.6 million of profit participation earned from 10 capital transactions, \$67.1 million, including \$30.5 million of profit participation earned from 18 capital transactions, and \$40.1 million, including \$12.2 million of profit participation earned from 16 capital transactions, respectively, from these investments.

Included in the capital transactions described above for the year ended December 31, 2008, was the sale of the Company's preferred equity investment in an operating property to its partner for approximately \$29.5 million. The Company provided seller financing to the partner for approximately CAD \$24.0 million (approximately USD \$23.5 million), which bears interest at a rate of 8.5% per annum and has a maturity date of June 2013. The Company evaluated this transaction pursuant to the provisions of EITF 98-8, "Accounting for Transfers of Investments That are in Substance Real Estate" and FAS 66 and, accordingly, recognized profit participation of approximately \$10.8 million.

Two of the capital transactions described above for the year ended December 31, 2007, were the result of the transfer of two operating properties, in separate transactions, to a joint venture in which the Company holds a 15% non-controlling interest for an aggregate price of approximately \$40.6 million, including the assumption of approximately \$26.6 million in non-recourse debt. These sales resulted in an aggregate profit participation of approximately \$1.4 million.

Also, included in the capital transactions described above for the year ended December 31, 2007, was the transfer of an operating property to the Company for approximately \$4.5 million, including the assumption of \$3.1 million in non-recourse mortgage debt. As a result of the Company's acquisition of this property, the Company did not recognize any profit participation.

Additionally, during 2007, the Company invested approximately \$81.7 million of preferred equity capital in a portfolio comprised of 403 net leased properties which are divided into 30 master leased pools with each pool leased to individual corporate operators. These properties consist of a diverse array of free-standing restaurants, fast food restaurants, convenience and auto parts stores. This entity was deemed to be a VIE based on the fact that certain non-equity holders have the right to receive expected residual returns from this entity. The Company determined that it was not the primary beneficiary of this VIE based on the fact that the Company is in a preferred position and would not absorb a majority of expected losses, nor would it receive a majority of the entities expected residual returns. As of December 31, 2008, these properties were encumbered by third party loans aggregating approximately \$428.8 million with interest rates ranging from 5.08% to 10.47% with a weighted average interest rate of 9.3% and maturities ranging from 0.4 years to 14.2 years. The Company's investment in this VIE as of December 31, 2008 was \$96.7 million. The Company has not provided financial support to the VIE that is was not previously contractually required to provide.

Summarized financial information relating to the Company's preferred equity investments is as follows (in millions):

	December 31,	
	2008	2007
Assets:		
Real estate, net	\$ 2,012.3	\$ 2,223.3
Other assets	791.3	701.3
	<u>\$ 2,803.6</u>	<u>\$ 2,924.6</u>
Liabilities and Partners'/Members' Capital:		
Notes and mortgages payable	\$ 2,089.3	\$ 2,157.7
Other liabilities	65.3	86.2
Partners'/Members' capital	649.0	680.7
	<u>\$ 2,803.6</u>	<u>\$ 2,924.6</u>

	Year Ended December 31,		
	2008	2007	2006
Revenues from Rental Property	\$ 313.3	\$ 266.3	\$ 177.6
Operating expenses	(100.1)	(87.5)	(58.6)
Interest	(127.5)	(111.1)	(61.6)
Depreciation and amortization	(63.7)	(60.3)	(34.2)
Other, net	5.8	(1.1)	(4.4)
	<u>27.8</u>	<u>6.3</u>	<u>18.8</u>
Gain on disposition of properties	8.5	90.5	49.4
Net income	<u>\$ 36.3</u>	<u>\$ 96.8</u>	<u>\$ 68.2</u>

In addition to the net leased portfolio VIE discussed above, the Company's preferred equity investments include five additional investments that are VIE's for which the Company is not the primary beneficiary. These joint ventures were primarily established to develop real estate property for long-term investment. These entities were deemed VIE's primarily based on the fact that the equity investment at risk was not sufficient to permit the entity to finance its activities without additional financial support. The initial equity contributed to these entities was not sufficient to fully finance the real estate construction as development costs are funded by the partners throughout the construction period. The Company determined that it was not the primary beneficiary of these VIE's based on the fact that the Company is in a preferred position and would not absorb a majority of expected losses, nor would it receive a majority of the entity's expected residual returns.

The Company's aggregate investment in these VIE's was approximately \$14.0 million as of December 31, 2008, which is included in Other real estate investments in the Company's Consolidated Balance Sheets. The Company's maximum exposure to loss as a result of its involvement with these VIE's is estimated to be \$26.2 million, which primarily represents the Company's current investment and estimated future funding commitments. Three of these entities are encumbered by third party debt aggregating \$31.7 million. The Company has not provided financial support to the VIE that it was not previously contractually required to provide. All future costs of development will be funded with capital contributions from the Company and the outside partners in accordance with their respective ownership percentages.

The Company's maximum exposure to losses associated with its preferred equity investments is primarily limited to its invested capital. As of December 31, 2008 and 2007, the Company's invested capital in its preferred equity investments approximated \$534.0 million and \$569.8 million, respectively.

Other -

Additionally, during 2008, the Company sold its 18.7% interest in a real estate company located in Mexico for approximately \$23.2 million resulting in a gain of approximately \$7.2 million.

Investment in Retail Store Leases -

The Company has interests in various retail store leases relating to the anchor store premises in neighborhood and community shopping centers. These premises have been sublet to retailers who lease the stores pursuant to net lease agreements.

Income from the investment in these retail store leases during the years ended December 31, 2008, 2007 and 2006, was approximately \$2.7 million, \$1.2 million and \$1.3 million, respectively. These amounts represent sublease revenues during the years ended December 31, 2008, 2007 and 2006, of approximately \$7.1 million, \$7.7 million and \$8.2 million, respectively, less related expenses of \$4.4 million, \$5.1 million and \$5.7 million, respectively, and an amount which, in management's estimate, reasonably provides for the recovery of the investment over a period representing the expected remaining term of the retail store leases. The Company's future minimum revenues under the terms of all non-cancelable tenant subleases and future minimum obligations through the remaining terms of its retail store leases, assuming no new or renegotiated leases are executed for such premises, for future years are as follows (in millions): 2009, \$5.6 and \$3.8; 2010, \$5.4 and \$3.7; 2011, \$4.5 and \$3.1; 2012, \$2.3 and \$2.1; 2013, \$1.0 and \$1.3 and thereafter, \$1.4 and \$0.5, respectively.

Leveraged Lease -

During June 2002, the Company acquired a 90% equity participation interest in an existing leveraged lease of 30 properties.

The properties are leased under a long-term bond-type net lease whose primary term expires in 2016, with the lessee having certain renewal option rights. The Company's cash equity investment was approximately \$4.0 million. This equity investment is reported as a net investment in leveraged lease in accordance with SFAS No. 13, Accounting for Leases (as amended).

From 2002 to 2007, 18 of these properties were sold, whereby the proceeds from the sales were used to pay down the mortgage debt by approximately \$31.2 million.

As of December 31, 2008, the remaining 12 properties were encumbered by third-party non-recourse debt of approximately \$42.8 million that is scheduled to fully amortize during the primary term of the lease from a portion of the periodic net rents receivable under the net lease.

As an equity participant in the leveraged lease, the Company has no recourse obligation for principal or interest payments on the debt, which is collateralized by a first mortgage lien on the properties and collateral assignment of the lease. Accordingly, this obligation has been offset against the related net rental receivable under the lease.

At December 31, 2008 and 2007, the Company's net investment in the leveraged lease consisted of the following (in millions):

	2008	2007
Remaining net rentals	\$53.8	\$55.0
Estimated unguaranteed residual value	31.7	36.0
Non-recourse mortgage debt	(38.5)	(43.9)
Unearned and deferred income	(43.0)	(43.3)
Net investment in leveraged lease	\$ 4.0	\$ 3.8

9. Mortgages and Other Financing Receivables:

The Company has various mortgages and other financing receivables which consist of loans acquired and loans originated by the Company. For a complete listing of the Company's mortgages and other financing receivables at December 31, 2008, see Financial Statement Schedule IV included on page 144 of this annual report on Form 10-K.

Reconciliation of Mortgage loans and other financing receivables on Real Estate:

The following table reconciles Mortgage loans and other financing receivables on Real Estate from January 1, 2006 to December 31, 2008:

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Balance at January 1	\$153,847	\$162,669	\$132,675
Additions:			
New mortgage loan	86,247	62,362	104,892
Additions under existing mortgage loans	8,268	38,122	54,815
Capitalized loan costs	605	675	1,305
Amortization of discount	247	271	673
Deductions:			
Collections of principal	(48,633)	(105,277)	(97,501)
Charge Off/Foreign currency translation	(15,630)	(1,837)	(609)
Amortization of premium	(2,279)	(2,298)	(33,003)
Amortization of loan costs	(680)	(840)	(578)
Balance at December 31	<u>\$181,992</u>	<u>\$153,847</u>	<u>\$162,669</u>

10. Marketable Securities:

The amortized cost and estimated fair values of securities available-for-sale and held-to-maturity at December 31, 2008 and 2007, are as follows (in thousands):

December 31, 2008				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Available-for-sale:				
Equity and debt securities	\$ 220,560	\$ 122	\$ (60,518)	\$ 160,164
Held-to-maturity:				
Other debt securities	<u>98,010</u>	<u>2,177</u>	<u>(41,565)</u>	<u>58,622</u>
Total marketable securities	<u>\$ 318,570</u>	<u>\$ 2,299</u>	<u>\$ (102,083)</u>	<u>\$ 218,786</u>
December 31, 2007				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Available-for-sale:				
Equity securities	\$114,896	\$24,846	\$(13,706)	\$126,036
Held-to-maturity:				
Other debt securities	<u>86,952</u>	<u>3,747</u>	<u>(4,284)</u>	<u>86,415</u>
Total marketable securities	<u>\$201,848</u>	<u>\$28,593</u>	<u>\$(17,990)</u>	<u>\$212,451</u>

During February 2008, the Company acquired an aggregate \$190 million Australian denominated ("AUD") (approximately \$170.1 million USD) convertible notes issued by a subsidiary of Valad Property Group ("Valad"), a publicly traded Australian company listed on the Australian stock exchange that is a diversified, property fund manager, investor, developer and property investment banker with property investments in Australia, Europe and Asia. The notes are guaranteed by Valad and bear interest at 9.5% payable semi-annually in arrears. The notes are repayable after five years with an option for Valad to extend up to 18 months, subject to certain interest rate and conversion price resets. The notes are convertible any time into publicly traded Valad securities at a price of AUD \$1.33.

In accordance with SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities ("SFAS 133"), the Company has bifurcated the conversion option within the Valad convertible notes and will separately account for this option as an embedded derivative. The original host instrument is classified as an available-for-sale marketable security at fair value and is included in Marketable securities on the Company's Consolidated Balance Sheets with changes in the fair value recorded through Stockholders' equity as a component of other comprehensive income. At December 31, 2008, the Company had an unrealized loss associated with these notes of approximately \$46.0 million. Interest payments on the notes are current and all amounts due in accordance with contractual terms are considered probable by the Company. The Company has the intent and ability to hold the notes to recover its investment, which may be to its maturity and therefore, does not believe that the decline in value at December 31, 2008, is other-than-temporary. The embedded derivative is recorded at fair value and is included in Other assets on the Company's Consolidated Balance Sheets with changes in fair value recognized in the Company's Consolidated Statements of Income. The value attributed to the embedded convertible option was approximately AUD \$14.3 million, (approximately USD \$13.8 million). As a result of the fair value remeasurement of this derivative instrument during 2008, there was an AUD \$5.5 million (approximately USD \$5.9 million) unrealized decrease in the fair value of the convertible option. This unrealized decrease is included in Other expense, net on the Company's Consolidated Statements of Income.

For each of the securities in the Company's portfolio with unrealized losses, the Company reviews the underlying cause of the decline in value and the estimated recovery period, as well as the severity and duration of the decline. In the Company's evaluation, the Company considers its ability and intent to hold these investments for a reasonable period of time sufficient for the Company to recover its cost basis.

During 2008, the Company recorded non-cash impairment charges of approximately \$92.7 million, net of approximately \$25.7 million of income tax benefit, due to the decline in value of certain marketable equity and other investments that were deemed to be other-than-temporary. Of the \$92.7 million approximately \$83.1 million of these impairment charges were taken at the end of the fourth quarter of 2008 resulting from the unprecedented deterioration of the equity markets during the fourth quarter and the uncertainty of their future recoverability. Market value for these equity securities represents the closing price of each security as it appears on their respective stock exchange at the end of the period. Details of these impairment charges are as follows (in thousands):

	For the year ended December 31, 2008
Valad, net of income tax benefit of \$18,172	\$ 27,258
Invest	24,164
Cost method investments, net of income tax benefit of \$7,072	10,609
Sears, net of income tax benefit of \$190	8,601
Lexington	7,526
Winthrop	5,440
Other, net of income tax benefit of \$262	9,120
	<u>\$ 92,718</u>

At December 31, 2008, the Company's investment in marketable securities was approximately \$258.2 million, which includes an aggregate unrealized loss of approximately \$60.5 million related to marketable equity and debt securities investments. At December 31, 2008, marketable equity securities with unrealized loss positions for (i) less than twelve months had an aggregate unrealized loss of approximately \$12.0 million and (ii) more than twelve months had an aggregate unrealized loss of approximately \$2.5 million. The Company does not believe that the declines in value of any of its remaining securities with unrealized losses are other-than-temporary at December 31, 2008.



During 2008, the Company received approximately \$50.3 million in proceeds from the sale of certain marketable securities. The Company recognized gross realizable gains of approximately \$15.9 million and gross realizable losses of approximately \$1.9 million from its marketable securities during 2008.

The Company will continue to assess declines in value of its marketable securities on an on going basis. Based on these assessments, the Company may determine that a decline in value for one or more of its investments may be other-than-temporary and would therefore write-down its cost basis accordingly.

As of December 31, 2008, the contractual maturities of other debt securities classified as held-to-maturity are as follows: within one year, \$6.1 million; after one year through five years, \$65.6 million; after five years through 10 years, \$ 10.8 million; and after 10 years, \$15.5 million. Actual maturities may differ from contractual maturities as issuers may have the right to prepay debt obligations with or without prepayment penalties.

11. Notes Payable:

*Medium Term Notes –*

The Company has implemented a medium-term notes ("MTN") program pursuant to which it may, from time to time, offer for sale its senior unsecured debt for any general corporate purposes, including (i) funding specific liquidity requirements in its business, including property acquisitions, development and redevelopment costs and (ii) managing the Company's debt maturities.

During the year ended December 31, 2008, the Company repaid its \$100.0 million 3.95% medium term notes, which matured on August 5, 2008 and its \$25.0 million 7.2% senior notes, which matured on September 15, 2008.

During the year ended December 31, 2007, the Company repaid the following Senior Unsecured Notes: (i) its \$30.0 million 7.46% fixed rate notes, which matured on May 20, 2007, (ii) its \$55.0 million 5.75% fixed rate notes, which matured on June 29, 2007, (iii) its \$20.0 million 6.96% fixed rate notes, which matured on July 16, 2007, (iv) its \$50.0 million 7.86% fixed rate notes, which matured on November 1, 2007, (v) its \$50.0 million 7.90% fixed rate notes, which matured on December 7, 2007 and (vi) its \$10.0 million 6.70% fixed rate notes, which matured on December 14, 2007. Additionally, the Company repaid its \$35.0 million 4.96% fixed rate Senior Unsecured Notes, which matured on November 30, 2007.

As of December 31, 2008, a total principal amount of approximately \$1.2 billion in senior fixed-rate MTNs was outstanding. These fixed-rate notes had maturities ranging from five months to seven years as of December 31, 2008, and bear interest at rates ranging from 4.62% to 7.56%. Interest on these fixed-rate senior unsecured notes is payable semi-annually in arrears. Proceeds from these issuances were primarily used for the acquisition of neighborhood and community shopping centers, the expansion and improvement of properties in the Company's portfolio and the repayment of certain debt obligations of the Company.

As of December 31, 2007, a total principal amount of approximately \$1.3 billion in senior fixed-rate MTNs was outstanding. These fixed-rate notes had maturities ranging from seven months to eight years as of December 31, 2007, and bear interest at rates ranging from 3.95% to 7.56%. Interest on these fixed-rate senior unsecured notes is payable semi-annually in arrears. Proceeds from these issuances were primarily used for the acquisition of neighborhood and community shopping centers, the expansion and improvement of properties in the Company's portfolio and the repayment of certain debt obligations of the Company.

*Senior Unsecured Notes –*

During April 2007, the Company issued \$300.0 million of ten-year Senior Unsecured Notes at an interest rate of 5.70% per annum payable semi-annually in arrears. These notes were sold at 99.984% of par value. Net proceeds from the issuance were approximately \$297.8 million, after related transaction costs of approximately \$2.2 million. The proceeds from this issuance were primarily used to repay a portion of the outstanding balance under the Company's U.S. Credit Facility and for general corporate purposes.

As of December 31, 2008, the Company had a total principal amount of \$1.2 billion in fixed-rate unsecured senior notes. These fixed-rate notes had maturities ranging from one month to eight years as of December 31, 2008, and bear interest at rates ranging from 4.70% to 7.95%. Interest on these fixed-rate senior unsecured notes is payable semi-annually in arrears.

As of December 31, 2007, the Company had a total principal amount of \$1.2 billion in fixed-rate unsecured senior notes. These fixed-rate notes had maturities ranging from nine months to nine years as of December 31, 2007, and bear interest at rates ranging from 4.70% to 7.95%. Interest on these fixed-rate senior unsecured notes is payable semi-annually in arrears.

The scheduled maturities of all unsecured notes payable as of December 31, 2008, were approximately as follows (in millions): 2009, \$186.1; 2010, \$208.0; 2011, \$1,064.9; 2012, \$217.0; 2013, \$513.9; and thereafter, \$1,250.9.

During April 2007, the Company entered into a fourth supplemental indenture, under the indenture governing its Medium Term Notes and Senior notes, which removed the financial covenants of future offerings under this indenture.

In accordance with the terms of the Indenture, as amended, pursuant to which the Company's senior unsecured notes, except for the \$300.0 million issued under the fourth supplemental indenture, described above, have been issued, the Company is subject to maintaining (a) certain maximum leverage ratios on both unsecured senior corporate and secured debt, minimum debt service coverage ratios and minimum equity levels, (b) certain debt service ratios, (c) certain asset to debt ratios and (b) restricted from paying dividends in amounts that exceed by more than \$26.0 million the funds from operations, as defined, generated through the end of the calendar quarter most recently completed prior to the declaration of such dividend; however, this dividend limitation does not apply to any distributions necessary to maintain the Company's qualification as a REIT providing the Company is in compliance with its total leverage limitations.

#### *Credit Facilities –*

During October 2007, the Company established a new \$1.5 billion unsecured U.S. revolving credit facility (the "U.S. Credit Facility") with a group of banks, which is scheduled to expire in October 2011, with a one-year extension option. This credit facility, which replaced the Company's \$850.0 million unsecured U.S. revolving facility which was scheduled to expire in July 2008, has made available funds to finance general corporate purposes, including (i) property acquisitions, (ii) investments in the Company's institutional management programs, (iii) development and redevelopment costs, and (iv) any short-term working capital requirements. Interest on borrowings under the U.S. Credit Facility accrues at LIBOR plus 0.425% and fluctuates in accordance with changes in the Company's senior debt ratings. As part of this U.S. Credit Facility, the Company has a competitive bid option whereby the Company may auction up to \$750.0 million of its requested borrowings to the bank group. This competitive bid option provides the Company the opportunity to obtain pricing below the currently stated spread. A facility fee of 0.15% per annum is payable quarterly in arrears. As part of the U.S. Credit Facility, the Company has a \$200.0 million sub-limit which provides it the opportunity to borrow in alternative currencies such as Pounds Sterling, Japanese Yen or Euros. Pursuant to the terms of the U.S. Credit Facility, the Company, among other things, is subject to covenants requiring the maintenance of (i) maximum leverage ratios on both unsecured and secured debt, and (ii) minimum interest and fixed coverage ratios. As of December 31, 2008, there was \$675.0 million outstanding and \$23.5 million letter of credit appropriations under this credit facility.

During August 2007, the Company obtained a \$200.0 million unsecured term loan that bore interest at LIBOR plus 0.325%. The term loan was scheduled to mature on December 14, 2007. The Company utilized these proceeds to partially repay the outstanding balance on the Company's U.S. revolving credit facility. The term loan was fully repaid in October 2007.

The Company also has a three-year CAD \$250.0 million unsecured credit facility with a group of banks. This facility bore interest at the CDOR Rate, as defined, plus 0.45%, and was scheduled to expire in March 2008. During October 2007, the facility was amended to modify the covenant package to conform to the Company's U.S. Credit Facility. The facility was further amended in January 2008, to extend the maturity date to 2011, with an additional one-year extension option, at a reduced rate of CDOR plus 0.425%, subject to change in accordance with the Company's senior debt ratings. This facility also permits U.S. dollar borrowings. Proceeds from this facility are used for general corporate purposes, including the funding of Canadian denominated investments. As of December 31, 2008, the outstanding balance under this facility was approximately CAD \$40.0 million (approximately USD \$32.7 million).

The Company had a three-year MXP 500.0 million unsecured revolving credit facility which bore interest at the TIE Rate, as defined therein, plus 1.00%, subject to change in accordance with the Company's senior debt ratings, and was scheduled to mature in May 2008. During March 2008, the Company obtained a MXP 1.0 billion term loan, which bears interest at a rate of 8.58%, subject to change in accordance with the Company's senior debt ratings, and is scheduled to mature in March 2013. The Company utilized proceeds from this term loan to fully repay the outstanding balance of the MXP 500.0 million unsecured revolving credit facility, which had been terminated. Remaining proceeds from this term loan were used for funding MXP denominated investments. As of December 31, 2008, the outstanding balance on this term loan was MXP 1.0 billion (approximately USD \$73.9 million).

12. Mortgages Payable:

During 2008, the Company (i) obtained an aggregate of approximately \$16.7 million of non-recourse mortgage debt on three operating properties, (ii) assumed approximately \$101.1 million of individual non-recourse mortgage debt relating to the acquisition of five operating properties, including approximately \$0.8 million of fair value debt adjustments and (iii) paid off approximately \$73.4 million of individual non-recourse mortgage debt that encumbered 11 operating properties.

During 2007, the Company (i) obtained an aggregate of approximately \$285.8 million of individual non-recourse mortgage debt on 12 operating properties, (ii) assumed approximately \$83.7 million of individual non-recourse mortgage debt relating to the acquisition of eight operating properties, including approximately \$2.5 million of fair value debt adjustments, (iii) obtained approximately \$3.2 million of additional funding on three previously encumbered properties and (iv) paid off approximately \$81.6 million of individual non-recourse mortgage debt that encumbered 11 operating properties.

Mortgages payable, collateralized by certain shopping center properties and related tenants' leases, are generally due in monthly installments of principal and/or interest which mature at various dates through 2035. Interest rates range from approximately 3.70% to 10.50% (weighted-average interest rate of 4.73% as of December 31, 2008). The scheduled principal payments of all mortgages payable, excluding unamortized fair value debt adjustments of approximately \$6.8 million, as of December 31, 2008, were approximately as follows (in millions): 2009, \$204.5; 2010, \$69.1; 2011, \$55.1; 2012, \$76.8; 2013, \$87.5; and thereafter, \$369.6.

13. Construction Loans Payable:

During 2008, the Company obtained construction financing on three merchant building projects with total loan commitment amounts up to \$35.4 million, of which \$8.7 million was outstanding as of December 31, 2008. As of December 31, 2008, total loan commitments on the Company's 16 outstanding construction loans aggregated approximately \$364.2 million of which approximately \$268.3 million has been funded. These loans have scheduled maturities ranging from two months to 42 months (excluding any extension options which may be available to the Company) and bear interest at rates ranging from 1.81% to 3.19% at December 31, 2008. These construction loans are collateralized by the respective projects and associated tenants' leases. The scheduled maturities of all construction loans payable as of December 31, 2008, were approximately as follows (in millions): 2009, \$194.0, 2010, \$70.0, 2011, \$0 and 2012, \$4.5.

During 2007, the Company obtained construction financing on five merchant building projects and assumed one loan associated with a separate project for an aggregate original loan commitment amount of up to \$187.1 million, of which approximately \$80.9 million was outstanding at December 31, 2007. As of December 31, 2007, the Company had a total of 15 construction loans with total commitments of up to \$360.3 million, of which \$245.9 million had been funded. These loans have scheduled maturities ranging from one month to 33 months (excluding any extension options which may be available to the Company) and bear interest at rates ranging from 6.60% to 7.48% at December 31, 2007. These construction loans are collateralized by the respective projects and associated tenants' leases. The scheduled maturities of all construction loans payable as of December 31, 2007, were approximately as follows (in millions): 2008, \$143.9, 2009, \$66.1, and 2010, \$35.9.

14. Minority Interests:

Minority interests represent the portion of equity that the Company does not own in those entities it consolidates as a result of having a controlling interest or determined that the Company was the primary beneficiary of a variable interest entity in accordance with the provisions and guidance of FIN 46(R).

During 2006 the Company acquired seven shopping center properties located throughout Puerto Rico. The properties were acquired through the issuance of approximately \$158.6 million of non-convertible units, approximately \$45.8 million of convertible units, the assumption of approximately \$131.2 million of non-recourse debt and \$116.3 million in cash. Minority interests related to these acquisitions was approximately \$233.0 million of units, including premiums of approximately \$13.5 million and a fair market value adjustment of approximately \$15.1 million (the "Units"). The Company is restricted from disposing of these assets, other than through a tax free transaction until November 2015.

The Units consisted of (i) approximately \$1.8 million Preferred A Units par value \$1.00 per unit, which pay the holder a return of 7.0% per annum on the Preferred A Par Value and are redeemable for cash by the holder at any time after one year or callable by the Company any time after six months and contain a promote feature based upon an increase in net operating income of the properties capped at a 10.0% increase, (ii) 2,000 Class A Preferred Units, par value \$10,000 per unit, which pay the holder a return equal to LIBOR plus 2.0% per annum on the Class A Preferred Par Value and are redeemable for cash by the holder at any time after November 30, 2010, (iii) 2,627 Class B-1 Preferred Units, par value \$10,000 per unit, which pay the holder a return equal to 7.0% per annum on the Class B-1 Preferred Par Value and are redeemable by the holder at any time after November 30, 2010, for cash or at the Company's option, shares of the Company's common stock, equal to the Cash Redemption Amount, as defined, (iv) 5,673 Class B-2 Preferred Units, par value \$10,000 per unit, which pay the holder a return equal to 7.0% per annum on the Class B-2 Preferred par value and are redeemable for cash by the holder at any time after November 30, 2010, and (v) 640,001 Class C DownReit Units, valued at an issuance price of \$30.52 per unit which pay the holder a return at a rate equal to the Company's common stock dividend and are redeemable by the holder at any time after November 30, 2010, for cash or at the Company's option, shares of the Company's common stock equal to the Class C Cash Amount, as defined.

During 2008, 4,462 units, or \$44.6 million, of the Class B-2 Preferred Units were redeemed and 806 units, or \$8.1 million, of the Class A Preferred Units were redeemed under the Loan provision of the Agreement. Additionally, 2.2 million, or \$2.2 million, of the Preferred A Units were redeemed for cash. Minority interest relating to the units was \$129.8 million and \$187.6 million as of December 31, 2008 and 2007, respectively.

During 2007, 2,438 units, or \$24.4 million, of the Class B-1 Preferred Units were redeemed and 61,804 units, or \$1.9 million, of the Class C DownREIT Units were redeemed under the Loan provision of the Agreement. The Company opted to settle these units in cash not stock. Additionally, 300 units, or \$3.0 million, of the Class B-2 Preferred Units were redeemed through transfer to a charitable organization, as permitted under the provisions of the Agreement.

During 2006, the Company acquired two shopping center properties located in Bay Shore and Centereach, NY during 2006. Included in Minority interests are approximately \$41.6 million, including a discount of \$0.3 million and a fair market value adjustment of \$3.8 million, in redeemable units (the "Redeemable Units"), issued by the Company. The properties were acquired through the issuance of \$24.2 million of Redeemable Units, which are redeemable at the option of the holder; approximately \$14.0 million of fixed rate Redeemable Units and the assumption of approximately \$23.4 million of non-recourse debt. The Redeemable Units consist of (i) 13,963 Class A Units, par value \$1,000 per unit, which pay the holder a return of 5% per annum of the Class A par value and are redeemable for cash by the holder at any time after April 3, 2011, or callable by the Company any time after April 3, 2016, and (ii) 647,758 Class B Units, valued at an issuance price of \$37.24 per unit, which pay the holder a return at a rate equal to the Company's common stock dividend and are redeemable by the holder at any time after April 3, 2007, for cash or at the option of the Company for Common Stock at a ratio of 1:1, or callable by the Company any time after April 3, 2026. The Company is restricted from disposing of these assets, other than through a tax free transaction, until April 2016 and April 2026 for the Centereach, NY, and Bay Shore, NY, assets, respectively.

During 2007, 30,000 units, or \$1.1 million par value, of the Class B Units were redeemed by the holder in cash at the option of the Company. Minority interest relating to the units was \$40.5 million and \$40.4 million as of December 31, 2008 and 2007, respectively.

Minority interests also includes 138,015 convertible units issued during 2006, by the Company, which are valued at approximately \$5.3 million, including a fair market value adjustment of \$0.3 million, related to an interest acquired in an office building located in Albany, NY. These units are redeemable at the option of the holder after one year for cash or at the option of the Company for the Company's common stock at a ratio of 1:1. The holder is entitled to a distribution equal to the dividend rate of the Company's common stock. The Company is restricted from disposing of these assets, other than through a tax free transaction, until January 2017.

Minority interest had also included approximately 4.8 million convertible units (the "Convertible Units") issued by the Company valued at \$80.0 million related to an interest acquired in a shopping center property located in Daly City, CA, in 2002. The Convertible Units were convertible at a ratio of 1:1 into Common Stock and were entitled to a distribution equal to the dividend rate of the Company's common stock multiplied by 1.1057. During 2008, all of these Convertible Units were redeemed. The Company elected to redeem these Convertible Units, at a ratio of one for one, for an aggregate of 4.8 million shares of Common Stock, of which 1.0 million shares were valued at \$17.26 per share and 3.8 million shares were valued at \$15.02 per share. As of December 31, 2008, there is no minority interest relating to these units.

15. Fair Value Disclosure of Financial Instruments:

All financial instruments of the Company are reflected in the accompanying Consolidated Balance Sheets at amounts which, in management's estimation based upon an interpretation of available market information and valuation methodologies, reasonably approximate their fair values except those listed below, for which fair values are reflected. The valuation method used to estimate fair value for fixed-rate and variable-rate debt and minority interests relating to mandatorily redeemable non-controlling interests associated with finite-lived subsidiaries of the Company is based on discounted cash flow analyses, with assumptions that include credit spreads, loan amounts and debt maturities. The fair values for marketable securities are based on published or securities dealers' estimated market values. Such fair value estimates are not necessarily indicative of the amounts that would be realized upon disposition. The following are financial instruments for which the Company's estimate of fair value differs from the carrying amounts (in thousands):

	December 31,			
	2008		2007	
	Carrying Amounts	Estimated Fair Value	Carrying Amounts	Estimated Fair Value
Marketable Securities	\$ 318,570	\$ 218,786	\$ 201,848	\$ 212,451
Notes Payable	\$ 3,440,819	\$ 2,766,187	\$ 3,131,765	\$ 3,095,004
Mortgages Payable	\$ 847,491	\$ 838,503	\$ 838,738	\$ 824,609
Construction Payable	\$ 268,337	\$ 262,485	\$ 245,914	\$ 245,914
Mandatorily Redeemable Minority Interests (termination dates ranging from 2019 - 2027)	\$ 2,895	\$ 5,444	\$ 3,070	\$ 6,521

On January 1, 2008, the Company adopted the provisions required by SFAS No. 157 relating to financial assets and liabilities. SFAS No. 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. SFAS No. 157 applies to reported balances that are required or permitted to be measured at fair value under existing accounting pronouncements; accordingly, the standard does not require any new fair value measurements of reported balances.

SFAS No. 157 emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, SFAS No. 157 establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access.

Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, such as interest rates, foreign exchange rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is minimal, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

The Company has certain financial instruments that must be measured under the new fair value standard including: available for sale securities, convertible notes and derivatives. The Company currently does not have non-financial assets and non-financial liabilities that are required to be measured at fair value on a recurring basis.

Available for sale securities are measured at fair value using quoted market prices and are classified within Level 1 of the valuation hierarchy.

The Company has an investment in convertible notes for which it separately accounts for the conversion option as an embedded derivative. The convertible notes and conversion option are measured at fair value determined using widely accepted valuation techniques including pricing models. These models reflect the contractual terms of the convertible notes, including the term to maturity, and uses observable market-based inputs, including interest rate curves, implied volatilities, stock price, dividend yields and foreign exchange rates. Based on these inputs the Company has determined that its convertible notes and conversion option valuations are classified within Level 2 of the fair value hierarchy.

The Company uses interest rate swaps to manage its interest rate risk. The fair values of interest rate swaps are determined using the market standard methodology of netting the discounted future fixed cash receipts (or payments) and the discounted expected variable cash payments (or receipts). The variable cash payments (or receipts) are based on an expectation of future interest rates (forward curves) derived from observable market interest rate curves. Based on these inputs the Company has determined that its interest rate swap valuations are classified within Level 2 of the fair value hierarchy.

To comply with the provisions of SFAS No. 157, the Company incorporates credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. The credit valuation adjustments associated with its derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by itself and its counterparties. However, as of December 31, 2008, the Company has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation of its derivatives.

The table below presents the Company's assets and liabilities measured at fair value on a recurring basis as of December 31, 2008, aggregated by the level in the fair value hierarchy within which those measurements fall.

Assets and Liabilities Measured at Fair Value on a Recurring Basis at December 31, 2008 (in thousands):

	Balance at December 31, 2008		Level 1	Level 2	Level 3
Assets:					
Marketable equity securities	\$	46,452	\$ 46,452	\$ -	\$ -
Convertible notes	\$	113,713	\$ -	\$ 113,713	\$ -
Conversion option	\$	6,063	\$ -	\$ 6,063	\$ -
Liabilities:					
Interest rate swaps	\$	734	\$ -	\$ 734	\$ -

During 2008, the Company recognized nonrecurring non-cash impairment charges of \$15.5 million against the carrying value of its investment in its unconsolidated joint ventures with PREI, KimPru, reflecting an other-than-temporary decline in the fair value of its investment resulting from further significant declines in the real estate markets during the fourth quarter of 2008. The Company's estimated fair values relating to these impairment assessments are based upon discounted cash flow models that include all estimated cash inflows and outflows over a specified holding period. These cash flows are comprised of unobservable inputs which include contractual rental revenues and forecasted rental revenues and expenses based upon current market conditions and expectations for growth. Capitalization rates and discount rates utilized in these models are based upon observable rates that the Company believes to be within a reasonable range of current market rates for the respective properties. Based on these inputs the Company has determined that its valuation of its KimPru investment is classified within Level 3 of the fair value hierarchy.

16. Financial Instruments - Derivatives and Hedging:

The Company is exposed to the effect of changes in interest rates, foreign currency exchange rate fluctuations and market value fluctuations of equity securities. The Company limits these risks by following established risk management policies and procedures including the use of derivatives.

The principal financial instruments generally used by the Company are interest rate swaps, foreign currency exchange forward contracts, cross currency swaps and equity warrant contracts. The Company, from time to time, hedges the future cash flows of its floating-rate debt instruments to reduce exposure to interest rate risk principally through interest rate swaps with major financial institutions.

The following tables summarize the notional values and fair values of the Company's derivative financial instruments as of December 31, 2008 and 2007:

<u>Hedge Type</u>	<u>Notional Value</u>	<u>As of December 31, 2008</u>		<u>Fair Value (in millions USD)</u>
		<u>Rate</u>	<u>Maturity</u>	
Interest rate swaps - cash flow (a)	\$18.75 million	5.06%	5/09	\$(0.3)
Interest rate swaps - un-designated	\$2.96 million	6.35%	3/16	\$(0.5)

<u>Hedge Type</u>	<u>Notional Value</u>	<u>As of December 31, 2007</u>		<u>Fair Value (in millions USD)</u>
		<u>Rate</u>	<u>Maturity</u>	
Interest rate swaps - cash flow	\$18.75 million	5.06%	5/09	\$(0.2)
Interest rate swaps - un-designated	\$2.96 million	6.35%	3/16	\$(0.1)

- (a) This interest rate swap was entered into during 2007 and is designated as a cash flow hedge. The swap is hedging the variability of floating rate interest payments on the debt of a consolidated subsidiary. No hedge ineffectiveness on this cash flow hedge was recognized during 2008 and 2007.

As of December 31, 2008 and 2007, respectively, these derivative instruments were reported at their fair value as other liabilities of \$(0.8 million) and \$(0.3) million. The Company expects to reclassify to earnings less than \$1.0 million of the current OCI balance during the next 12 months.

17. Preferred Stock, Common Stock and Convertible Unit Transactions:

During September 2008, the Company completed a primary public stock offering of 11,500,000 shares of the Company's common stock. The net proceeds from this sale of common stock, totaling approximately \$409.4 million (after related transaction costs of \$0.6 million) were used to partially repay the outstanding balance under the Company's U.S. revolving credit facility.

During October 2007, the Company issued 18,400,000 Depositary Shares (the "Class G Depositary Shares"), after the exercise of an over-allotment option, each representing a one-hundredth fractional interest in a share of the Company's 7.75% Class G Cumulative Redeemable Preferred Stock, par value \$1.00 per share (the "Class G Preferred Stock"). Dividends on the Class G Depositary Shares are cumulative and payable quarterly in arrears at the rate of 7.75% per annum based on the \$25.00 per share initial offering price, or \$1.9375 per annum. The Class G Depositary Shares are redeemable, in whole or part, for cash on or after October 10, 2012, at the option of the Company, at a redemption price of \$25.00 per depositary share, plus any accrued and unpaid dividends thereon. The Class G Depositary Shares are not convertible or exchangeable for any other property or securities of the Company. Net proceeds from the sale of the Class G Depositary Shares, totaling approximately \$444.5 million (after related transaction costs of \$15.5 million) were used for

general corporate purposes, including funding property acquisitions, investments in the Company's institutional management programs and other investment activities. The Company also used a portion of the proceeds to partially repay amounts outstanding under its U.S. Credit Facility. The Class G Preferred Stock (represented by the Class G Depositary Shares outstanding) ranks pari passu with the Company's Class F Preferred Stock as to voting rights, priority for receiving dividends and liquidation preference as set forth below.

During June 2003, the Company issued 7,000,000 Depositary Shares (the "Class F Depositary Shares"), each such Class F Depositary Share representing a one-tenth fractional interest of a share of the Company's 6.65% Class F Cumulative Redeemable Preferred Stock, par value \$1.00 per share (the "Class F Preferred Stock"). Dividends on the Class F Depositary Shares are cumulative and payable quarterly in arrears at the rate of 6.65% per annum based on the \$25.00 per share initial offering price, or \$1.6625 per annum. The Class F Depositary Shares are redeemable, in whole or part, for cash on or after June 5, 2008, at the option of the Company, at a redemption price of \$25.00 per Depositary Share, plus any accrued and unpaid dividends thereon. The Class F Depositary Shares are not convertible or exchangeable for any other property or securities of the Company. The Class F Preferred Stock (represented by the Class F Depositary Shares outstanding) ranks pari passu with the Company's Class F Preferred Stock as to voting rights, priority for receiving dividends and liquidation preference as set forth below.

**Voting Rights** - As to any matter on which the Class F Preferred Stock may vote, including any action by written consent, each share of Class F Preferred Stock shall be entitled to 10 votes, each of which 10 votes may be directed separately by the holder thereof. With respect to each share of Preferred Stock, the holder thereof may designate up to 10 proxies, with each such proxy having the right to vote a whole number of votes (totaling 10 votes per share of Class F Preferred Stock). As a result, each Class F Depositary Share is entitled to one vote.

As to any matter on which the Class G Preferred Stock may vote, including any actions by written consent, each share of the Class G Preferred Stock shall be entitled to 100 votes, each of which 100 votes may be directed separately by the holder thereof. With respect to each share of Class G Preferred Stock, the holder thereof may designate up to 100 proxies, with each such proxy having the right to vote a whole number of votes (totaling 100 votes per share of Class G Preferred Stock). As a result, each Class G Depositary Share is entitled to one vote.

**Liquidation Rights** - In the event of any liquidation, dissolution or winding up of the affairs of the Company, the Preferred Stock holders are entitled to be paid, out of the assets of the Company legally available for distribution to its stockholders, a liquidation preference of \$250.00 Class F Preferred per share and \$2,500.00 Class G Preferred per share (\$25.00 per Class F and Class G Depositary Share), plus an amount equal to any accrued and unpaid dividends to the date of payment, before any distribution of assets is made to holders of the Company's common stock or any other capital stock that ranks junior to the Preferred Stock as to liquidation rights.

During October 2002, the Company acquired an interest in a shopping center property located in Daly City, CA, valued at \$80.0 million, through the issuance of approximately 4.8 million Convertible Units which are convertible at a ratio of 1:1 into the Company's common stock. The unit holder has the right to convert the Convertible Units at any time after one year. In addition, the Company has the right to mandatorily require a conversion after ten years. If at the time of conversion the common stock price for the 20 previous trading days is less than \$16.785 per share, the unit holder would be entitled to additional shares; however, the maximum number of additional shares is limited to 503,932 based upon a floor Common Stock price of \$15.180. The Company has the option to settle the conversion in cash. Dividends on the Convertible Units are paid quarterly at the rate of the Company's common stock dividend multiplied by 1.1057. During 2008, all of these Convertible Units were redeemed. The Company elected to redeem these Convertible Units, at a ratio of 1:1, for 4.8 million shares of Common Stock, of which 1.0 million shares were valued at \$17.26 per share and 3.8 million shares were valued at \$15.02 per share.

During March 2006, the shareholders of Atlantic Realty Trust ("Atlantic Realty") approved the proposed merger with the Company and the closing occurred on March 31, 2006. As consideration for this transaction, the Company issued Atlantic Realty shareholders 1,274,420 shares of Common Stock, excluding 201,930 shares of Common Stock that were to be received by the Company and 546,580 shares of Common Stock that were to be received by the Company's wholly owned TRS, at a price of \$40.41 per share. During December 2008, the Company purchased the 546,580 shares from its TRS for a purchase price of \$17.69 per share. The 546,580 shares had a carry-over basis from the Atlantic Realty share price of \$17.10 per share. These shares are no longer considered issued.



During 2006, the Company acquired interests in seven shopping center properties located throughout Puerto Rico. The properties were acquired through the issuance of approximately \$158.6 million of non-convertible units, approximately \$45.8 million of convertible units, approximately \$131.2 million of non-recourse debt and \$116.3 million in cash.

The convertible units consist of (i) 2,627 Class B-1 Preferred Units, par value \$10,000 per unit and 640,001 Class C DownREIT Units, valued at an issuance price of \$30.52 per unit. Both the Class B-1 Units and the Class C DownREIT Units are redeemable by the holder at any time after November 30, 2010, for cash, or at the Company's option, shares of the Company's common stock. During 2007, 2,438 units, or \$24.4 million, of the Class B-1 Preferred Units were redeemed and 61,804 units, or \$1.9 million, of the Class C DownREIT Units were redeemed under the Loan provision of the Agreement. The Company opted to settle these units in cash.

The number of shares of Common Stock issued upon conversion of the Class B-1 Preferred Units would be equal to the Class B-1 Cash Redemption Amount, as defined, which ranges from \$6,000 to \$14,000 per Class B-1 Preferred Unit depending on the Common Stock's Adjusted Current Trading Price, as defined, divided by the average daily market price for the 20 consecutive trading days immediately preceding the redemption date.

Prior to January 1, 2009, the number of shares of Common Stock issued upon conversion of the Class C DownREIT Units would be equal to the Class C Cash Amount which equals the number of Class C DownREIT Units being redeemed, multiplied by the Adjusted Current Trading Price, as defined. After January 1, 2009, if the Adjusted Current Trading Price is greater than \$36.62 then the Class C Cash Amount shall be an amount equal to the Adjusted Current Trading Price per Class C DownREIT Unit. If the Adjusted Current Trading Price is greater than \$24.41 but less than \$36.62, then the Class C Cash Amount shall be an amount equal to \$30.51 per Class C DownREIT Unit, or is less than \$24.41, then the Class C Cash Amount shall be an amount per Class C DownREIT Unit equal to the Adjusted Current Trading Price multiplied by 1.25.

During April 2006, the Company acquired interests in two shopping center properties, located in Bay Shore and Centereach, NY, valued at an aggregate \$61.6 million. The properties were acquired through the issuance of units from a consolidated subsidiary and consist of approximately \$24.2 million of Redeemable Units, which are redeemable at the option of the holder, approximately \$14.0 million of fixed rate Redeemable Units and the assumption of approximately \$23.4 million of non-recourse mortgage debt. The Company has the option to settle the redemption of the \$24.2 million redeemable units with Common Stock, at a ratio of 1:1 or in cash. During 2007, 30,000 units, or \$1.1 million par value, of the Redeemable Units were redeemed by the holder. The Company opted to settle these units in cash.

During June 2006, the Company acquired an interest in an office property, located in Albany, NY, valued at approximately \$39.9 million. The property was acquired through the issuance of approximately \$5.0 million of redeemable units from a consolidated subsidiary, which are redeemable at the option of the holder after one year, and the assumption of approximately \$34.9 million of non-recourse mortgage debt. The Company has the option to settle the redemption with Common Stock, at a ratio of 1:1 or in cash.

18. Supplemental Schedule of Non-Cash Investing/Financing Activities:

The following schedule summarizes the non-cash investing and financing activities of the Company for the years ended December 31, 2008, 2007 and 2006 (in thousands):

	2008	2007	2006
Acquisition of real estate interests by issuance of Common Stock and/or assumption of debt	\$ 96,226	\$ 82,614	\$ 1,627,058
Acquisition of real estate interest by issuance of redeemable units	\$ -	\$ -	\$ 247,475
Exchange of downREIT units for Common Stock	\$ 80,000	\$ -	\$ -
Disposition/transfer of real estate interest by origination of mortgage debt	\$ 27,175	\$ -	\$ -
Acquisition of real estate interests through proceeds held in escrow	\$ -	\$ 68,031	\$ 140,802
Disposition/transfer of real estate interests by assignment of mortgage debt	\$ -	\$ -	\$ 293,254
Proceeds held in escrow through sale of real estate interest	\$ -	\$ -	\$ 39,210
Acquisition of real estate through the issuance of an unsecured obligation	\$ -	\$ -	\$ 10,586
Disposition of real estate through the issuance of an unsecured obligation	\$ 6,265	\$ -	\$ -
Investment in real estate joint venture by contribution of property	\$ -	\$ 740	\$ -
Deconsolidation of Joint Venture:			
Decrease in real estate and other assets	\$ 55,453	\$ 113,074	\$ -
Decrease in minority interest, construction loan and other liabilities	\$ 55,453	\$ 113,074	\$ -
Declaration of dividends paid in succeeding period	\$ 131,097	\$ 112,052	\$ 93,222
Consolidation of Joint Venture:			
Increase in real estate and other assets	\$ 68,360	\$ -	\$ -
Consolidation of Kimsouth:			
Increase in real estate and other assets	\$ -	\$ -	\$ 28,377
Increase in mortgage payable and other liabilities	\$ -	\$ -	\$ 28,377

19. Transactions with Related Parties:

The Company provides management services for shopping centers owned principally by affiliated entities and various real estate joint ventures in which certain stockholders of the Company have economic interests. Such services are performed pursuant to management agreements which provide for fees based upon a percentage of gross revenues from the properties and other direct costs incurred in connection with management of the centers.

Ripco Real Estate Corp. was formed in 1991 and employs approximately 40 professionals and serves numerous retailers, REITs and developers. Ripco's business activities include serving as a leasing agent and representative for national and regional retailers including Target, Best Buy, Kohls and many others, providing real estate brokerage services and principal real estate investing. Mr. Todd Cooper, an officer and 50% shareholder of Ripco, is a son of Mr. Milton Cooper,

Chief Executive Officer and Chairman of the Board of Directors of the Company. During 2008 and 2007, the Company paid brokerage commissions of \$478,330 and \$257,385, respectively, to Ripco for services rendered primarily as leasing agent for various national tenants in shopping center properties owned by the Company. The Company believes that the brokerage commissions paid were at or below the customary rates for such leasing services. Additionally, the Company has the following joint venture investments with Ripco.

During 2005, the Company acquired three operating properties and one land parcel, through joint ventures, in which the Company and Ripco each hold 50% non-controlling interests for an aggregate purchase price of approximately \$27.1 million, including the assumption of approximately \$9.3 million of non-recourse mortgage debt encumbering two of the properties. The Company accounts for its investment in these joint ventures under the equity method of accounting. Subsequent to these acquisitions, the joint ventures obtained four individual one-year loans aggregating \$20.4 million with interest rates ranging from LIBOR plus 1.00% to LIBOR plus 3.50%. During 2007, one of these properties was sold for a sales price of approximately \$10.5 million, including the pay down of \$5.0 million of debt. These loans are scheduled to mature in May 2009, October 2009 and December 2009. During 2008, one of the loans was increased by \$2.0 million. As of December 31, 2008, there was an aggregate of \$17.4 million outstanding on these loans. These loans are jointly and severally guaranteed by the Company and the joint venture partner.

Reference is made to Note 7 for additional information regarding transactions with related parties.

20. Commitments and Contingencies:

The Company and its subsidiaries are primarily engaged in the operation of shopping centers which are either owned or held under long-term leases which expire at various dates through 2095. The Company and its subsidiaries, in turn, lease premises in these centers to tenants pursuant to lease agreements which provide for terms ranging generally from 5 to 25 years and for annual minimum rentals plus incremental rents based on operating expense levels and tenants' sales volumes. Annual minimum rentals plus incremental rents based on operating expense levels comprised approximately 99% of total revenues from rental property for each of the three years ended December 31, 2008, 2007 and 2006.

The future minimum revenues from rental property under the terms of all non-cancelable tenant leases, assuming no new or renegotiated leases are executed for such premises, for future years are approximately as follows (in millions): 2009, \$528.5; 2010, \$492.7; 2011, \$441.5; 2012, \$387.7; 2013, \$326.4 and thereafter, \$1,647.9.

Minimum rental payments under the terms of all non-cancelable operating leases pertaining to the Company's shopping center portfolio for future years are approximately as follows (in millions): 2009, \$10.9; 2010, \$8.9; 2011, \$6.7; 2012, \$6.0; 2013, \$5.3; and thereafter, \$108.7.

In June 2006, the FASB issued Financial Interpretation No. 48, "Accounting for Uncertainty in Income Taxes" ("FIN 48"), which clarifies the accounting for uncertainty in income taxes recognized in a company's financial statements in accordance with FASB Statement No. 109, "Accounting for Income Taxes". The interpretation prescribes a recognition threshold and measurement attribute criteria for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The interpretation also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

The Company adopted the provisions of FIN 48 on January 1, 2007. The Company does not have any material unrecognized tax benefits, therefore, the adoption of FIN 48 did not have a material impact on the Company's financial position or results of operations.

During September 2008, a joint venture in which the Company has a non-controlling ownership interest obtained a \$37.0 million mortgage loan, which is jointly and severally guaranteed by the Company and the joint venture partner, with a commitment of up to \$37.0 million of which \$26.9 million was outstanding as of December 31, 2008. This loan bears interest at 6.375% and is scheduled to mature in October 2019.

During October 2008, a joint venture in which the Company has a non-controlling ownership interest entered into an extension and modification agreement for a \$28.0 million term loan. The loan is guaranteed by the Company, with a commitment of up to \$28.0 million of which \$28.0 million was outstanding as of December 31, 2008. This loan bears interest at LIBOR plus 1.65%, or 2.09% at December 31, 2008, and is scheduled to mature in March 2009. The Company is currently negotiating with lenders regarding extending or refinancing this debt.

During June 2007, the Company entered into a joint venture, in which the Company has a non-controlling ownership interest, and acquired all of the common stock of InTown Suites Management, Inc. This investment was funded with approximately \$186.0 million of new cross-collateralized non-recourse mortgage debt with a fixed interest rate of 5.59%, encumbering 35 properties, a \$153.0 million three-year unsecured credit facility, with two one-year extension options, which bears interest at LIBOR plus 0.375% and is guaranteed by the Company and the assumption of \$278.6 million cross-collateralized non-recourse mortgage debt with fixed interest rates ranging from 5.19% to 5.89%, encumbering 86 properties. The joint venture partner has pledged its equity interest for any guaranty payment the Company is obligated to pay. The outstanding balance on the three-year unsecured credit facility was \$147.5 million as of December 31, 2008. The joint venture obtained an interest rate swap at 5.37% on \$128.0 million of this debt. The swap is designated as a cash flow hedge and is deemed highly effective; as such adjustments to the swaps fair value are recorded in Other comprehensive income.

During 2007, the Company entered into a joint venture, in which the Company has a non-controlling ownership interest to acquire a property in Houston, Texas. This investment was funded with a \$24.5 million unsecured credit facility scheduled to mature in November 2009, with a six-month extension option available, which bears interest at LIBOR plus 0.375% and is guaranteed by the Company. The outstanding balance on this credit facility as of December 31, 2008 was \$24.5 million.

During April 2007, the Company entered into a joint venture, in which the Company has a 50% non-controlling ownership interest to acquire a property in Visalia, CA. Subsequent to this acquisition the joint venture obtained a \$6.0 million three-year promissory note which bears interest at LIBOR plus 0.75%, and has an extension option of two-years. This loan is jointly and severally guaranteed by the Company and the joint venture partner. As of December 31, 2008, the outstanding balance on this loan was \$6.0 million.

In October 2007, the Company formed a wholly-owned captive insurance company, Kimco Insurance Company, Inc., ("KIC"), which provides general liability insurance coverage for all losses below the deductible under our third-party policy. The Company entered into the Insurance Captive as part of its overall risk management program and to stabilize its insurance costs, manage exposure and recoup expenses through the functions of the captive program. The Company capitalized KIC in accordance with the applicable regulatory requirements. KIC established annual premiums based on projections derived from the past loss experience of the Company's properties. KIC has engaged an independent third party to perform an actuarial estimate of future projected claims, related deductibles and projected expenses necessary to fund associated risk management programs. Premiums paid to KIC may be adjusted based on this estimate, like premiums paid to third-party insurance companies, premiums paid to KIC may be reimbursed by tenants pursuant to specific lease terms. The Company believes that the addition of KIC will provide increased comprehensive insurance coverage at an overall lower cost than would otherwise be available in the market.

During August 2008, KimPru entered into a new \$650.0 million credit facility which matures in August 2009, with the option to extend for one year, and bears interest at a rate of LIBOR plus 1.25%. KimPru is obligated to pay down a minimum of \$165.0 million, among other requirements, in order to exercise the one-year extension option. The required pay down is expected to be sourced from property sales, other debt financings and/or capital contributions by the partners. This facility is guaranteed by the Company with a guarantee from PREI to the Company for 85% of any guaranty payment the Company is obligated to make. Proceeds from this new credit facility were used to repay the outstanding balance of \$658.7 million under an existing \$1.2 billion credit facility, which was scheduled to mature in October 2008, and bore interest at a rate of LIBOR plus 0.45%. As of December 31, 2008, the outstanding balance on the new credit facility was \$650.0 million.

During 2006, an entity in which the Company has a preferred equity investment, located in Montreal, Canada, obtained a non-recourse construction loan which is collateralized by the respective land and project improvements. Additionally, the Company has provided a guaranty to the lender and the developer partner has provided an indemnity to the Company for 25% of all debt. As of December 31, 2008, there was CAD \$89.0 million (approximately USD \$72.7 million) outstanding on this construction loan.

Additionally, during 2006, KROP obtained a one-year \$15.0 million unsecured term loan, which bore interest at LIBOR plus 0.5%. This loan was guaranteed by the Company and GECRE had guaranteed reimbursement to the Company of 80% of any guaranty payment the Company was obligated to make. During 2007, KROP paid down the remaining balance of the loan.

The Company has issued letters of credit in connection with the completion and repayment guarantees for construction loans encumbering certain of the Company's ground-up development projects and guaranty of payment related to the Company's insurance program. These letters of credit aggregate approximately \$34.3 million.

In connection with the construction of its development projects and related infrastructure, certain public agencies require performance and surety bonds be posted to guarantee that the Company's obligations are satisfied. These bonds expire upon the completion of the improvements and infrastructure. As of December 31, 2008, there were approximately \$61.8 million bonds outstanding.

Additionally, the RioCan Venture, an entity in which the Company holds a 50% non-controlling interest, has a CAD \$7.0 million (approximately USD \$5.7 million) letter of credit facility. This facility is jointly guaranteed by RioCan and the Company and had approximately CAD \$4.6 million (approximately USD \$3.8 million) outstanding as of December 31, 2008, relating to various development projects.

During 2005, an entity in which the Company has a preferred equity investment obtained a CAD \$24.3 million (approximately USD \$19.8 million) credit facility to finance the construction of a 0.1 million square foot shopping center property located in Kamloops, B.C. This facility bears interest at Royal Bank Prime Rate ("RBP") plus 0.5% per annum and was scheduled to mature in March 2008. During 2008 RioCan extended this facility to expire on February 28, 2009. The Company and its partner in this entity each have a limited and several guarantee of CAD \$7.5 million (approximately USD \$6.1 million) on this facility. As of December 31, 2008, there was CAD \$22.3 million (approximately USD \$18.2 million) outstanding on this facility. During February 2009, PL Retail made a principal payment of \$5.6 million and obtained a one year extension option at LIBOR plus 400 basis points for the remaining balance of \$30.0 million.

During 2005, PL Retail entered into a \$39.5 million unsecured revolving credit facility, which bore interest at LIBOR plus 0.675% and was scheduled to mature in February 2007. During 2008, the loan was extended to February 2009 at a reduced rate of LIBOR plus 0.50%. This facility is guaranteed by the Company and the joint venture partner has guaranteed reimbursement to the Company of 85% of any guaranty payment the Company is obligated to make. As of December 31, 2008, there was \$35.6 million outstanding under this facility. During February 2009, PL Retail made a principal payment of \$5.6 million and obtained a one-year extension option for the remaining balance of \$30.0 million.

The Company is subject to various legal proceedings and claims that arise in the ordinary course of business. These matters are generally covered by insurance. Management believes that the final outcome of such matters will not have a material adverse effect on the financial position, results of operations or liquidity of the Company.

The Company evaluated these guarantees in connection with the provisions of FASB Interpretation No. 45, Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others and determined that the impact did not have a material effect on the Company's financial position or results of operations.

21. Incentive Plans:

The Company maintains a stock option plan (the "Plan") pursuant to which a maximum of 47,000,000 shares of the Company's common stock may be issued for qualified and non-qualified options. Options granted under the Plan generally vest ratably over a three to five-year term, expire ten years from the date of grant and are exercisable at the market price on the date of grant, unless otherwise determined by the Board at its sole discretion. In addition, the Plan provides for the granting of certain options to each of the Company's non-employee directors (the "Independent Directors") and permits such Independent Directors to elect to receive deferred stock awards in lieu of directors' fees.

The Company accounts for stock options in accordance with SFAS No. 123R which requires that all share based payments to employees, including grants of employee stock options, be recognized in the statement of operations over the service period based on their fair values.

The fair value of each option award is estimated on the date of grant using the Black-Scholes option pricing formula. The assumption for expected volatility has a significant affect on the grant date fair value. Volatility is determined based on the historical equity of common stock for the most recent historical period equal to the expected term of the options. The more significant assumptions underlying the determination of fair values for options granted during 2008, 2007 and 2006 were as follows:

	Year Ended December 31,		
	2008	2007	2006
Weighted-average fair value of options granted	\$5.73	\$7.41	\$5.55
Weighted-average risk-free interest rates	3.13%	4.50%	4.72%
Weighted-average expected option lives (in years)	6.38	6.50	6.50
Weighted-average expected volatility	26.16%	19.01%	17.70%
Weighted-average expected dividend yield	4.33%	3.77%	4.39%

Information with respect to stock options under the Plan for the years ended December 31, 2008, 2007, and 2006 are as follows:

	Shares	Weighted-Average Exercise Price Per Share	Aggregate Intrinsic value (in millions)
Options outstanding, January 1, 2006	14,551,296	\$22.06	\$145.8
Exercised	(2,196,947)	\$17.80	
Granted	2,805,650	\$39.91	
Forfeited	(366,406)	\$28.13	
Options outstanding, December 31, 2006	14,793,593	\$25.93	\$281.4
Exercised	(1,884,421)	\$20.22	
Granted	2,971,900	\$41.41	
Forfeited	(257,618)	\$35.87	
Options outstanding, December 31, 2007	15,623,454	\$29.39	\$133.7
Exercised	(1,862,209)	\$20.59	
Granted	2,903,475	\$37.29	
Forfeited	(400,898)	\$38.64	
Options outstanding, December 31, 2008	16,263,822	\$31.58	\$ 7.6
Options exercisable (fully vested)-			
December 31, 2006	8,826,881	\$20.37	\$217.0
December 31, 2007	9,307,184	\$23.10	\$123.8
December 31, 2008	9,011,677	\$26.00	\$ 7.6

The exercise prices for options outstanding as of December 31, 2008, range from \$10.67 to \$46.00 per share. The Company estimates forfeitures based on historical data. The weighted-average remaining contractual life for options outstanding as of December 31, 2008, was approximately 6.9 years. The weighted-average remaining contractual term of options currently exercisable as of December 31, 2008, was approximately 5.5 years. Options to purchase 5,031,718, 2,996,321, and 5,969,396, shares of the Company's common stock were available for issuance under the Plan at December 31, 2008, 2007 and 2006, respectively. As of December 31, 2008, the Company had 7,252,145 options expected to vest, with a weighted-average exercise price per share of \$38.52 and an aggregate intrinsic value of \$0.

Cash received from options exercised under the Plan was approximately \$38.3 million, \$38.1 million, and \$39.1 million for the years ended December 31, 2008, 2007 and 2006, respectively. The total intrinsic value of options exercised during 2008, 2007 and 2006 was approximately \$35.0 million, \$54.4 million and \$42.2 million, respectively.

The Company recognized stock options expense of \$12.3 million, \$12.2 million, and \$10.2 million for the years ended December 31, 2008, 2007 and 2006, respectively. As of December 31, 2008, the Company had \$33.8 million of total unrecognized compensation cost related to unvested stock compensation granted under the Company's Plan. That cost is expected to be recognized over a weighted average period of approximately 3.3 years.

The Company maintains a 401(k) retirement plan covering substantially all officers and employees, which permits participants to defer up to the maximum allowable amount determined by the Internal Revenue Service of their eligible compensation. This deferred compensation, together with Company matching contributions, which generally equal employee deferrals up to a maximum of 5% of their eligible compensation (capped at \$170,000), is fully vested and funded as of December 31, 2008. The Company contributions to the plan were approximately \$1.5 million, \$1.5 million and \$1.3 million for the years ended December 31, 2008, 2007 and 2006, respectively.

Due to current economic conditions resulting in the lack of transactional activity within the real estate industry as a whole the Company has accrued approximately \$3.6 million at December 31, 2008, relating to severance costs associated with employees that have been terminated during January 2009.

## 22. Income Taxes:

The Company elected to qualify as a REIT in accordance with the Code commencing with its taxable year which began January 1, 1992. To qualify as a REIT, the Company must meet a number of organizational and operational requirements, including a requirement that it currently distribute at least 90% of its adjusted REIT taxable income to its stockholders. It is management's intention to adhere to these requirements and maintain the Company's REIT status. As a REIT, the Company generally will not be subject to corporate federal income tax, provided that distributions to its stockholders equal at least the amount of its REIT taxable income as defined under the Code. If the Company fails to qualify as a REIT in any taxable year, it will be subject to federal income taxes at regular corporate rates (including any applicable alternative minimum tax) and may not be able to qualify as a REIT for four subsequent taxable years. Even if the Company qualifies for taxation as a REIT, the Company is subject to certain state and local taxes on its income and property, and federal income and excise taxes on its undistributed taxable income. In addition, taxable income from non-REIT activities managed through taxable REIT subsidiaries is subject to federal, state and local income taxes.

### Reconciliation between GAAP Net Income and Federal Taxable Income:

The following table reconciles GAAP net income to taxable income for the years ended December 31, 2008, 2007 and 2006 (in thousands):

	2008 (Estimated)	2007 (Actual)	2006 (Actual)
GAAP net income	\$ 249,902	\$ 442,830	\$ 428,259
Less: GAAP net income of taxable REIT subsidiaries	(9,002)	(98,542)	(33,795)
GAAP net income from REIT operations (a)	240,900	344,288	394,464
Net book depreciation in excess of tax depreciation	20,686	31,963	23,826
Deferred/prepaid/above and below market rents, net	(25,755)	(12,879)	(11,964)
Exercise of non-qualified stock options	(15,104)	(26,210)	(26,822)
Book/tax differences from investments in real estate joint ventures	53,176	5,740	(7,127)
Book/tax difference on sale of property	20,529	(8,788)	(49,003)
Valuation adjustment of foreign currency contracts	(35)	308	142
Book adjustment to property carrying values and marketable equity securities	78,593	-	-
Other book/tax differences, net	11,019	23,911	(5,219)
Adjusted taxable income subject to 90% dividend requirements	\$ 384,009	\$ 358,333	\$ 318,297

Certain amounts in the prior periods have been reclassified to conform to the current year presentation.

(a) - All adjustments to "GAAP net income from REIT operations" are net of amounts attributable to minority interest and taxable REIT subsidiaries.

### Reconciliation between Cash Dividends Paid and Dividends Paid Deductions (in thousands):

For the years ended December 31, 2008, 2007 and 2006 cash dividends paid exceeded the dividends paid deduction and amounted to \$469,024, \$384,502 and \$332,552, respectively.

Characterization of Distributions:

The following characterizes distributions paid for the years ended December 31, 2008, 2007 and 2006, (in thousands):

	2008		2007		2006	
<u>Preferred F Dividends</u>						
Ordinary income	\$ 9,079	78%	\$ 7,123	61%	\$ 8,200	70%
Capital gain	2,559	22%	4,515	39%	3,438	30%
	<u>\$11,638</u>	<u>100%</u>	<u>\$11,638</u>	<u>100%</u>	<u>\$11,638</u>	<u>100%</u>
<u>Preferred G Dividends</u>						
Ordinary income	\$ 28,197	78%	-	-	-	-
Capital gain	7,948	22%	-	-	-	-
	<u>\$ 36,145</u>	<u>100%</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Common Dividends</u>						
Ordinary income	\$290,656	69%	\$207,587	56%	\$211,803	66%
Capital gain	80,036	19%	131,558	35%	89,856	28%
Return of capital	50,549	12%	33,719	9%	19,255	6%
	<u>\$421,241</u>	<u>100%</u>	<u>\$372,864</u>	<u>100%</u>	<u>\$320,914</u>	<u>100%</u>
Total dividends distributed	<u>\$469,024</u>		<u>\$384,502</u>		<u>\$332,552</u>	

Taxable REIT Subsidiaries ("TRS"):

The Company is subject to federal, state and local income taxes on the income from its TRS activities, which include Kimco Realty Services ("KRS"), a wholly owned subsidiary of the Company and the consolidated entities of FNC, Kimsouth and Blue Ridge Real Estate Company/Big Boulder Corporation.

Income taxes have been provided for on the asset and liability method as required by SFAS No. 109, Accounting for Income Taxes. Under the asset and liability method, deferred income taxes are recognized for the temporary differences between the financial reporting basis and the tax basis of the TRS assets and liabilities.

The Company's taxable income for book purposes and provision for income taxes relating to the Company's TRS and taxable entities which have been consolidated for accounting reporting purposes, for the years ended December 31, 2008, 2007, and 2006, are summarized as follows (in thousands):

	2008	2007	2006
Income/(loss) before income taxes	<u>\$(3,972)</u>	<u>\$109,057</u>	<u>\$54,522</u>
(Provision)/benefit for income taxes:			
Federal	11,026	(6,565)	(17,581)
State and local	1,948	(3,950)	(3,146)
Total tax provision	12,974	(10,515)	(20,727)
GAAP net income from taxable REIT subsidiaries	<u>\$ 9,002</u>	<u>\$ 98,542</u>	<u>\$33,795</u>

The Company's deferred tax assets and liabilities at December 31, 2008 and 2007, were as follows (in thousands):

	2008	2007
Deferred tax assets:		
Operating losses	\$ 48,863	\$ 64,728
Other	71,747	19,163
Valuation allowance	(33,783)	(36,826)
Total deferred tax assets	<u>86,827</u>	<u>47,065</u>
Deferred tax liabilities	<u>(2,656)</u>	<u>(11,663)</u>
Net deferred tax assets	<u>\$ 84,171</u>	<u>\$ 35,402</u>



Deferred tax assets and deferred tax liabilities are included in the caption Other assets and Other liabilities on the accompanying Consolidated Balance Sheets at December 31, 2008 and 2007. Operating losses and the valuation allowance are due to the Company's consolidation of FNC and Kimsouth for accounting and reporting purposes. At December 31, 2008, FNC had approximately \$125.3 million of net operating loss ("NOL") carry forwards that expire from 2022 through 2025, with a tax value of approximately \$48.9 million. At December 31, 2007, FNC had approximately \$128.1 million of NOL carry forwards, with a tax value of approximately \$50.0 million. A valuation allowance of \$33.8 million has been established for a portion of these deferred tax assets. At December 31, 2007, Kimsouth had approximately \$37.9 million of NOL carry forwards that expire from 2021 to 2023, with a tax value of approximately \$14.8 million. A valuation allowance for \$3.1 million had been established for a portion of these deferred tax assets. During 2008, Kimsouth fully utilized its remaining NOL carry forwards as a result of the recognition of equity in income from the Albertson's investment during 2008.

Other deferred tax assets and deferred tax liabilities relate primarily to differences in the timing of the recognition of income/(loss) between the GAAP and tax basis of accounting for (i) real estate joint ventures, (ii) other real estate investments, and (iii) other deductible temporary differences. The Company believes that, based on its operating strategy and consistent history of profitability, it is more likely than not that the total deferred tax assets of \$86.8 million will be realized on future tax returns, primarily from the generation of future taxable income and the implementation of tax planning strategies that include the potential disposition of certain real estate assets and equity securities.

The income tax provision/(benefit) differ from the amount computed by applying the statutory federal income tax rate to taxable income before income taxes were as follows (in thousands):

	2008	2007	2006
Federal provision/(benefit) at statutory tax rate (35%)	\$(1,390)	\$38,170	\$19,083
State and local taxes, net of federal Benefit	(258)	7,089	3,544
Other	(8,283)	(3,552)	(1,900)
Valuation allowance decrease	(3,043)	(31,192)	-
	<u>\$(12,974)</u>	<u>\$10,515</u>	<u>\$20,727</u>

23. Supplemental Financial Information:

The following represents the results of operations, expressed in thousands except per share amounts, for each quarter during the years 2008 and 2007:

	2008 (Unaudited)			
	Mar. 31	June 30	Sept. 30	Dec. 31
Revenues from rental property(1)	\$188,794	\$182,970	\$189,951	\$196,989
Net income/(loss)	\$98,467	\$94,374	\$108,584 (a)	\$(51,523) (a)
Net income/(loss) per common share:				
Basic	\$ .34	\$ .33	\$ .38	\$(.24)
Diluted	\$ .34	\$ .32	\$ .37	\$(.24)

	2007 (Unaudited)			
	Mar. 31	June 30	Sept. 30	Dec. 31
Revenues from rental property(1)	\$156,290	\$168,448	\$171,906	\$177,889
Net income	\$153,764	\$128,022	\$78,005	\$83,039
Net income per common share:				
Basic	\$ .60	\$ .50	\$ .30	\$ .28
Diluted	\$ .59	\$ .49	\$ .29	\$ .28

(1) All periods have been adjusted to reflect the impact of operating properties sold during 2008 and 2007 and properties classified as held for sale as of December 31, 2008, which are reflected in the caption Discontinued operations on the accompanying Consolidated Statements of Income.

(a) Out-of-Period Adjustment - During the fourth quarter of 2008, the Company identified an out-of-period adjustment in its consolidated financial statements for the year ended December 31, 2008. This adjustment related to the accounting for cash distributions received in excess of the Company's carrying value of its investment in an unconsolidated joint venture. During the third quarter of 2008, the Company recorded as income approximately \$8.5 million from cash distributions received in excess of the Company's carrying value of its investment resulting from mortgage refinancing proceeds from one of its unconsolidated joint ventures. The Company recorded the \$8.5 million as income as the Company had no guaranteed obligations or was otherwise committed to provide further financial support to the joint venture. It was determined in the fourth quarter of 2008, that although the Company in substance does not have any further obligations, in form, the Company is the general partner in this joint venture and does have a legal obligation relating to the partnership. As such, the Company should not have recognized the \$8.5 million as income in the third quarter. The Company has reversed this amount from income in the fourth quarter of 2008. As a result of this out-of-period adjustment, net income was overstated by \$8.5 million in the third quarter of 2008 and understated by \$8.5 million in the fourth quarter of 2008, but correctly stated for the year ended December 31, 2008. The Company concluded that the \$8.5 million adjustment was not material to the quarter ended September 30, 2008 or the quarter ended December 31, 2008. As such, this adjustment was recorded in the Company's consolidated statements of income for the three months ended December 31, 2008, rather than restating the third quarter 2008 period.

Accounts and notes receivable in the accompanying Consolidated Balance Sheets net of estimated unrecoverable amounts were approximately \$9.0 million at December 31, 2008 and 2007.

24. Pro Forma Financial Information (Unaudited):

As discussed in Notes 3, 4 and 5, the Company and certain of its subsidiaries acquired and disposed of interests in certain operating properties during 2008. The pro forma financial information set forth below is based upon the Company's historical Consolidated Statements of Income for the years ended December 31, 2008 and 2007, adjusted to give effect to these transactions at the beginning of each year.

The pro forma financial information is presented for informational purposes only and may not be indicative of what actual results of operations would have been had the transactions occurred at the beginning of each year, nor does it purport to represent the results of operations for future periods. (Amounts presented in millions, except per share figures.)

	Year ended December 31,	
	2008	2007
Revenues from rental property	\$773.9	\$696.6
Income before extraordinary gain	\$227.6	\$361.0
Net income	\$227.6	\$411.3
Net income before extraordinary gain per common share:		
Basic	\$0.70	\$1.35
Diluted	\$0.70	\$1.33
Net income per common share:		
Basic	\$0.70	\$1.55
Diluted	\$0.70	\$1.52

KIMCO REALTY CORPORATION AND SUBSIDIARIES  
SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS

For Years Ended December 31, 2008, 2007 and 2006  
(in thousands)

	Balance at beginning of period	Charged to expenses	Adjustments to valuation accounts	Deductions	Balance at end of period
Year Ended December 31, 2008					
Allowance for uncollectable accounts	\$ 9,000	\$3,066	\$ -	\$(3,066)	\$ 9,000
Allowance for deferred tax asset	\$36,826	\$ -	\$(3,043)	\$ -	\$33,783
Year Ended December 31, 2007					
Allowance for uncollectable accounts	\$ 8,500	\$ 614	\$ -	\$ (114)	\$ 9,000
Allowance for deferred tax asset	\$68,018	\$ -	\$(31,192)	\$ -	\$36,826
Year Ended December 31, 2006					
Allowance for uncollectable accounts	\$ 8,500	\$ 715	\$ -	\$ (715)	\$ 8,500
Allowance for deferred tax asset	\$33,783	\$ -	\$ 34,235	\$ -	\$68,018

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KIMCO REALTY CORPORATION AND SUBSIDIARIES  
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION  
DECEMBER 31, 2008

PROPERTIES	INITIAL COST						TOTAL ACCUMULATED DEPRECIATION	TOTAL COST, NET OF ACCUMULATED DEPRECIATION	ENCUMBRANCES	DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT	SUBSEQUENT TO ACQUISITION	LAND	BUILDING & IMPROVEMENT	TOTAL				
KDI-GLENN SQUARE	3,306,779	-	41,366,240	3,306,779	41,366,240	44,673,019		44,673,019		2006(C)
KDI-THE GROVE	18,951,763	6,403,809	18,133,075	18,951,763	24,536,884	43,488,647		43,488,647	34,810,586	2007(C)
KDI-CHANDLER AUTO MALLS	9,318,595	-	(1,030,765)	8,847,471	(559,641)	8,287,830		8,287,830		2004(C)
DEV- EL MIRAGE	6,786,441	503,987	60,409	6,786,441	564,396	7,350,837		7,350,837		2008(C)
TALAVI TOWN CENTER	8,046,677	17,016,784	189,093	8,046,676	17,205,878	25,252,554	5,627,912	19,624,642		2007(A)
KIMCO MESA 679, INC. AZ	2,915,000	11,686,291	1,678,931	2,915,000	13,365,222	16,280,222	3,674,053	12,606,169		1998(A)
MESA RIVERVIEW	15,000,000	-	137,595,062	307,992	152,287,070	152,595,062		152,595,062		2005(C)
KDI-ANA MARIANA POWER CENTER	30,043,645	-	5,050,857	30,043,645	5,050,857	35,094,502	5,855,766	29,238,736	24,626,211	2006(C)
METRO SQUARE	4,101,017	16,410,632	1,043,805	4,101,017	17,454,437	21,555,454	5,425,106	16,130,348		1998(A)
HAYDEN PLAZA NORTH	2,015,726	4,126,509	5,448,097	2,015,726	9,574,606	11,590,332	2,257,051	9,333,281		1998(A)
PHOENIX, COSTCO	5,324,501	21,269,943	8,515,422	5,324,501	29,785,366	35,109,866	5,760,088	29,349,778		1998(A)
PHOENIX	2,450,341	9,802,046	724,907	2,450,341	10,526,953	12,977,294	3,172,523	9,804,770		1997(A)
KDI-ASANTE RETAIL CENTER	8,702,635	3,405,683	2,336,837	11,039,472	3,405,683	14,445,154		14,445,154	10,612,252	2004(C)
DEV-SURPRISE II	4,138,760	94,572	-	4,138,760	94,572	4,233,332		4,233,332		2008(C)
ALHAMBRA, COSTCO	4,995,639	19,982,557	73,926	4,995,639	20,056,483	25,052,122	5,482,501	19,569,621		1998(A)
MADISON PLAZA	5,874,396	23,476,190	309,125	5,874,396	23,785,316	29,659,711	6,446,605	23,213,106		1998(A)
CHULA VISTA, COSTCO	6,460,743	25,863,153	11,674,917	6,460,743	37,538,070	43,998,813	8,104,311	35,894,502		1998(A)
CORONA HILLS, COSTCO	13,360,965	53,373,453	4,412,164	13,360,965	57,785,617	71,146,582	14,974,009	56,172,574		1998(A)
EAST AVENUE MARKET PLACE	1,360,457	3,055,127	233,550	1,360,457	3,288,677	4,649,134	1,730,651	2,918,483	2,080,189	2006(A)
LABAND VILLAGE SC	5,600,000	13,289,347	-	5,600,000	13,289,348	18,889,348	2,136,057	16,753,290	8,999,015	2008(A)
CUPERTINO VILLAGE	19,886,099	46,534,919	5,228,716	19,886,099	51,763,635	71,649,734	11,237,235	60,412,499	36,485,292	2006(A)
CHICO CROSSROADS	9,975,810	30,534,524	-	9,975,810	30,534,524	40,510,334	2,585,270	37,925,064	25,572,802	2008(A)
CORONA HILLS MARKETPLACE	9,727,446	24,778,390	301,276	9,727,446	25,079,666	34,807,112	2,012,643	32,794,470		2007(A)
ELK GROVE VILLAGE	1,770,000	7,470,136	633,682	1,770,000	8,103,818	9,873,817	3,781,250	6,092,567	2,193,614	2006(A)
WATERMAN PLAZA	784,851	1,762,508	122,050	784,851	1,884,557	2,669,409	996,870	1,672,538	1,498,914	2006(A)
GOLD COUNTRY CENTER	3,272,212	7,864,878	-	3,272,212	7,864,878	11,137,090	932,652	10,204,438	7,144,447	2008(A)
LA MIRADA THEATRE CENTER	8,816,741	35,259,965	(7,653,134)	6,888,680	29,534,893	36,423,572	7,782,085	28,641,487		1998(A)
YOSEMITE NORTH SHOPPING CTR	2,120,247	4,761,355	564,711	2,120,247	5,326,066	7,446,312	2,099,823	5,346,490		2006(A)
RALEY'S UNION SQUARE	1,185,909	2,663,149	215,617	1,185,909	2,878,766	4,064,675	1,508,177	2,556,499		2006(A)
SOUTH NAPA MARKET PLACE	1,100,000	22,159,086	6,828,973	1,100,000	28,988,059	30,088,059	4,494,613	25,593,446		2006(A)
PLAZA DI NORTHRIDGE	12,900,000	40,574,842	6,602,477	12,900,000	47,177,319	60,077,319	8,089,497	51,987,822	28,478,446	2005(A)
POWAY CITY CENTRE	5,854,585	13,792,470	7,607,360	7,247,814	20,006,602	27,254,415	2,953,077	24,301,338		2005(A)
NORTH POINT PLAZA	1,299,733	2,918,760	246,929	1,299,733	3,165,689	4,465,422	1,658,672	2,806,750		2006(A)

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PROPERTIES	INITIAL COST					TOTAL	ACCUMULATED DEPRECIATION	TOTAL COST, NET OF		DATE OF CONSTRUCTION(C) ACQUISITION(A)
	& LAND	BUILDING & IMPROVEMENT	SUBSEQUENT TO ACQUISITION	BUILDING & IMPROVEMENT	ACCUMULATED DEPRECIATION			CONSTRUCTION(C)		
RED BLUFF SHOPPING CTR	1,410,936	3,168,485	292,310	1,410,936	3,460,796	4,871,732	1,799,995	3,071,737		2006(A)
TYLER STREET	3,020,883	7,811,339	-	3,020,883	7,811,339	10,832,222	1,297,168	9,535,054	6,877,365	2008(A)
THE CENTRE	3,403,724	13,625,899	264,121	3,403,724	13,890,020	17,293,744	3,267,801	14,025,943		1999(A)
SANTA ANA, HOME DEPOT	4,592,364	18,345,257	-	4,592,364	18,345,257	22,937,622	4,999,633	17,937,989		1998(A)
FULTON MARKET PLACE	2,966,018	6,920,710	835,389	2,966,018	7,756,098	10,722,117	1,411,657	9,310,459		2005(A)
MARGOLD SC	15,300,000	25,563,978	3,527,840	15,300,000	29,091,818	44,391,818	6,038,347	38,353,471	17,159,907	2005(A)
BLACK MOUNTAIN VILLAGE	4,678,015	11,913,344	-	4,678,015	11,913,344	16,591,359	1,499,852	15,091,506		2007(A)
TRUCKEE CROSSROADS	2,140,000	8,255,753	477,340	2,140,000	8,733,093	10,873,093	4,383,343	6,489,750	3,996,316	2006(A)
WESTLAKE SHOPPING CENTER	16,174,307	64,818,562	90,133,148	16,174,307	154,951,710	171,126,017	12,601,174	158,524,843		2002(A)
VILLAGE ON THE PARK	2,194,463	8,885,987	5,394,916	2,194,463	14,280,903	16,475,366	2,822,589	13,652,777		1998(A)
AURORA QUINCY	1,148,317	4,608,249	323,297	1,148,317	4,931,546	6,079,863	1,334,834	4,745,029		1998(A)
AURORA EAST BANK	1,500,568	6,180,103	480,170	1,500,568	6,660,273	8,160,841	1,832,984	6,327,857		1998(A)
SPRING CREEK COLORADO	1,423,260	5,718,813	1,257,438	1,423,260	6,976,251	8,399,511	1,624,242	6,775,269		1998(A)
DENVER WEST 38TH STREET	161,167	646,983	-	161,167	646,983	808,150	181,079	627,071		1998(A)
ENGLEWOOD PHAR MOR	805,837	3,232,650	208,712	805,837	3,441,362	4,247,199	932,196	3,315,003		1998(A)
FORT COLLINS	1,253,497	7,625,278	1,599,608	1,253,497	9,224,886	10,478,382	1,765,876	8,712,506	2,499,018	2000(A)
HERITAGE WEST	1,526,576	6,124,074	155,612	1,526,576	6,279,686	7,806,262	1,743,610	6,062,652		1998(A)
WEST FARM SHOPPING CENTER	5,805,969	23,348,024	661,091	5,805,969	24,009,115	29,815,084	6,368,346	23,446,738		1998(A)
FARMINGTON PLAZA	433,713	1,211,800	1,635,657	433,713	2,847,457	3,281,170	227,973	3,053,197	865,214	2005(A)
N.HAVEN, HOME DEPOT	7,704,968	30,797,640	676,173	7,704,968	31,473,813	39,178,781	8,411,628	30,767,153		1998(A)
SOUTHINGTON PLAZA	376,256	1,055,168	292,292	376,256	1,347,460	1,723,716	66,964	1,656,752		2005(A)
WATERBURY	2,253,078	9,017,012	690,607	2,253,078	9,707,619	11,960,697	3,590,934	8,369,763		1993(A)
DOVER	122,741	66,738	4,902,532	3,024,375	2,067,636	5,092,011	1,900	5,090,111		2003(A)
ELSMERE	-	3,185,642	-	-	3,185,642	3,185,642	3,185,642	-		1979(C)
ALTAMONTE SPRINGS	770,893	3,083,574	167,155	770,893	3,250,729	4,021,622	1,051,715	2,969,908		1995(A)
BOCA RATON	573,875	2,295,501	1,730,262	733,875	3,865,763	4,599,638	1,596,223	3,003,415		1992(A)
BAYSHORE GARDENS, BRADENTON FL	2,901,000	11,738,955	711,732	2,901,000	12,450,687	15,351,687	3,393,909	11,957,777		1998(A)
BRADENTON PLAZA	527,026	765,252	115,619	527,026	880,872	1,407,897	46,536	1,361,361		2005(A)
CORAL SPRINGS	710,000	2,842,907	3,340,370	710,000	6,183,277	6,893,277	1,958,945	4,934,332		1994(A)
CORAL SPRINGS	1,649,000	6,626,301	425,304	1,649,000	7,051,605	8,700,605	1,937,624	6,762,981		1997(A)
CURLEW CROSSING S.C.	5,315,955	12,529,467	1,241,120	5,315,955	13,770,588	19,086,542	1,671,820	17,414,722		2005(A)
CLEARWATER FL	3,627,946	918,466	(347,682)	3,527,149	671,580	4,198,729	22,980	4,175,749		2007(A)
EAST ORLANDO	491,676	1,440,000	2,978,953	1,007,882	3,902,747	4,910,629	2,424,735	2,485,894		1971(C)
FERN PARK	225,000	902,000	4,759,179	225,000	5,661,179	5,886,179	2,238,658	3,647,521		1968(C)
REGENCY PLAZA	2,410,000	9,671,160	458,044	2,410,000	10,129,204	12,539,204	2,390,172	10,149,032		1999(A)
SHOPPES AT AMELIA CONCOURSE	7,600,000	-	8,922,803	1,138,216	15,384,587	16,522,803		16,522,803		2003(C)

PROPERTIES	INITIAL COST			LAND	BUILDING & IMPROVEMENT	TOTAL	ACCUMULATED DEPRECIATION	TOTAL COST, NET OF ACCUMULATED DEPRECIATION	ENCUMBRANCES	DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT	SUBSEQUENT TO ACQUISITION							
AVENUES WALKS	26,984,546	-	46,061,771	33,535,828	39,510,489	73,046,317	-	73,046,317		2005(C)
KISSIMMEE	1,328,536	5,296,652	(1,814,426)	1,328,536	3,482,226	4,810,762	2,361,276	2,449,486		1996(A)
LAUDERDALE LAKES	342,420	2,416,645	3,244,181	342,420	5,660,825	6,003,246	3,871,968	2,131,278		1968(C)
MERCHANTS WALK	2,580,816	10,366,090	995,118	2,580,816	11,361,208	13,942,025	2,195,539	11,746,485		2001(A)
LARGO	293,686	792,119	1,581,445	293,686	2,373,564	2,667,250	1,775,672	891,577		1968(C)
LEESBURG	-	171,636	193,651	-	365,287	365,287	291,132	74,155		1969(C)
LARGO EAST BAY	2,832,296	11,329,185	1,788,569	2,832,296	13,117,754	15,950,050	6,188,680	9,761,370		1992(A)
LAUDERHILL	1,002,733	2,602,415	12,234,118	1,774,442	14,064,823	15,839,266	7,642,737	8,196,529		1974(C)
THE GROVES	1,676,082	6,533,681	944,919	2,606,246	6,548,436	9,154,682	900,365	8,254,317		2006(A)
MELBOURNE	-	1,754,000	3,099,675	-	4,853,675	4,853,675	2,553,579	2,300,096		1968(C)
GROVE GATE	365,893	1,049,172	1,207,100	365,893	2,256,272	2,622,165	1,779,725	842,441		1968(C)
NORTH MIAMI	732,914	4,080,460	10,846,346	732,914	14,926,806	15,659,720	6,709,490	8,950,230		1985(A)
MILLER ROAD	1,138,082	4,552,327	1,877,964	1,138,082	6,430,291	7,568,373	5,157,804	2,410,568		1986(A)
MARGATE	2,948,530	11,754,120	3,874,810	2,948,530	15,628,930	18,577,460	5,572,625	13,004,835		1993(A)
MT. DORA	1,011,000	4,062,890	163,571	1,011,000	4,226,461	5,237,461	1,216,034	4,021,427		1997(A)
PLANTATION CROSSING	7,524,800	-	10,673,728	7,153,784	11,044,744	18,198,528	-	18,198,528		2005(C)
MILTON, FL	1,275,593	-	-	1,275,593	-	1,275,593	-	1,275,593		2007(A)
FLAGLER PARK	26,162,980	80,737,041	78,957	26,162,980	80,815,998	106,978,978	5,435,890	101,543,089		2007(A)
ORLANDO	923,956	3,646,904	1,990,167	1,172,119	5,388,907	6,561,027	1,894,536	4,666,491		1995(A)
SODO S.C.	-	68,139,271	-	-	68,139,271	68,139,271	1,804,038	66,335,233		2008(A)
RENAISSANCE CENTER	9,104,379	36,540,873	4,989,546	9,122,758	41,512,040	50,634,798	12,670,384	37,964,413		1998(A)
SAND LAKE	3,092,706	12,370,824	1,881,304	3,092,706	14,252,128	17,344,834	5,142,735	12,202,099		1994(A)
ORLANDO	560,800	2,268,112	3,173,597	580,030	5,422,478	6,002,509	1,513,149	4,489,360		1996(A)
OCALA	1,980,000	7,927,484	8,229,712	1,980,000	16,157,196	18,137,196	3,384,609	14,752,587		1997(A)
POMPANO BEACH	97,169	874,442	1,837,248	97,169	2,711,690	2,808,859	1,612,608	1,196,251		1968(C)
GONZALEZ	1,617,564	-	2,639	1,620,203	-	1,620,203	-	1,620,203		2007(A)
ST. PETERSBURG	-	917,360	1,266,811	-	2,184,171	2,184,171	871,764	1,312,407		1968(C)
TUTTLE BEE SARASOTA	254,961	828,465	1,747,305	254,961	2,575,770	2,830,731	1,901,640	929,091		2008(A)
SOUTH EAST SARASOTA	1,283,400	5,133,544	3,454,440	1,399,525	8,471,859	9,871,384	3,876,721	5,994,664		1989(A)
SANFORD	1,832,732	9,523,261	6,099,490	1,832,732	15,622,750	17,455,483	7,537,306	9,918,177		1989(A)
STUART	2,109,677	8,415,323	867,525	2,109,677	9,282,848	11,392,525	3,307,348	8,085,178		1994(A)
SOUTH MIAMI	1,280,440	5,133,825	2,852,969	1,280,440	7,986,794	9,267,234	2,509,321	6,757,913		1995(A)
TAMPA	5,220,445	16,884,228	2,013,247	5,220,445	18,897,475	24,117,920	4,668,738	19,449,182		1997(A)
VILLAGE COMMONS S.C.	2,192,331	8,774,158	733,099	2,192,331	9,507,257	11,699,588	2,407,020	9,292,568		1998(A)

PROPERTIES	INITIAL COST									TOTAL COST, NET OF ACCUMULATED DEPRECIATION			DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT	SUBSEQUENT TO ACQUISITION	LAND	BUILDING & IMPROVEMENT	TOTAL	ACCUMULATED DEPRECIATION	ENCUMBRANCES					
MISSION BELL SHOPPING CENTER	5,056,426	11,843,119	8,572,868	5,067,033	20,405,380	25,472,413	3,362,371	22,110,042				2004(A)	
WEST PALM BEACH	550,896	2,298,964	1,404,607	550,896	3,703,571	4,254,467	1,011,859	3,242,608				1995(A)	
THE SHOPS AT WEST MELBOURNE	2,200,000	8,829,541	4,631,249	2,200,000	13,460,790	15,660,790	3,379,173	12,281,617				1998(A)	
AUGUSTA	1,482,564	5,928,122	2,176,418	1,482,564	8,104,540	9,587,104	2,401,480	7,185,624				1995(A)	
MARKET AT HAYNES BRIDGE	4,880,659	21,549,424	-	4,880,659	21,549,424	26,430,082	2,048,989	24,381,093	15,727,304			2008(A)	
EMBRY VILLAGE	18,147,054	33,009,514	-	18,147,054	33,009,514	51,156,569	2,403,704	48,752,865	31,081,683			2008(A)	
SAVANNAH	2,052,270	8,232,978	1,415,414	2,052,270	9,648,392	11,700,662	3,765,654	7,935,007				1993(A)	
SAVANNAH	652,255	2,616,522	4,907,280	652,256	7,523,801	8,176,057	1,042,365	7,133,692				1995(A)	
CHATHAM PLAZA	13,390,238	35,115,882	-	13,390,238	35,115,882	48,506,121	2,889,084	45,617,036	29,779,657			2008(A)	
KIHEI CENTER	3,406,707	7,663,360	598,386	3,406,707	8,261,745	11,668,453	4,354,641	7,313,811				2006(A)	
CLIVE	500,525	2,002,101	-	500,525	2,002,101	2,502,626	663,090	1,839,536				1996(A)	
KDI-METRO CROSSING	3,013,647	-	23,890,355	2,294,414	24,609,588	26,904,002	-	26,904,002	19,829,047			2006(C)	
SOUTHDALE SHOPPING CENTER	1,720,330	6,916,294	3,037,170	1,720,330	9,953,464	11,673,794	2,047,026	9,626,768	2,847,162			1999(A)	
DES MOINES	500,525	2,559,019	37,079	500,525	2,596,098	3,096,623	838,040	2,258,583				1996(A)	
DUBUQUE	-	2,152,476	10,848	-	2,163,324	2,163,324	617,610	1,545,714				1997(A)	
WATERLOO	500,525	2,002,101	2,869,100	500,525	4,871,201	5,371,726	5,520	5,366,206				1996(A)	
NAMPA (HORSHAM) FUTURE DEV.	6,501,240	-	11,919,815	10,874,179	7,546,876	18,421,055	1,649,342	16,771,713	12,092,632			2005(C)	
AURORA, N. LAKE	2,059,908	9,531,721	308,208	2,059,908	9,839,929	11,899,837	2,562,752	9,337,085				1998(A)	
BLOOMINGTON	805,521	2,222,353	5,325,672	805,521	7,548,025	8,353,546	4,547,862	3,805,684				1972(C)	
BELLEVILLE, WESTFIELD PLAZA	-	5,372,253	65,163	-	5,437,416	5,437,416	1,435,123	4,002,293				1998(A)	
BRADLEY	500,422	2,001,687	424,877	500,422	2,426,564	2,926,986	775,980	2,151,006				1996(A)	
CALUMET CITY	1,479,217	8,815,760	13,397,758	1,479,216	22,213,519	23,692,735	3,576,521	20,116,214				1997(A)	
COUNTRYSIDE	-	4,770,671	1,137,295	1,101,670	4,806,296	5,907,966	1,341,823	4,566,143				1997(A)	
CHICAGO	-	2,687,046	684,690	-	3,371,736	3,371,736	914,007	2,457,729				1997(A)	
CHAMPAIGN, NEIL ST.	230,519	1,285,460	725,493	230,519	2,010,953	2,241,472	382,149	1,859,323				1998(A)	
ELSTON	1,010,375	5,692,211	-	1,010,375	5,692,211	6,702,586	1,508,051	5,194,535				1997(A)	
S. CICERO	-	1,541,560	149,202	-	1,690,762	1,690,762	486,232	1,204,530				1997(A)	
CRYSTAL LAKE, NW HWY	179,964	1,025,811	120,440	180,269	1,145,946	1,326,215	297,828	1,028,387				1998(A)	
108 WEST GERMANIA PLACE	2,393,894	7,366,681	375,162	2,393,894	7,741,844	10,135,737	-	10,135,737				2008(A)	
168 NORTH MICHIGAN AVENUE	3,373,318	10,119,953	625,963	3,373,318	10,745,915	14,119,233	-	14,119,233				2008(A)	
BUTTERFIELD SQUARE	1,601,960	6,637,926	(3,480,427)	1,182,677	3,576,782	4,759,459	1,043,546	3,715,912				1998(A)	
DOWNERS PARK PLAZA	2,510,455	10,164,494	630,953	2,510,455	10,795,448	13,305,903	2,843,030	10,462,873				1999(A)	
DOWNER GROVE	811,778	4,322,956	1,740,669	811,778	6,063,624	6,875,403	1,630,658	5,244,744				1997(A)	
ELGIN	842,555	2,108,674	1,528,114	527,168	3,952,174	4,479,343	2,658,847	1,820,496				1972(C)	

PROPERTIES	INITIAL COST		SUBSEQUENT TO ACQUISITION	BUILDING & IMPROVEMENT		TOTAL	ACCUMULATED DEPRECIATION	TOTAL COST, NET OF ACCUMULATED DEPRECIATION		ENCUMBRANCES	DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT		LAND	BUILDING & IMPROVEMENT						
FOREST PARK	-	2,335,884	-	-	2,335,884	2,335,884	674,191	1,661,692			1997(A)
FAIRVIEW HTS, BELLVILLE RD.	-	11,866,880	1,906,567	-	13,773,447	13,773,447	3,468,512	10,304,935			1998(A)
GENEVA	500,422	12,917,712	85,521	500,422	13,003,233	13,503,655	3,583,761	9,919,894	8,568,108		1996(A)
LAKE ZURICH PLAZA	233,698	1,265,023	4,168,145	233,698	5,433,168	5,666,866	-	5,666,866	2,483,687		2005(A)
MATTERSON	950,515	6,292,319	10,527,541	950,514	16,819,861	17,770,375	3,783,376	13,986,998			1997(A)
MT. PROSPECT	1,017,345	6,572,176	3,555,566	1,017,345	10,127,741	11,145,087	2,743,788	8,401,298			1997(A)
MUNDELEIN, S. LAKE	1,127,720	5,826,129	77,350	1,129,634	5,901,565	7,031,199	1,571,136	5,460,064			1998(A)
NORRIDGE	-	2,918,315	-	-	2,918,315	2,918,315	836,663	2,081,652			1997(A)
NAPERVILLE	669,483	4,464,998	80,672	669,483	4,545,670	5,215,153	1,253,873	3,961,280			1997(A)
OTTAWA	137,775	784,269	700,540	137,775	1,484,809	1,622,584	993,427	629,157			2008(A)
ORLAND PARK, S. HARLEM	476,972	2,764,775	1,138,940	476,972	3,903,714	4,380,687	943,314	3,437,372			1998(A)
OAK LAWN	1,530,111	8,776,631	428,262	1,530,111	9,204,894	10,735,004	2,531,517	8,203,487	13,750,014		1997(A)
OAKBROOK TERRACE	1,527,188	8,679,108	2,984,607	1,527,188	11,663,715	13,190,903	2,851,915	10,338,988			1997(A)
PEORIA	-	5,081,290	2,403,560	-	7,484,850	7,484,850	1,880,344	5,604,506			1997(A)
FREESTATE BOWL	252,723	998,099	-	252,723	998,099	1,250,822	428,159	822,663			2003(A)
ROCKFORD CROSSING	4,575,990	11,654,021	-	4,575,990	11,654,021	16,230,011	789,108	15,440,903	11,286,777		2008(A)
ROUND LAKE BEACH PLAZA	790,129	1,634,148	534,312	790,129	2,168,460	2,958,589	98,220	2,860,368			2005(A)
SKOKIE	-	2,276,360	9,488,382	2,628,440	9,136,303	11,764,742	1,812,867	9,951,876	7,013,609		1997(A)
KRC STREAMWOOD	181,962	1,057,740	216,585	181,962	1,274,324	1,456,287	311,339	1,144,947			1998(A)
WOODGROVE FESTIVAL	5,049,149	20,822,993	2,540,473	5,049,149	23,363,466	28,412,615	6,105,973	22,306,642			1998(A)
WAUKEGAN PLAZA	349,409	883,975	2,202,841	349,409	3,086,816	3,436,225	-	3,436,225			2005(A)
PLAZA EAST	1,236,149	4,944,597	3,197,217	1,140,849	8,237,114	9,377,963	2,357,230	7,020,732			1995(A)
GREENWOOD	423,371	1,883,421	1,980,964	584,445	3,703,311	4,287,756	2,728,376	1,559,380			1970(C)
GRIFFITH	-	2,495,820	981,912	1,001,100	2,476,632	3,477,732	721,179	2,756,552			1997(A)
LAFAYETTE	230,402	1,305,943	169,272	230,402	1,475,215	1,705,617	1,361,425	344,192			1971(C)
LAFAYETTE	812,810	3,252,269	4,039,886	2,379,198	5,725,767	8,104,965	1,464,701	6,640,264			1997(A)
KRC MISHAWAKA 895	378,088	1,999,079	3,956,694	378,730	5,955,130	6,333,861	533,100	5,800,761			1998(A)
MERRILLVILLE PLAZA	197,415	765,630	276,701	197,415	1,042,331	1,239,746	13,444	1,226,302			2005(A)
SOUTH BEND, S. HIGH ST.	183,463	1,070,401	196,857	183,463	1,267,258	1,450,721	314,999	1,135,722			1998(A)
OVERLAND PARK	1,183,911	6,335,308	142,374	1,185,906	6,475,686	7,661,593	1,690,186	5,971,407			1998(A)
BELLEVUE	405,217	1,743,573	218,844	405,217	1,962,416	2,367,634	1,798,696	568,938			1976(A)
LEXINGTON	1,675,031	6,848,209	5,413,088	1,551,079	12,385,249	13,936,328	4,636,456	9,299,872			1993(A)
PADUCAH MALL, KY	-	924,085	-	-	924,085	924,085	336,087	587,999			1998(A)
HAMMOND AIR PLAZA	3,813,873	15,260,609	1,913,436	3,813,873	17,174,046	20,987,918	4,981,220	16,006,698			1997(A)

PROPERTIES	INITIAL COST		SUBSEQUENT TO ACQUISITION	BUILDING & IMPROVEMENT		TOTAL	ACCUMULATED DEPRECIATION	TOTAL COST, NET OF ACCUMULATED DEPRECIATION		ENCUMBRANCES	DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT		LAND	BUILDING & IMPROVEMENT						
KIMCO HOUMA 274, LLC	1,980,000	7,945,784	313,024	1,980,000	8,258,808	10,238,808	1,912,389	8,326,419			1999(A)
CENTRE AT WESTBANK	9,554,230	24,401,082	-	9,554,230	24,401,082	33,955,313	1,458,569	32,496,743	21,134,221		2008(A)
LAFAYETTE	2,115,000	8,508,218	9,501,396	3,678,274	16,446,339	20,124,614	-	20,124,614			1997(A)
111-115 NEWBURY	3,551,989	10,819,763	380,408	3,551,989	11,200,171	14,752,160	4,285,830	10,466,329			2007(A)
493-495 COMMONWEALTH AVENUE	1,151,947	5,798,705	(1,935,940)	746,940	4,267,773	5,014,713	-	5,014,713			2008(A)
127-129 NEWBURY LLC	2,947,063	8,841,188	369,792	2,947,063	9,210,979	12,158,042	-	12,158,042			2007(A)
497 COMMONWEALTH AVE.	405,007	1,196,594	628,194	405,007	1,824,788	2,229,795	-	2,229,795			2008(A)
GREAT BARRINGTON	642,170	2,547,830	7,255,207	751,124	9,694,083	10,445,207	2,819,762	7,625,445			1994(A)
SHREWSBURY SHOPPING CENTER	1,284,168	5,284,853	4,574,613	1,284,168	9,859,466	11,143,633	1,942,200	9,201,434			2000(A)
WILDE LAKE	1,468,038	5,869,862	101,365	1,468,038	5,971,227	7,439,265	1,056,316	6,382,949			2002(A)
LYNX LANE	1,019,035	4,091,894	76,423	1,019,035	4,168,317	5,187,352	756,981	4,430,372			2002(A)
CLINTON BANK BUILDING	82,967	362,371	-	82,967	362,371	445,338	221,551	223,787			2003(A)
CLINTON BOWL	39,779	130,716	4,247	38,779	135,963	174,742	65,937	108,806			2003(A)
VILLAGES AT URBANA	3,190,074	6,067	10,538,379	4,828,774	8,905,747	13,734,520	75,483	13,659,038			2003(A)
GAITHERSBURG	244,890	6,787,534	230,545	244,890	7,018,079	7,262,969	1,630,825	5,632,144			1999(A)
HAGERSTOWN	541,389	2,165,555	3,380,081	541,389	5,545,637	6,087,025	2,689,533	3,397,492			1973(C)
SHAWAN PLAZA	4,466,000	20,222,367	5,925	4,466,000	20,228,292	24,694,292	4,695,867	19,998,425	11,535,735		2008(A)
LAUREL	349,562	1,398,250	1,023,918	349,562	2,422,168	2,771,730	1,030,524	1,741,206			1995(A)
LAUREL	274,580	1,100,968	283,421	274,580	1,384,389	1,658,969	1,336,795	322,174			1972(C)
LANDOVER CENTER	-	-	57,007	57,007	-	57,007	-	57,007			2003(A)
SOUTHWEST MIXED USE PROPERTY	403,034	1,325,126	306,510	361,035	1,673,635	2,034,670	711,713	1,322,957			2003(A)
NORTH EAST STATION	869,385	-	-	869,385	-	869,385	-	869,385			2008(A)
OWINGS MILLS PLAZA	303,911	1,370,221	(160,247)	303,911	1,209,973	1,513,885	641	1,513,244			2005(A)
PERRY HALL	3,339,309	12,377,339	942,171	3,339,309	13,319,510	16,658,819	3,072,999	13,585,820			2003(A)
TIMONIUM SHOPPING CENTER	6,000,000	24,282,998	14,531,906	7,331,195	37,483,709	44,814,904	10,869,947	33,944,957	7,910,308		2003(A)
WALDORF BOWL	225,099	739,362	84,327	235,099	813,688	1,048,787	245,458	803,330			2003(A)
WALDORF FIRESTONE	57,127	221,621	-	57,127	221,621	278,749	68,848	209,901			2003(A)
BANGOR, ME	403,833	1,622,331	93,752	403,833	1,716,083	2,119,916	307,241	1,812,675			2001(A)
MALLSIDE PLAZA	6,930,996	18,148,727	-	6,930,996	18,148,727	25,079,723	2,112,229	22,967,494	15,223,681		2008(A)
CLAWSON	1,624,771	6,578,142	8,567,622	1,624,771	15,145,765	16,770,535	3,449,417	13,321,118			1993(A)
WHITE LAKE	2,300,050	9,249,607	2,078,887	2,300,050	11,328,494	13,628,544	3,523,980	10,104,564			1996(A)
CANTON TWP PLAZA	163,740	926,150	5,249,730	163,740	6,175,879	6,339,620	130,290	6,209,330			2005(A)
CLINTON TWP PLAZA	175,515	714,279	1,195,597	175,515	1,909,875	2,085,390	195,475	1,889,915			2005(A)
DEARBORN HEIGHTS PLAZA	162,319	497,791	(189,266)	135,889	334,955	470,844	-	470,844			2005(A)



PROPERTIES	INITIAL COST		SUBSEQUENT TO ACQUISITION	BUILDING & IMPROVEMENT		TOTAL	ACCUMULATED DEPRECIATION	TOTAL COST, NET OF ACCUMULATED DEPRECIATION		ENCUMBRANCES	DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT		LAND	IMPROVEMENT						
FARMINGTON	1,098,426	4,525,723	3,172,458	1,098,426	7,698,181	8,796,607	2,606,021	6,190,586			1993(A)
LIVONIA	178,785	925,818	1,160,112	178,785	2,085,930	2,264,715	910,708	1,354,007			1968(C)
MUSKEGON	391,500	958,500	825,035	391,500	1,783,535	2,175,035	1,539,336	635,700			1985(A)
OKEMOS PLAZA	166,706	591,193	1,122,060	166,706	1,713,252	1,879,959	25,920	1,854,038	715,801		2005(A)
TAYLOR	1,451,397	5,806,263	275,289	1,451,397	6,081,552	7,532,949	2,334,095	5,198,855			1993(A)
WALKER	3,682,478	14,730,060	2,073,718	3,682,478	16,803,778	20,486,256	6,176,914	14,309,342			1993(A)
EDEN PRAIRIE PLAZA	882,596	911,373	559,411	882,596	1,470,784	2,353,380	47,818	2,305,561			2005(A)
FOUNTAINS AT ARBOR LAKES	28,585,296	66,699,024	8,157,765	28,585,296	74,856,788	103,442,084	4,543,434	98,898,650			2006(A)
ROSEVILLE PLAZA	132,842	957,340	4,676,301	132,842	5,633,641	5,766,483	98,931	5,667,552			2005(A)
ST. PAUL PLAZA	699,916	623,966	170,050	699,916	794,016	1,493,932	24,719	1,469,213			2005(A)
BRIDGETON	-	2,196,834	-	-	2,196,834	2,196,834	633,732	1,563,101			1997(A)
CREVE COEUR, WOODCREST/OLIVE	1,044,598	5,475,623	615,905	960,814	6,175,312	7,136,126	1,637,344	5,498,782			1998(A)
CRYSTAL CITY, MI	-	234,378	-	-	234,378	234,378	61,258	173,120			1997(A)
INDEPENDENCE, NOLAND DR.	1,728,367	8,951,101	23,846	1,731,300	8,972,014	10,703,314	2,420,491	8,282,824			1998(A)
NORTH POINT SHOPPING CENTER	1,935,380	7,800,746	333,350	1,935,380	8,134,096	10,069,476	2,065,687	8,003,789			1998(A)
KIRKWOOD	-	9,704,005	11,311,158	-	21,015,163	21,015,163	6,742,371	14,272,791			1998(A)
KANSAS CITY	574,777	2,971,191	274,976	574,777	3,246,167	3,820,944	911,957	2,908,986			1997(A)
LEMAY	125,879	503,510	3,767,981	451,155	3,946,215	4,397,370	755,329	3,642,041			1974(C)
GRAVOIS	1,032,416	4,455,514	10,964,528	1,032,412	15,420,046	16,452,458	6,630,360	9,822,098			2008(A)
ST. CHARLES-UNDERDEVELOPED LAND, MO	431,960	-	758,854	431,960	758,855	1,190,814	151,732	1,039,083			1998(A)
SPRINGFIELD	2,745,595	10,985,778	5,973,003	2,904,022	16,800,354	19,704,376	5,147,113	14,557,263			1994(A)
KMART PARCEL	905,674	3,666,386	4,933,942	905,674	8,600,328	9,506,001	1,374,421	8,131,580	2,348,156		2002(A)
KRC ST. CHARLES	-	550,204	-	-	550,204	550,204	141,078	409,126			1998(A)
ST. LOUIS, CHRISTY BLVD.	809,087	4,430,514	2,041,041	809,087	6,471,555	7,280,642	1,468,068	5,812,575			1998(A)
OVERLAND	-	4,928,677	723,008	-	5,651,686	5,651,686	1,586,878	4,064,808			1997(A)
ST. LOUIS	-	5,756,736	849,684	-	6,606,420	6,606,420	1,846,992	4,759,428			1997(A)
ST. LOUIS	-	2,766,644	143,298	-	2,909,942	2,909,942	823,442	2,086,500			1997(A)
ST. PETERS	1,182,194	7,423,459	7,008,779	1,053,694	14,560,738	15,614,432	6,559,826	9,054,605			1997(A)
SPRINGFIELD, GLENSTONE AVE.	-	608,793	1,815,983	-	2,424,776	2,424,776	511,336	1,913,440			1998(A)
KDI-TURTLE CREEK	11,535,281	-	32,252,199	10,150,881	33,636,599	43,787,480	367,819	43,419,660	30,140,815		2004(C)
CHARLOTTE	919,251	3,570,981	1,074,184	919,251	4,645,165	5,564,416	1,567,945	3,996,471			2008(A)
CHARLOTTE	1,783,400	7,139,131	989,689	1,783,400	8,128,820	9,912,220	3,065,410	6,846,810			1993(A)
TYVOLA RD.	-	4,736,345	5,917,962	-	10,654,307	10,654,307	6,351,252	4,303,055			1986(A)
CROSSROADS PLAZA	767,864	3,098,881	34,566	767,864	3,133,447	3,901,310	695,270	3,206,040			2000(A)

PROPERTIES	INITIAL COST			SUBSEQUENT TO ACQUISITION	BUILDING & IMPROVEMENT		TOTAL	ACCUMULATED DEPRECIATION	TOTAL COST, NET OF ACCUMULATED DEPRECIATION		ENCUMBRANCES	DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT	LAND		BUILDING & IMPROVEMENT	TOTAL			ENCUMBRANCES			
KIMCO CARY 696, INC.	2,180,000	8,756,865	441,126	2,256,799	9,121,193	11,377,991	2,480,181	8,897,810			1998(A)	
LONG CREEK S.C.	4,475,000	-	2,263,532	4,475,000	2,263,532	6,738,532	-	6,738,532	4,299,848		2008(A)	
DURHAM	1,882,800	7,551,576	1,602,386	1,882,800	9,153,962	11,036,762	2,864,050	8,172,711			1996(A)	
HILLSBOROUGH CROSSING	519,395	-	-	519,395	-	519,395	-	519,395			2003(A)	
SHOPPES AT MIDWAY PLANTATION	6,681,212	-	18,973,916	5,403,673	20,251,455	25,655,128	271,338	25,383,790	23,274,374		2005(C)	
PARK PLACE	5,461,479	16,163,494	-	5,461,479	16,163,494	21,624,973	884,995	20,739,978	13,821,500		2008(A)	
MOORESVILLE CROSSING	12,013,727	30,604,173	(882,021)	11,625,801	30,110,078	41,735,879	1,435,097	40,300,783			2007(A)	
RALEIGH	5,208,885	20,885,792	11,816,275	5,208,885	32,702,067	37,910,952	9,635,948	28,275,004			1993(A)	
WAKEFIELD COMMONS II	6,506,450	-	(2,708,102)	2,357,636	1,440,712	3,798,348	19,506	3,778,842			2001(C)	
WAKEFIELD CROSSINGS	3,413,932	-	(3,020,914)	336,236	56,783	393,019	-	393,019			2001(C)	
EDGEWATER PLACE	3,150,000	-	9,989,496	3,062,768	10,076,728	13,139,496	167,536	12,971,960	10,430,000		2003(C)	
WINSTON-SALEM	540,667	719,655	5,064,519	540,667	5,784,174	6,324,841	2,564,550	3,760,291			1969(C)	
SORENSEN PARK PLAZA	5,104,294	-	32,512,824	4,145,628	33,471,490	37,617,118	-	37,617,118			2005(C)	
LORDEN PLAZA	8,872,529	22,548,382	-	8,872,529	22,548,382	31,420,911	586,979	30,833,932	23,704,437		2008(A)	
NEW LONDON CENTER	4,323,827	10,088,930	1,221,595	4,323,827	11,310,525	15,634,352	1,323,847	14,310,505			2005(A)	
ROCKINGHAM	2,660,915	10,643,660	11,307,148	3,148,715	21,463,008	24,611,723	6,672,900	17,938,823			2008(A)	
BRIDGEWATER NJ	1,982,481	(3,666,959)	9,262,382	1,982,481	5,595,423	7,577,904	2,891,728	4,686,176			1998(C)	
BAYONNE BROADWAY	1,434,737	3,347,719	2,825,469	1,434,737	6,173,188	7,607,924	735,246	6,872,678			2004(A)	
BRICKTOWN PLAZA	344,884	1,008,941	(307,857)	344,884	701,084	1,045,968	-	1,045,968			2005(A)	
BRIDGEWATER PLAZA	350,705	1,361,524	297,774	350,705	1,659,298	2,010,003	-	2,010,003			2005(A)	
CHERRY HILL	2,417,583	6,364,094	1,581,276	2,417,583	7,945,370	10,362,953	5,111,744	5,251,209			1985(C)	
MARLTON PIKE	-	4,318,534	41,342	-	4,359,876	4,359,876	1,367,194	2,992,682			1996(A)	
CINNAMINSON	652,123	2,608,491	2,456,671	652,123	5,065,162	5,717,285	1,901,715	3,815,570			1996(A)	
EASTWINDOR VILLAGE	9,335,011	23,777,978	-	9,335,011	23,777,978	33,112,989	455,966	32,657,023	19,762,615		2008(A)	
HILLSBOROUGH	11,886,809	-	(6,880,755)	5,006,054	-	5,006,054	-	5,006,054			2001(C)	
HOLMDEL TOWNE CENTER	10,824,624	43,301,494	3,148,676	10,824,624	46,450,170	57,274,794	6,983,919	50,290,875			2002(A)	
HOLMDEL COMMONS	16,537,556	38,759,952	3,725,471	16,537,556	42,485,423	59,022,979	7,248,515	51,774,464			2004(A)	
HOWELL PLAZA	311,384	1,143,159	4,870,779	311,384	6,013,938	6,325,322	61,326	6,263,997			2005(A)	
KENVILLE PLAZA	385,907	1,209,864	94	385,907	1,209,958	1,595,865	72,473	1,523,392			2005(A)	
STRAUSS DISCOUNT AUTO	1,225,294	91,203	1,552,740	1,228,794	1,640,443	2,869,237	229,118	2,640,119			2002(A)	
NORTH BRUNSWICK	3,204,978	12,819,912	15,816,956	3,204,978	28,636,868	31,841,846	8,529,050	23,312,795			1994(A)	
PISCATAWAY TOWN CENTER	3,851,839	15,410,851	532,195	3,851,839	15,943,046	19,794,885	4,280,309	15,514,576			1998(A)	
RIDGEWOOD	450,000	2,106,566	1,015,675	450,000	3,122,241	3,572,241	984,769	2,587,472			1993(A)	
SEA GIRT PLAZA	457,039	1,308,010	311,526	457,039	1,619,536	2,076,575	42,327	2,034,248			2005(A)	

PROPERTIES	INITIAL COST		SUBSEQUENT TO ACQUISITION	BUILDING TO IMPROVEMENT		TOTAL	ACCUMULATED DEPRECIATION	TOTAL COST, NET OF ACCUMULATED DEPRECIATION		ENCUMBRANCES	DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT		LAND	IMPROVEMENT						
UNION CRESCENT	7,895,483	3,010,640	22,916,200	8,696,579	25,125,744	33,822,323	108,983	33,713,340			2007(A)
WESTMONT	601,655	2,404,604	9,269,829	601,655	11,674,433	12,276,088	3,488,781	8,787,307			1994(A)
WEST LONG BRANCH PLAZA	64,976	1,700,782	183,794	64,976	1,884,576	1,949,552	-	1,949,552			2005(A)
SYCAMORE PLAZA	1,404,443	5,613,270	258,750	1,404,443	5,872,020	7,276,463	1,691,739	5,584,724			1998(A)
PLAZA PASEO DEL-NORTE	4,653,197	18,633,584	693,707	4,653,197	19,327,291	23,980,488	5,247,984	18,732,503			1998(A)
JUAN TABO, ALBUQUERQUE	1,141,200	4,566,817	337,499	1,141,200	4,904,316	6,045,516	1,310,594	4,734,923			1998(A)
COMP USA CENTER	2,581,908	5,798,092	401,504	2,581,908	6,199,596	8,781,504	3,279,385	5,502,119	3,366,462		2006(A)
DEL MONTE PLAZA	2,489,429	5,590,415	525,605	2,210,000	6,395,449	8,605,450	757,924	7,847,526	4,439,386		2006(A)
D'ANDREA MARKETPLACE	11,556,067	29,435,364	-	11,556,067	29,435,364	40,991,432	1,267,798	39,723,634	16,350,652		2007(A)
KEY BANK BUILDING	1,500,000	40,486,755	-	1,500,000	40,486,755	41,986,755	4,454,488	37,532,267	28,936,115		2006(A)
BRIDGEHAMPTON	1,811,752	3,107,232	23,879,812	1,858,188	26,940,607	28,798,796	12,318,665	16,480,131			1972(C)
TWO GUYS AUTO GLASS	105,497	436,714	-	105,497	436,714	542,211	64,408	477,802			2003(A)
GENOVESE DRUG STORE	564,097	2,268,768	-	564,097	2,268,768	2,832,865	335,047	2,497,818			2003(A)
KINGS HIGHWAY	2,743,820	6,811,268	1,346,027	2,743,820	8,157,294	10,901,115	1,255,837	9,645,277			2004(A)
HOMEPORT-RALPH AVENUE	4,414,466	11,339,857	3,155,773	4,414,467	14,495,630	18,910,097	1,728,967	17,181,130	5,788,539		2004(A)
BELLMORE	1,272,269	3,183,547	381,803	1,272,269	3,565,350	4,837,619	512,523	4,325,095	732,512		2004(A)
STRAUSS CASTLE HILL PLAZA	310,864	725,350	241,828	310,864	967,178	1,278,042	105,878	1,172,164			2005(A)
STRAUSS UTICA AVENUE	347,633	811,144	270,431	347,633	1,081,575	1,429,208	118,401	1,310,808			2005(A)
MARKET AT BAY SHORE	12,359,621	30,707,802	590,385	12,359,621	31,298,187	43,657,808	4,504,766	39,153,042			2006(A)
BARNES AVE & GUN HILL ROAD	6,795,371	-	2,730	6,798,101	-	6,798,101	-	6,798,101			2007(A)
231 STREET	3,565,239	-	-	3,565,239	-	3,565,239	-	3,565,239			2007(A)
5959 BROADWAY	6,035,726	-	890,683	6,035,726	890,683	6,926,409	-	6,926,409	4,875,000		2008(A)
KING KULLEN PLAZA	5,968,082	23,243,404	1,053,452	5,980,130	24,284,808	30,264,938	7,063,980	23,200,958			1998(A)
KDI CENTRAL ISLIP TOWN CENTER	13,733,950	1,266,050	550,768	5,088,852	10,461,916	15,550,768	82,858	15,467,911	9,380,000		2004(C)
PATHMARK SC	6,714,664	17,359,161	426,929	6,714,664	17,786,100	24,500,764	1,611,137	22,889,627	7,217,824		2006(A)
BIRCHWOOD PLAZA COMMACK	3,630,000	4,774,791	26,302	3,630,000	4,801,093	8,431,093	385,939	8,045,155			2007(A)
ELMONT	3,011,658	7,606,066	2,204,704	3,011,658	9,810,769	12,822,428	1,360,297	11,462,131	3,313,818		2004(A)
FRANKLIN SQUARE	1,078,541	2,516,581	2,641,095	1,078,541	5,157,676	6,236,217	605,584	5,630,633			2004(A)
KISSENA BOULEVARD SC	11,610,000	2,933,487	1,519	11,610,000	2,935,006	14,545,006	440,214	14,104,792			2007(A)
HAMPTON BAYS	1,495,105	5,979,320	1,464,586	1,495,105	7,443,906	8,939,011	3,715,894	5,223,116			1989(A)
HICKSVILLE	3,542,739	8,266,375	1,142,648	3,542,739	9,409,023	12,951,762	1,315,825	11,635,937			2004(A)
100 WALT WHITMAN ROAD	5,300,000	8,167,577	1,968	5,300,000	8,169,545	13,469,545	656,332	12,813,213			2007(A)
BP AMOCO GAS STATION	1,110,593	-	539	1,110,593	539	1,111,131	-	1,111,131			2007(A)
STRAUSS LIBERTY AVENUE	305,969	713,927	238,695	305,969	952,623	1,258,591	103,540	1,155,052			2005(A)

PROPERTIES	INITIAL COST			LAND	BUILDING & IMPROVEMENT		TOTAL	ACCUMULATED DEPRECIATION	TOTAL COST, NET OF ACCUMULATED DEPRECIATION		ENCUMBRANCES	DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT	SUBSEQUENT TO ACQUISITION		LAND	BUILDING & IMPROVEMENT						
BIRCHWOOD PLAZA (NORTH & SOUTH)	12,368,330	33,071,495	235,087	12,368,330	33,306,582	45,674,912	1,839,369	43,835,543				2007(A)
501 NORTH BROADWAY	-	1,175,543	607	-	1,176,150	1,176,150	181,471	994,679				2007(A)
MERRYLANE (P/L)	1,485,531	1,749	539	1,485,531	2,288	1,487,819	50	1,487,769				2007(A)
DOUGLASTON SHOPPING CENTER	3,277,254	13,161,218	3,127,094	3,277,254	16,288,312	19,565,566	1,953,406	17,612,160				2003(A)
STRAUSS MERRICK BLVD	450,582	1,051,359	351,513	450,582	1,402,872	1,853,454	153,574	1,699,881				2005(A)
MANHASSET VENTURE LLC	4,567,003	19,165,808	25,677,593	4,421,939	44,988,465	49,410,404	10,549,444	38,860,960				1999(A)
MASPETH QUEENS-DUANE READE	1,872,013	4,827,940	933,480	1,872,013	5,761,419	7,633,432	754,878	6,878,555	2,632,896			2004(A)
MASSAPEQUA	1,880,816	4,388,549	964,761	1,880,816	5,353,310	7,234,126	824,760	6,409,365				2004(A)
BIRCHWOOD PARK DRIVE (LAND LOT)	3,507,162	4,126	782	3,507,406	4,665	3,512,071	117	3,511,954				2007(A)
367-369 BLEEKER STREET	1,425,000	4,958,097	(4,604,498)	368,147	1,410,451	1,778,599	99,998	1,678,601				2008(A)
92 PERRY STREET	2,106,250	6,318,750	(4,294,055)	614,302	3,516,643	4,130,945	260,740	3,870,205				2008(A)
82 CHRISTOPHER STREET	972,813	2,974,676	293,021	925,000	3,315,509	4,240,509	271,325	3,969,184	3,007,062			2005(A)
387 BLEEKER STREET	925,000	3,056,933	80,812	925,000	3,137,745	4,062,745	228,488	3,834,257	2,933,897			2008(A)
19 GREENWICH STREET	1,262,500	3,930,801	178,232	1,262,500	4,109,032	5,371,532	240,520	5,131,012	4,038,855			2006(A)
PREF. EQUITY 100 VANDAM	5,125,000	16,143,321	629,471	6,419,540	15,478,253	21,897,793	948,229	20,949,563	16,400,000			2006(A)
PREF. EQUITY-30 WEST 21ST STREET	6,250,000	21,974,274	9,017,562	6,250,000	30,991,837	37,241,837	-	37,241,837	20,713,296			2007(A)
MINEOLA SC	4,150,000	7,520,692	15,872	4,150,000	7,536,565	11,686,565	691,814	10,994,751				2007(A)
4452 BROADWAY	12,412,724	-	-	12,412,724	-	12,412,724	-	12,412,724	8,700,000			2007(A)
AMERICAN MUFFLER SHOP	76,056	325,567	-	76,056	325,567	401,624	47,948	353,676				2003(A)
PLAINVIEW	263,693	584,031	9,795,918	263,693	10,379,949	10,643,642	4,314,265	6,329,376				1969(C)
POUGHKEEPSIE	876,548	4,695,659	12,728,791	876,547	17,424,450	18,300,998	7,265,984	11,035,014				1972(C)
STRAUSS JAMAICA AVENUE	1,109,714	2,589,333	596,178	1,109,714	3,185,511	4,295,225	346,160	3,949,065				2005(A)
SYOSSET, NY	106,655	76,197	1,551,676	106,655	1,627,873	1,734,528	829,512	905,016				1990(C)
STATEN ISLAND	2,280,000	9,027,951	5,287,500	2,280,000	14,315,451	16,595,451	7,508,091	9,087,359				1989(A)
STATEN ISLAND	2,940,000	11,811,964	1,095,437	3,148,424	12,698,977	15,847,401	3,551,974	12,295,427				1997(A)
STATEN ISLAND PLAZA	5,600,744	6,788,460	(2,507,303)	5,600,744	4,281,157	9,881,901	-	9,881,901				2005(A)
HYLAN PLAZA	28,723,536	38,232,267	33,501,521	28,723,536	71,733,789	100,457,325	13,721,604	86,735,720				2006(A)
STOP N SHOP STATEN ISLAND	4,558,592	10,441,408	155,848	4,558,592	10,597,256	15,155,848	2,237,642	12,918,206				2005(A)
WEST GATES	1,784,718	9,721,970	323,455	1,784,718	10,045,425	11,830,143	4,435,364	7,394,779				1993(A)
WHITE PLAINS	1,777,775	4,453,894	2,010,606	1,777,775	6,464,500	8,242,274	1,061,940	7,180,334	3,364,888			2004(A)
YONKERS	871,977	3,487,909	-	871,977	3,487,909	4,359,886	1,402,965	2,956,921				1998(A)
STRAUSS ROMAINE AVENUE	782,459	1,825,737	610,420	782,459	2,436,158	3,218,616	266,688	2,951,928				2005(A)
AKRON WATERLOO	437,277	1,912,222	4,131,997	437,277	6,044,219	6,481,496	2,656,944	3,824,551				1975(C)
WEST MARKET ST.	560,255	3,909,430	379,484	560,255	4,288,914	4,849,169	2,559,248	2,289,921				1999(A)

PROPERTIES	INITIAL COST		SUBSEQUENT TO ACQUISITION	BUILDING & IMPROVEMENT		TOTAL	ACCUMULATED DEPRECIATION	TOTAL COST, NET OF ACCUMULATED DEPRECIATION		ENCUMBRANCES	DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT		LAND	BUILDING & IMPROVEMENT						
BARBERTON	505,590	1,948,135	3,430,702	505,590	5,378,837	5,884,427	2,973,677	2,910,749			1972(C)
BRUNSWICK	771,765	6,058,560	2,116,611	771,765	8,175,171	8,946,936	5,985,101	2,961,836			1975(C)
BEAVERCREEK	635,228	3,024,722	3,053,468	635,228	6,078,190	6,713,418	4,242,297	2,471,121			1986(A)
CANTON	792,985	1,459,031	4,764,073	792,985	6,223,104	7,016,089	4,351,082	2,665,007			1972(C)
CAMBRIDGE	-	1,848,195	1,016,068	473,060	2,391,204	2,864,263	2,037,448	826,816			1973(C)
MORSE RD.	835,386	2,097,600	2,793,362	835,386	4,890,963	5,726,348	2,851,707	2,874,642			1988(A)
HAMILTON RD.	856,178	2,195,520	3,844,830	856,178	6,040,351	6,896,528	3,394,934	3,501,595			1988(A)
OLENTANGY RIVER RD.	764,517	1,833,600	2,340,830	764,517	4,174,430	4,938,947	2,923,058	2,015,889			1988(A)
W. BROAD ST.	982,464	3,929,856	3,177,920	969,804	7,120,436	8,090,240	3,933,513	4,156,728			1988(A)
RIDGE ROAD	1,285,213	4,712,358	10,644,217	1,285,213	15,356,575	16,641,788	4,732,364	11,909,424			1992(A)
GLENWAY AVE	530,243	3,788,189	527,010	530,243	4,315,198	4,845,441	2,664,482	2,180,959			1999(A)
SPRINGDALE	3,205,653	14,619,732	4,814,341	3,205,653	19,434,073	22,639,726	9,555,236	13,084,490			1992(A)
GLENWAY CROSSING	699,359	3,112,047	1,247,339	699,359	4,359,386	5,058,745	830,163	4,228,582			2000(A)
HIGHLAND RIDGE PLAZA	1,540,000	6,178,398	918,079	1,540,000	7,096,477	8,636,477	1,487,402	7,149,075			1999(A)
HIGHLAND PLAZA	702,074	667,463	76,380	702,074	743,843	1,445,917	28,367	1,417,550			2005(A)
MONTGOMERY PLAZA	530,893	1,302,656	3,225,406	530,893	4,528,062	5,058,955	46,613	5,012,342			1988(A)
SHILOH SPRING RD.	-	1,735,836	3,283,247	1,105,183	3,913,901	5,019,083	2,625,413	2,393,671			1969(C)
OAKCREEK	1,245,870	4,339,637	4,168,866	1,149,622	8,604,751	9,754,373	5,338,066	4,416,307			1984(A)
SALEM AVE.	665,314	347,818	5,443,143	665,314	5,790,961	6,456,275	3,074,028	3,382,247			1988(A)
KETTERING	1,190,496	4,761,984	716,243	1,190,496	5,478,227	6,668,723	3,309,846	3,358,877			1988(A)
KENT, OH	6,254	3,028,914	-	6,254	3,028,914	3,035,168	1,577,413	1,457,755			1999(A)
KENT	2,261,530	-	-	2,261,530	-	2,261,530	-	2,261,530			1995(A)
MENTOR	503,981	2,455,926	2,258,691	371,295	4,847,303	5,218,598	2,524,254	2,694,344			1987(A)
MIDDLEBURG HEIGHTS	639,542	3,783,096	29,683	639,542	3,812,779	4,452,321	2,262,619	2,189,702			1999(A)
MENTOR ERIE COMMONS.	2,234,474	9,648,000	5,395,316	2,234,474	15,043,316	17,277,790	7,077,536	10,200,254			1988(A)
MALLWOODS CENTER	294,232	-	1,184,543	294,232	1,184,543	1,478,775	187,635	1,291,140			1999(C)
NORTH OLMSTED	626,818	3,712,045	35,000	626,818	3,747,045	4,373,862	2,172,951	2,200,911			1999(A)
ORANGE OHIO	3,783,875	-	(2,358,060)	921,704	504,111	1,425,815	-	1,425,815			2001(C)
UPPER ARLINGTON	504,256	2,198,476	9,003,673	1,255,544	10,450,861	11,706,405	6,604,670	5,101,735			2008(A)
WICKLIFFE	610,991	2,471,965	1,717,378	713,518	4,086,816	4,800,334	1,277,373	3,522,961			1995(A)
CHARDON ROAD	481,167	5,947,751	2,475,096	481,167	8,422,846	8,904,014	3,808,952	5,095,062			1999(A)
WESTERVILLE	1,050,431	4,201,616	8,075,501	947,904	12,379,644	13,327,548	5,548,329	7,779,219			1988(A)
EDMOND	477,036	3,591,493	8,900	477,036	3,600,393	4,077,429	1,003,989	3,073,441			1997(A)
CENTENNIAL PLAZA	4,650,634	18,604,307	1,263,395	4,650,634	19,867,702	24,518,336	5,686,083	18,832,253			1998(A)

PROPERTIES	INITIAL COST			SUBSEQUENT TO ACQUISITION	BUILDING & IMPROVEMENT		TOTAL	ACCUMULATED DEPRECIATION	TOTAL COST, NET OF ACCUMULATED DEPRECIATION		ENCUMBRANCES	DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT	TOTAL		LAND	BUILDING & IMPROVEMENT			TOTAL			
KDI-MCMINNIVILLE	4,062,327	-	452,378	4,062,327	452,378	4,514,705	-	4,514,705			2006(C)	
ALLEGHENY	-	30,061,177	59,094	-	30,120,271	30,120,271	3,538,019	26,582,252			2004(A)	
SUBURBAN SQUARE	70,679,871	166,351,381	3,452,809	71,279,871	169,204,190	240,484,061	10,957,887	229,526,174	117,000,000		2007(A)	
CHIPPEWA	2,881,525	11,526,101	153,289	2,881,525	11,679,391	14,560,916	2,687,860	11,873,056	8,911,011		2000(A)	
BROOKHAVEN PLAZA	254,694	973,318	(61,414)	254,694	911,903	1,166,598	3,510	1,163,087			2005(A)	
CARNEGIE	-	3,298,908	17,747	-	3,316,655	3,316,655	765,382	2,551,273			1999(A)	
CENTER SQUARE	731,888	2,927,551	1,238,976	731,888	4,166,527	4,898,415	1,483,557	3,414,858			1996(A)	
WAYNE PLAZA	6,127,623	15,605,012	-	6,127,623	15,605,012	21,732,635	441,928	21,290,707	14,288,894		2008(A)	
CHAMBERSBURG CROSSING	9,090,288	-	25,248,075	8,790,288	25,548,075	34,338,364	655,197	33,683,167			2006(C)	
EAST STROUDSBURG	1,050,000	2,372,628	1,243,804	1,050,000	3,616,432	4,666,432	2,844,993	1,821,439			1973(C)	
RIDGE PIKE PLAZA	1,525,337	4,251,732	-	1,525,337	4,251,732	5,777,069	171,256	5,605,813			2008(A)	
EXTON	176,666	4,895,360	-	176,666	4,895,360	5,072,026	1,129,699	3,942,328			1999(A)	
EXTON	731,888	2,927,551	-	731,888	2,927,551	3,659,439	925,807	2,733,632			1996(A)	
EASTWICK	889,001	2,762,888	3,074,728	889,001	5,837,616	6,726,617	1,672,285	5,054,332	4,465,434		1997(A)	
EXTON PLAZA	294,378	1,404,778	1,064,664	294,378	2,469,442	2,763,820	23,845	2,739,976			2005(A)	
FEASTERVILLE	520,521	2,082,083	38,691	520,521	2,120,774	2,641,295	657,623	1,983,672			1996(A)	
GETTYSBURG	74,626	671,630	101,519	74,626	773,149	847,775	747,005	100,770			1986(A)	
HARRISBURG, PA	452,888	6,665,238	3,961,636	452,888	10,626,874	11,079,762	5,786,684	5,293,077			2002(A)	
HAMBURG	439,232	-	2,023,428	494,982	1,967,677	2,462,660	341,125	2,121,535	2,349,818		2000(C)	
HAVERTOWN	731,888	2,927,551	-	731,888	2,927,551	3,659,439	925,807	2,733,632			1996(A)	
NORRISTOWN	686,134	2,664,535	3,355,299	774,084	5,931,884	6,705,968	3,817,006	2,888,962			1984(A)	
NEW KENSINGTON	521,945	2,548,322	676,040	521,945	3,224,362	3,746,307	2,846,157	900,150			1986(A)	
PHILADELPHIA	731,888	2,927,551	-	731,888	2,927,551	3,659,439	925,807	2,733,632			1996(A)	
GALLERY, PHILADELPHIA PA	-	-	42,000	-	42,000	42,000	11,308	30,692			1996(A)	
PHILADELPHIA PLAZA	209,197	1,373,843	14,888	209,197	1,388,731	1,597,928	-	1,597,928			2005(A)	
STRAUSS WASHINGTON AVENUE	424,659	990,872	468,821	424,659	1,459,693	1,884,352	159,853	1,724,499			2005(A)	
35 NORTH 3RD LLC	451,789	3,089,294	915,421	451,789	4,004,714	4,456,503	-	4,456,503			2007(A)	
1628 WALNUT STREET	912,686	2,747,260	83,106	912,686	2,830,366	3,743,052	-	3,743,052			2007(A)	
1701 WALNUT STREET	3,066,099	9,558,521	2,397,736	3,066,099	11,956,256	15,022,356	-	15,022,356			2007(A)	
120-122 MARKET STREET	752,309	2,707,474	709,276	912,076	3,256,983	4,169,058	-	4,169,058			2007(A)	
242-244 MARKET STREET	704,263	2,117,182	24,654	704,263	2,141,836	2,846,098	-	2,846,098			2007(A)	
1401 WALNUT ST LOWER ESTATE - UNIT A	-	7,001,199	9,928	-	7,011,126	7,011,126	370,599	6,640,527			2008(A)	
1401 WALNUT ST LOWER ESTATE - UNIT B	-	32,081,992	2,595,890	-	34,677,883	34,677,883	908,990	33,768,893			2008(A)	
1831-33 CHESTNUT STREET	1,982,143	5,982,231	127,689	1,982,143	6,109,920	8,092,063	-	8,092,063			2007(A)	

PROPERTIES	INITIAL COST			LAND	BUILDING & IMPROVEMENT	TOTAL	ACCUMULATED DEPRECIATION	TOTAL COST, NET OF ACCUMULATED DEPRECIATION	ENCUMBRANCES	DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT	SUBSEQUENT TO ACQUISITION							
1429 WALNUT STREET-COMMERCIAL	5,881,640	17,796,661	521,682	5,881,640	18,318,343	24,199,983	470,531	23,729,452	7,031,424	2008(A)
1805 WALNUT STREET UNIT A	-	17,311,529	-	-	17,311,529	17,311,529	-	17,311,529		2008(A)
RICHBORO	788,761	3,155,044	11,839,007	976,439	14,806,373	15,782,812	7,262,008	8,520,805		1986(A)
SPRINGFIELD	919,998	4,981,589	1,796,548	920,000	6,778,135	7,698,135	5,127,267	2,570,868		1983(A)
UPPER DARBY	231,821	927,286	5,046,838	231,821	5,974,124	6,205,945	1,667,451	4,538,494	3,508,555	1996(A)
WEST MIFFLIN	1,468,342	-	-	1,468,342	-	1,468,342	-	1,468,342		1986(A)
WHITEHALL	-	5,195,577	-	-	5,195,577	5,195,577	1,643,047	3,552,531		1996(A)
E. PROSPECT ST.	604,826	2,755,314	1,038,043	604,826	3,793,357	4,398,183	2,941,262	1,456,922		1986(A)
W. MARKET ST.	188,562	1,158,307	-	188,562	1,158,307	1,346,869	1,158,307	188,562		1986(A)
REXVILLE TOWN CENTER	24,872,982	48,688,161	6,023,070	25,678,064	53,906,149	79,584,213	6,907,879	72,676,334	41,479,554	2006(A)
PLAZA CENTRO - COSTCO	3,627,973	10,752,213	1,566,477	3,866,206	12,080,457	15,946,663	2,818,703	13,127,960		2006(A)
PLAZA CENTRO - MALL	19,873,263	58,719,179	6,225,903	19,655,368	65,162,977	84,818,345	14,996,094	69,822,251		2006(A)
PLAZA CENTRO - RETAIL	5,935,566	16,509,748	2,473,680	6,026,070	18,892,924	24,918,994	4,324,136	20,594,858		2006(A)
PLAZA CENTRO - SAMS CLUB	6,643,224	20,224,758	2,379,589	6,520,090	22,727,481	29,247,571	8,952,461	20,295,110		2006(A)
LOS COLOBOS - BUILDERS SQUARE	4,404,593	9,627,903	1,389,309	4,461,145	10,960,661	15,421,806	2,568,016	12,853,789		2006(A)
LOS COLOBOS - KMART	4,594,944	10,120,147	754,523	4,402,338	11,067,275	15,469,613	2,682,857	12,786,757		2006(A)
LOS COLOBOS I	12,890,882	26,046,669	3,252,954	13,613,375	28,577,131	42,190,506	5,912,041	36,278,465		2006(A)
LOS COLOBOS II	14,893,698	30,686,556	3,274,083	15,142,301	33,706,036	48,848,337	6,908,820	41,939,517		2006(A)
WESTERN PLAZA - MAYAGUEZ ONE	10,857,773	12,252,522	1,310,001	11,241,993	13,178,304	24,420,297	2,589,014	21,831,282		2006(A)
WESTERN PLAZA - MAYAGUEZ TWO	16,874,345	19,911,045	1,640,234	16,872,648	21,552,977	38,425,624	4,328,924	34,096,701	17,594,893	2006(A)
MANATI VILLA MARIA SC	2,781,447	5,673,119	444,641	2,626,895	6,272,312	8,899,207	3,154,253	5,744,954		2006(A)
PONCE TOWN CENTER	14,432,778	28,448,754	3,773,843	15,151,981	31,503,394	46,655,375	3,196,913	43,458,462	24,183,031	2006(A)
TRUJILLO ALTO PLAZA	12,053,673	24,445,858	3,023,973	12,507,048	27,016,456	39,523,505	6,604,521	32,918,983		2006(A)
MARSHALL PLAZA, CRANSTON RI	1,886,600	7,575,302	1,683,456	1,886,600	9,258,758	11,145,358	2,488,797	8,656,561		1998(A)
CHARLESTON	730,164	3,132,092	10,179,956	730,164	13,312,048	14,042,212	3,809,226	10,232,986		1978(C)
CHARLESTON	1,744,430	6,986,094	4,204,305	1,744,430	11,190,399	12,934,829	3,413,193	9,521,636		1995(A)
FLORENCE	1,465,661	6,011,013	153,208	1,465,661	6,164,221	7,629,882	1,776,950	5,852,932		1997(A)
GREENVILLE	2,209,812	8,850,864	3,045,524	2,209,811	11,896,389	14,106,200	3,146,038	10,960,162		1997(A)
NORTH CHARLESTON	744,093	2,974,990	257,733	744,093	3,232,723	3,976,815	692,630	3,284,186	1,606,735	2000(A)
N. CHARLESTON	2,965,748	11,895,294	1,330,622	2,965,748	13,225,916	16,191,664	3,533,037	12,658,628		1997(A)
MADISON	-	4,133,904	2,753,096	-	6,887,000	6,887,000	4,935,762	1,951,238		1978(C)
HICKORY BRIDGE COMMONS	596,347	2,545,033	21,750	596,347	2,566,783	3,163,130	557,485	2,605,646		2000(A)
TROLLEY STATION	3,303,682	13,218,740	634,568	3,303,682	13,853,308	17,156,990	3,484,305	13,672,685	9,453,000	1998(A)

PROPERTIES	INITIAL COST		SUBSEQUENT TO ACQUISITION	BUILDING & IMPROVEMENT		TOTAL	ACCUMULATED DEPRECIATION	TOTAL COST, NET OF ACCUMULATED DEPRECIATION		ENCUMBRANCES	DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT		LAND	IMPROVEMENT						
RIVERGATE STATION	7,135,070	19,091,078	2,019,812	7,135,070	21,110,890	28,245,960	4,841,997	23,403,963	14,709,548		2004(A)
MARKET PLACE AT RIVERGATE	2,574,635	10,339,449	1,239,080	2,574,635	11,578,529	14,153,164	3,102,707	11,050,457			1998(A)
RIVERGATE, TN	3,038,561	12,157,408	4,373,995	3,038,561	16,531,403	19,569,964	3,795,869	15,774,095			1998(A)
CENTER OF THE HILLS, TX	2,923,585	11,706,145	769,510	2,923,585	12,475,655	15,399,240	3,363,514	12,035,727			2008(A)
ARLINGTON	3,160,203	2,285,378	-	3,160,203	2,285,378	5,445,582	653,673	4,791,908			1997(A)
DOWLEN CENTER	2,244,581	-	(820,897)	484,828	938,856	1,423,684	-	1,423,684			2002(C)
BURLESON	9,974,390	810,314	(9,429,449)	1,373,692	(18,436)	1,355,256	-	1,355,256			2000(C)
BAYTOWN	500,422	2,431,651	553,066	500,422	2,984,717	3,485,139	846,256	2,638,883			1996(A)
LAS TIENDAS PLAZA	8,678,107	-	24,818,594	7,943,925	25,552,776	33,496,701	-	33,496,701			2005(C)
CORPUS CHRISTI, TX	-	944,562	3,208,000	-	4,152,562	4,152,562	787,523	3,365,038			1997(A)
DALLAS	1,299,632	5,168,727	7,497,651	1,299,632	12,666,378	13,966,010	9,829,241	4,136,769			1969(C)
MONTGOMERY PLAZA	6,203,205	-	44,061,930	6,203,205	44,061,930	50,265,134	1,936,260	48,328,874	38,394,221		2003(C)
PRESTON LEBANON CROSSING	13,552,180	-	23,489,386	12,524,385	24,517,181	37,041,566	-	37,041,566			2006(C)
KDI-LAKE PRAIRIE TOWN CROSSING	7,897,491	-	24,949,316	7,249,802	25,597,005	32,846,807	-	32,846,807	29,290,434		2006(C)
CENTER AT BAYBROOK	6,941,017	27,727,491	4,259,363	7,063,186	31,864,685	38,927,871	7,824,573	31,103,298			1998(A)
HARRIS COUNTY	1,843,000	7,372,420	1,531,492	2,003,260	8,743,652	10,746,912	2,362,001	8,384,911			1997(A)
CYPRESS TOWNE CENTER	6,033,932	-	(2,756,477)	2,251,666	1,025,789	3,277,455	-	3,277,455			2003(C)
SHOPS AT VISTA RIDGE	3,257,199	13,029,416	378,116	3,257,199	13,407,532	16,664,731	3,645,078	13,019,653			1998(A)
VISTA RIDGE PLAZA	2,926,495	11,716,483	2,234,831	2,926,495	13,951,314	16,877,809	3,640,481	13,237,328			1998(A)
VISTA RIDGE PHASE II	2,276,575	9,106,300	182,154	2,276,575	9,288,454	11,565,029	2,400,708	9,164,321			1998(A)
SOUTH PLAINES PLAZA, TX	1,890,000	7,555,099	27,777	1,890,000	7,582,876	9,472,876	2,145,354	7,327,522			1998(A)
MESQUITE	520,340	2,081,356	897,593	520,340	2,978,950	3,499,289	989,410	2,509,879			1995(A)
MESQUITE TOWN CENTER	3,757,324	15,061,644	1,918,308	3,757,324	16,979,953	20,737,276	4,595,463	16,141,813			1998(A)
NEW BRAUNSFELS	840,000	3,360,000	-	840,000	3,360,000	4,200,000	474,781	3,725,219			2003(A)
KDI-HARMON TOWNE CROSSING	7,815,750	187,300	(1,857,498)	5,736,003	409,549	6,145,552	-	6,145,552	3,316,394		2007(C)
PARKER PLAZA	7,846,946	-	-	7,846,946	-	7,846,946	-	7,846,946			2005(C)
PLANO	500,414	2,830,835	-	500,414	2,830,835	3,331,249	883,660	2,447,589			1996(A)
SOUTHLAKE OAKS	3,011,260	7,703,844	-	3,011,260	7,703,844	10,715,104	1,609,609	9,105,496	6,409,971		2008(A)
WEST OAKS	500,422	2,001,687	26,291	500,422	2,027,978	2,528,400	666,437	1,861,963			1996(A)
OGDEN	213,818	855,275	4,279,007	850,698	4,497,401	5,348,100	1,614,752	3,733,348			1967(C)
COLONIAL HEIGHTS	125,376	3,476,073	190,178	125,376	3,666,251	3,791,627	813,628	2,978,000			1999(A)
OLD TOWN VILLAGE	4,500,000	41,569,735	(2,715,719)	4,500,000	38,854,016	43,354,016	-	43,354,016	13,392,942		2007(A)
MANASSAS	1,788,750	7,162,661	360,474	1,788,750	7,523,135	9,311,885	2,175,664	7,136,220			1997(A)
RICHMOND	82,544	2,289,288	280,600	82,544	2,569,889	2,652,432	443,281	2,209,151			1999(A)



PROPERTIES	INITIAL COST			LAND	BUILDING & IMPROVEMENT	TOTAL	ACCUMULATED DEPRECIATION	TOTAL COST, NET OF		DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT	SUBSEQUENT TO ACQUISITION					ACCUMULATED DEPRECIATION	ENCUMBRANCES	
RICHMOND	670,500	2,751,375	-	670,500	2,751,375	3,421,875	959,101	2,462,774	1995(A)	
VALLEY VIEW SHOPPING CENTER	3,440,018	8,054,004	733,871	3,440,018	8,787,875	12,227,893	1,157,335	11,070,558	2004(A)	
POTOMAC RUN PLAZA	27,369,515	48,451,209	-	27,369,515	48,451,209	75,820,724	504,916	75,315,808	44,541,918 2008(A)	
MANCHESTER SHOPPING CENTER	2,722,461	6,403,866	639,555	2,722,461	7,043,421	9,765,882	1,665,441	8,100,441	2004(A)	
AUBURN NORTH	7,785,841	18,157,625	60,221	7,785,841	18,217,846	26,003,688	1,818,317	24,185,371	2007(A)	
CHARLES TOWN	602,000	3,725,871	11,026,315	602,000	14,752,186	15,354,186	7,234,418	8,119,768	1985(A)	
RIVERWALK PLAZA	2,708,290	10,841,674	179,405	2,708,290	11,021,079	13,729,369	2,797,565	10,931,804	1999(A)	
BLUE RIDGE	12,346,900	71,529,796	6,512,770	17,349,873	73,039,593	90,389,466	12,391,492	77,997,974	15,248,263 2005(A)	
CHILE-VINA DEL MAR	11,096,948	720,781	-	11,096,948	720,781	11,817,729	11,195	11,806,534	2008(A)	
CHILE-VICUNA MACKENA	362,556	5,205,439	-	362,556	5,205,439	5,567,996	-	5,567,996	2008(A)	
CHILE-EKONO	414,730	-	-	414,730	-	414,730	-	414,730	2008(A)	
PERU	811,916	-	443,699	811,916	443,699	1,255,616	-	1,255,616	2008(A)	
MEXICO-GIGANTE ACQ	7,568,417	19,878,026	(4,128,019)	5,712,132	17,606,293	23,318,424	1,272,540	22,045,884	2007(A)	
MEXICO-HERMOSILLO	11,424,531	-	-	11,424,531	698,606	12,123,136	-	12,123,136	2008(A)	
BRAZIL-HORTOLANDIA	2,281,541	-	-	2,281,541	1,099,058	3,380,599	-	3,380,599	2008(A)	
MEXICO-LINDAVISTA	19,352,453	-	21,154,629	15,581,895	24,925,187	40,507,083	-	40,507,083	2006(C)	
MEXICO-MOTOROLA	47,272,528	-	27,850,383	38,150,664	36,972,247	75,122,911	-	75,122,911	2006(C)	
MEXICO-MULTI PLAZA OJO DE AGUA	4,089,067	-	6,240,141	4,089,067	6,240,141	10,329,208	-	10,329,208	2008(A)	
MEXICO-NON ADM GRAND PLZ CANCUN	13,976,402	35,593,236	(13,507,036)	3,358,277	32,704,325	36,062,602	1,323,748	34,738,855	2007(A)	
MEXICO-NON ADM LAGO REAL	11,336,743	-	406,608	9,178,527	2,564,824	11,743,351	-	11,743,351	2007(A)	
MEXICO-NON ADM LOS CABOS	10,873,070	1,257,517	6,972,267	8,668,736	10,434,118	19,102,854	-	19,102,854	2007(A)	
MEXICO-NON BUS ADM-MULT. CANCUN	4,471,987	-	1,927,493	4,471,988	1,927,493	6,399,481	-	6,399,481	2008(A)	
MEXICO-NEWVO LAREDO	10,627,540	-	18,848,888	8,546,133	20,930,295	29,476,428	-	29,476,428	2006(C)	
MEXICO-PACHUCA WAL-MART	3,621,985	-	4,371,071	3,165,560	4,827,496	7,993,056	-	7,993,056	2005(C)	
MEXICO-PLAZA CENTENARIO	3,388,861	-	2,741,650	2,601,664	3,528,848	6,130,511	-	6,130,511	2007(A)	
MEXICO-PLAZA SAN JUAN	9,631,035	-	(1,018,318)	7,699,029	913,687	8,612,716	-	8,612,716	2006(C)	
MEXICO-PLAZA SORIANA	2,639,975	346,945	(125,257)	2,103,630	758,032	2,861,663	-	2,861,663	2007(A)	
MEXICO-RHODESIA	3,924,464	-	83,831	3,924,464	83,831	4,008,295	-	4,008,295	2008(A)	
MEXICO-RIO BRAVO HEB	2,970,663	-	8,085,618	2,970,663	8,085,618	11,056,281	-	11,056,281	2008(A)	
MEXICO-SALTILLO II	11,150,023	-	13,101,318	9,110,533	15,140,808	24,251,341	-	24,251,341	2005(C)	
MEXICO-SAN PEDRO	3,309,654	13,238,616	(4,201,751)	3,330,479	9,016,040	12,346,519	942,197	11,404,322	2006(A)	

PROPERTIES	INITIAL COST			BUILDING			TOTAL	ACCUMULATED DEPRECIATION	TOTAL COST, NET OF ACCUMULATED DEPRECIATION	ENCUMBRANCES	DATE OF CONSTRUCTION(C) ACQUISITION(A)
	LAND	BUILDING & IMPROVEMENT	SUBSEQUENT TO ACQUISITION	LAND	IMPROVEMENT						
MEXICO-TAPACHULA	13,716,428	-	3,507,063	10,731,554	6,491,937	17,223,490	-	17,223,490			2007(A)
BRAZIL-VALINHOS	5,204,507	14,997,200	(67,275)	5,204,507	14,929,925	20,134,432	-	20,134,432			2008(A)
MEXICO-WALDO ACQ	8,929,278	16,888,627	(4,697,668)	6,917,666	14,202,571	21,120,237	674,913	20,445,323			2007(A)
BALANCE OF PORTFOLIO	133,248,688	4,492,127	72,145,780	137,610,601	72,275,994	209,886,595	25,370,314	184,516,281			
TOTALS				\$1,876,407,135	\$5,942,508,985	\$7,818,916,120	\$1,159,664,489	\$6,659,251,631	\$1,115,828,000		

Depreciation and amortization are provided on the straight-line method over the estimated useful lives of the assets as follows:

Buildings and building improvements	15 to 50 years
Fixtures, leasehold and tenant improvements	Terms of leases or useful lives, whichever is shorter
(including certain identified intangible assets)	

The aggregate cost for Federal income tax purposes was approximately \$7.0 billion at December 31, 2008.

The changes in total real estate assets for the years ended December 31, 2008, 2007 and 2006, are as follows:

	2008	2007	2006
Balance, beginning of period	\$ 7,325,034,819	\$ 6,001,319,025	\$ 4,560,405,547
Acquisitions	194,097,146	1,113,409,534	2,719,840,791
Improvements	242,545,745	497,102,382	505,353,494
Transfers from (to) unconsolidated joint ventures	194,579,632	67,572,307	(1,358,078,215)
Sales	(123,943,216)	(312,051,273)	(421,493,264)
Assets held for sale	(5,498,006)	(33,817,156)	(4,709,328)
Adjustment of property carrying values	(7,900,000)	(8,500,000)	
Balance, end of period	\$ 7,818,916,120	\$ 7,325,034,819	\$ 6,001,319,025

The changes in accumulated depreciation for the years ended December 31, 2008, 2007, and 2006 are as follows:

	2008	2007	2006
Balance, beginning of period	\$ 977,443,829	\$ 806,670,237	\$ 740,127,307
Depreciation for year	187,779,442	171,109,963	138,279,032
Transfers from (to) unconsolidated joint ventures	2,899,587	8,358,844	(331,447)
Sales	(7,595,547)	(7,474,603)	(69,627,527)
Assets held for sale	(862,822)	(1,220,612)	(1,777,128)
Balance, end of period	\$ 1,159,664,489	\$ 977,443,829	\$ 806,670,237

Reclassifications:  
Certain Amounts in the Prior Period Have Been Reclassified in Order to Conform with the Current Period's Presentation.

**KIMCO REALTY CORPORATION AND SUBSIDIARIES**  
**Schedule IV - Mortgage Loans on Real Estate**  
**As of December 31, 2008**  
**(in thousands)**

Type of Loan/Borrower	Description	Location (3)	Interest Accrual Rates	Interest Payment Rates	Final Maturity Date	Periodic Payment Terms (1)	Prior Liens	Face Amount of Mortgages or Maximum Available Credit (2)	Carrying Amount of Mortgages (2)(3)
<b>Mortgage Loans:</b>									
Borrower A	Apartments	Montreal, Quebec	8.50%	8.50%	6/27/2013	1	-	\$ 23,800	\$ 19,489
Borrower B	Retail	Boston, Massachusetts	12.00%	12.00%	9/11/2013	1	-	18,000	18,000
Borrower C	Retail	Palm Beach, FL	8.00%	8.00%	4/28/2013	1	-	14,500	17,320
Borrower D	Medical Center	Bayonne, NJ	Libor + 6%	Libor + 6%	4/17/2009	1	-	17,500	16,000
Borrower E	Retail Development	Ontario, Canada	8.50%	8.50%	4/13/2009	1	-	16,906	13,648
Borrower F	Commercial	Pennsylvania	LIBOR + 12.5% or Prime + 1.5%	LIBOR + 12.5% or Prime + 11.5%	4/18/2013	1	-	21,875	13,430
Borrower G	Medical Center	New York, NY	LIBOR + 3.25% or Prime + 1.75%	LIBOR + 3.25% or Prime + 1.75%	10/19/2012	1	-	18,000	9,000
Borrower H	Retail	Arboledas, Mexico	8.10%	8.10%	12/31/2012	1	-	13,000	6,487
Borrower I	Retail	Acapulco, Mexico	10.00%	10.00%	12/1/2016	1	-	9,900	5,626
Individually < 3%								75,300	56,733
								228,781	175,733
<b>Lines of Credit:</b>									
Individually < 3%							-	7,067	5,416
<b>Other:</b>									
Individually < 3%							-	5,000	45
Capitalized loan costs									798
Total								\$ 240,848	\$ 181,992

- (1) 1 = Interest only  
(2) The instruments actual cash flows are denominated in U.S. dollars, Canadian dollars and Mexican pesos as indicated by the geographic location above  
(3) The aggregate cost for Federal income tax purposes is \$181,992

The Company feels it is not practicable to estimate the fair value of each receivable as quoted market prices are not available. The cost of obtaining an independent valuation on these assets is deemed excessive

For a reconciliation of mortgage and other financing receivables from January 1, 2006 to December 31, 2008 see Note 9 of the Notes to Consolidated Financial Statements included in this annual report of Form 10K.

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## Section 2: EX-3.2 (AMENDED AND RESTATED BY-LAWS)

### Exhibit 3.2

#### KIMCO REALTY CORPORATION

#### BYLAWS (as amended on February 25, 2009)

#### ARTICLE I

##### OFFICES

Section 1. Principal Office. The principal executive offices of Kimco Realty Corporation (the "Corporation") shall be located at such place or places as the Board of Directors may designate.

Section 2. Additional Offices. The Corporation may also have additional offices at such other places as the Board of Directors may from time to time determine or the business of the Corporation may require.

#### ARTICLE II

##### MEETINGS OF STOCKHOLDERS

Section 1. Place. Meetings of stockholders shall be held at any place designated by the Board of Directors and stated in the notice of meeting. In the absence of any such designation, stockholders meetings shall be held at the principal executive office of the Corporation.

Section 2. Annual Meeting. The annual meeting of stockholders shall be held each year on the date and at the time designated by the Board of Directors. At each annual meeting, directors shall be elected and any other proper business may be transacted.

##### Section 3. Special Meetings.

(a) General. The Chairman of the Board of Directors, President, Chief Executive Officer or Board of Directors may call a special meeting of the stockholders. Subject to subsection (b) of this Section 3, a special meeting of stockholders shall also be called by the Secretary of the Corporation to act on any matter that may properly be considered at a meeting of stockholders upon the written

request of stockholders entitled to cast not less than a majority of all the votes entitled to be cast on such matter at such meeting.

(b) Stockholder Requested Special Meetings. (1) Any stockholder of record seeking to have stockholders request a special meeting shall, by sending written notice to the Secretary (the "Record Date Request Notice") by registered mail, return receipt requested, request the Board of Directors to fix a record date to determine the stockholders entitled to request a special meeting (the "Request Record Date"). The Record Date Request Notice shall set forth the purpose of the meeting and the matters proposed to be acted on at it, shall be signed by one or more stockholders of record as of the date of signature (or their agents duly authorized in a writing accompanying the Record Date Request Notice), shall bear the date of signature of each such stockholder (or such agent) and shall set forth all information relating to each such stockholder and each matter proposed to be acted on at the meeting that would be required to be disclosed in connection with the solicitation of proxies for the election of directors in an election contest (even if an election contest is not involved), or is otherwise required, in each case pursuant to Regulation 14A (or any successor provision) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Upon receiving the Record Date Request Notice, the Board of Directors may fix a Request Record Date. The Request Record Date shall not precede and shall not be more than ten days after the close of business on the date on which the resolution fixing the Request Record Date is adopted by the Board of Directors. If the Board of Directors, within ten days after the date on which a valid Record Date Request Notice is received, fails to adopt a resolution fixing the Request Record Date, the Request Record Date shall be the close of business on the tenth day after the first date on which the Record Date Request Notice is received by the Secretary.

(2) In order for any stockholder to request a special meeting to act on any matter that may properly be considered at a meeting of stockholders, one or more written requests for a special meeting (collectively, the "Special Meeting Request") signed by stockholders of record (or their agents duly authorized in a writing accompanying the request) as of the Request Record Date entitled to cast not less than a majority of all of the votes entitled to be cast on such matter at such meeting (the "Special Meeting Percentage") shall be delivered to the Secretary. In addition, the Special Meeting Request (a) shall set forth the purpose of the meeting and the matters proposed to be acted on at it (which shall be limited to those lawful matters set forth in the Record Date Request Notice received by the Secretary), (b) shall bear the date of signature of each such stockholder (or such agent) signing the Special Meeting Request, (c) shall set forth the name and address, as they appear in the Corporation's books, of each stockholder signing such request (or on whose behalf the Special Meeting Request is signed), the class, series and number of all shares of stock of the Corporation which are owned by each such stockholder, and the nominee holder for, and number of, shares owned by such stockholder beneficially but not of record, (d) shall be sent to the Secretary by registered mail, return receipt requested, and (e) shall be received by the Secretary within 60 days after the Request Record Date. Any requesting stockholder (or agent duly authorized in a writing accompanying the revocation or the Special Meeting Request) may revoke his, her or its request for a special meeting at any time by written revocation delivered to the Secretary.

(3) The Secretary shall inform the requesting stockholders of the reasonably estimated cost of preparing and delivering the notice of the meeting (including the Corporation's proxy materials). The Secretary shall not be required to call a special meeting upon stockholder request and such meeting shall not be held unless, in addition to the documents required by paragraph (2) of this Section 3(b), the Secretary receives payment of such reasonably estimated cost prior to the preparation and mailing or delivery of such notice of the meeting.

(4) Except as provided in the next sentence, any special meeting shall be held at such place, date and time as may be designated by the President, Chief Executive Officer or Board of Directors, whoever has called the meeting. In the case of any special meeting called by the Secretary upon the request of stockholders (a "Stockholder Requested Meeting"), such meeting shall be held at such place, date and time as may be designated by the Board of Directors; provided, however, that the date of any Stockholder Requested Meeting shall be not more than 90 days after the record date for such meeting (the "Meeting Record Date"); and provided further that if the Board of Directors fails to designate, within ten days after the date that a valid Special Meeting Request is actually received by the Secretary (the "Delivery Date"), a date and time for a Stockholder Requested Meeting, then such meeting shall be held at 2:00 p.m. local time on the 90th day after the Meeting Record Date or, if such 90th day is not a Business Day (as defined below), on the first preceding Business Day; and provided further that in the event that the Board of Directors fails to designate a place for a Stockholder Requested Meeting within ten days after the Delivery Date, then such meeting shall be held at the principal executive office of the Corporation. In fixing a date for any special meeting, the President, Chief Executive Officer or Board of Directors may consider such factors as he, she or it deems relevant, including, without limitation, the nature of the matters to be considered, the facts and circumstances surrounding any request for the meeting and any plan of the Board of Directors to call an annual meeting or a special meeting. In the case of any Stockholder Requested Meeting, if the Board of Directors fails to fix a Meeting Record Date that is a date within 30 days after the Delivery Date, then the close of business on the 30th day after the Delivery Date shall be the Meeting Record Date. The Board of Directors may revoke the notice for any Stockholder Requested Meeting in the event that the requesting stockholders fail to comply with the provisions of paragraph (3) of this Section 3(b).

(5) If written revocations of the Special Meeting Request have been delivered to the Secretary and the result is that stockholders of record (or their agents duly authorized in writing), as of the Request Record Date, entitled to cast less than the Special Meeting Percentage have delivered, and not revoked, requests for a special meeting to the Secretary: (i) if the notice of meeting has not already been delivered, the Secretary shall refrain from delivering the notice of the meeting and send to all requesting stockholders who have not revoked such requests written notice of any revocation of a request for the special meeting, or (ii) if the notice of meeting has been delivered and if the Secretary first sends to all requesting stockholders who have not revoked requests for a special meeting on a matter written notice of any revocation of a request for the special meeting and written notice of the Corporation's intention to revoke the notice of the meeting or for the chairman of the meeting to adjourn the meeting without action on the matter, (A) the Secretary may revoke the notice of the meeting at any time before ten days before the commencement of the meeting or (B) the chairman of the meeting may call the meeting to order and adjourn the meeting sine die without acting on the matter. Any request for a special meeting received after a revocation by the Secretary of a notice of a meeting shall be considered a request for a new special meeting.

(6) The Chairman of the Board of Directors, the President or the Board of Directors may appoint regionally or nationally recognized independent inspectors of elections to act as the agent of the Corporation for the purpose of promptly performing a ministerial review of the validity of any purported Special Meeting Request received by the Secretary. For the purpose of permitting the inspectors to perform such review, no such purported Special Meeting Request shall be deemed to have been

delivered to the Secretary until the earlier of (i) five Business Days after receipt by the Secretary of such purported request and (ii) such date as the independent inspectors certify to the Corporation that the valid requests received by the Secretary represent, as of the Request Record Date, stockholders of record entitled to cast not less than the Special Meeting Percentage. Nothing contained in this paragraph (6) shall in any way be construed to suggest or imply that the Corporation or any stockholder shall not be entitled to contest the validity of any request, whether during or after such five Business Day period, or to take any other action (including, without limitation, the commencement, prosecution or defense of any litigation with respect thereto, and the seeking of injunctive relief in such litigation).

(7) For purposes of these Bylaws, "Business Day" shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close.

**Section 4. Quorum.** A majority of the stock issued and outstanding and entitled to vote at any meeting of stockholders, the holders of which are present in person or represented by proxy, shall constitute a quorum for the transaction of business, except as otherwise provided by law, the charter or these Bylaws. A quorum, once established, shall not be broken by the withdrawal of enough votes to leave less than a quorum and the votes present may continue to transact business until adjournment. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the chairman of the meeting may adjourn the meeting from time to time to a date not more than 120 days after the original record date without notice other than announcement at the meeting. At such adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the meeting as originally notified.

**Section 5. Voting.** When a quorum is present at any meeting, the vote of a majority of the votes cast at the meeting shall decide any question brought before such meeting, unless the question is one upon which by express provision of law, the charter or these Bylaws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

Except as otherwise provided in this Section, a nominee for director shall be elected by a majority of the votes cast in person or by proxy at any meeting that includes the election of directors at which a quorum is present. For purposes of this Section, a majority of the votes cast means the affirmative vote of a majority of the total votes cast "for" and "against" such nominee. Notwithstanding the foregoing, a nominee for director shall be elected by a plurality of the votes cast in person or by proxy if the number of nominees exceeds the number of directors to be elected because the Secretary of the Corporation received proper notice that a stockholder nominated a person for election to the Board of Directors in accordance with the advance notice requirements contained in Article II, Section 12 of these Bylaws, and that nomination has not been withdrawn by the stockholder on or before the tenth day preceding the date the Company first mails its meeting notice to stockholders. For purposes of this Section, if plurality voting is applicable to the election of directors at any meeting, the nominees who receive the highest number of votes cast "for," without regard to votes cast "against," shall be elected as directors up to the total number of directors to be elected at that meeting. Abstentions and broker non-votes will not count as a vote cast with respect to a director's election.

If an incumbent director fails to receive the required vote for re-election, he or she shall offer to resign from the Board and the Nominating and Corporate Governance Committee will consider such offer to resign, will act on an expedited basis to determine whether to accept such director's resignation, and will submit such recommendation for prompt consideration by the Board. The director whose resignation is under consideration may not participate in any deliberation or vote of the Nominating and Corporate Governance Committee or Board regarding that resignation. Notwithstanding the foregoing, in the event that no nominee for director receives the vote required in these Bylaws, the Nominating and Corporate Governance Committee shall make a final determination as to whether the Board shall accept any or all resignations, including those resignations from the members of the committee. The Nominating and Corporate Governance Committee and the Board may consider any factors they deem relevant in deciding whether to accept a director's resignation. Within 90 days after the date of certification of the election results, the Board will promptly disclose its decision and rationale regarding whether to accept the resignation (or the reasons for rejecting the resignation, if applicable) in a press release, filing with the Securities and Exchange Commission or by other public announcement. If such incumbent director's resignation is not accepted by the Board, such director will continue to serve until the next meeting that includes the election of directors and until his or her successor is chosen and qualified, or his or her death, resignation, or retirement or removal, whichever event shall first occur. If a director's resignation is accepted by the Board, or if a nominee for director is not elected and the nominee is not an incumbent director, then the Board, in its sole discretion, may fill any resulting vacancy pursuant to these Bylaws.

**Section 6. Proxies.** A stockholder may cast the votes entitled to be cast by the holder of the shares of stock owned of record by the stockholder in person or by proxy executed by the stockholder or by the stockholder's duly authorized agent in any manner permitted by law. Such proxy or evidence of authorization of such proxy shall be filed with the Secretary of the Corporation before or at the meeting. No proxy shall be valid more than 11 months after its date unless otherwise provided in the proxy.

Section 7. Notice. Not less than ten nor more than 90 days before each meeting of stockholders, the Secretary shall give to each stockholder entitled to vote at such meeting and to each stockholder not entitled to vote who is entitled to notice of the meeting notice in writing or by electronic transmission stating the time and place of the meeting and, in the case of a special meeting or as otherwise may be required by any statute, the purpose for which the meeting is called, either by mail, by presenting it to such stockholder personally, by leaving it at the stockholder's residence or usual place of business or by any other means permitted by Maryland law. If mailed, such notice shall be deemed to be given when deposited in the United States mail addressed to the stockholder at the stockholder's address as it appears on the records of the Corporation, with postage thereon prepaid. If transmitted electronically, such notice shall be deemed to be given when transmitted to the stockholder by an electronic transmission to any address or number of the stockholder at which the stockholder receives electronic transmissions. A single notice to all stockholders who share an address shall be effective as to any stockholder at such address who consents to such notice or after having been notified of the Corporation's intent to give a single notice fails to object in writing to such single notice within 60 days. Failure to give notice of any meeting to one or more stockholders, or any irregularity in such notice, shall not affect the validity of any meeting fixed in accordance with this Article II, or the validity of any proceedings at any such meeting.

Subject to Section 12(a) of this Article II, any business of the Corporation may be transacted at an annual meeting of stockholders without being specifically designated in the notice, except such business as is required by any statute to be stated in such notice. No business shall be transacted at a special meeting of stockholders except as specifically designated in the notice. The Corporation may postpone or cancel a meeting of stockholders by making a "public announcement" (as defined in Section 12(c)(3)) of such postponement or cancellation prior to the meeting. Notice of the date to which the meeting is postponed shall be given not less than ten days prior to such date and otherwise in the manner set forth in this section.

Section 8. Organization and Conduct. Every meeting of stockholders shall be conducted by an individual appointed by the Board of Directors to be chairman of the meeting or, in the absence of such appointment, by the Chairman of the Board or, in the case of a vacancy in the office or absence of the Chairman of the Board, by one of the following officers present at the meeting: the Vice Chairman of the Board, if there is one, the President, the Vice Presidents in their order of rank and seniority, or, in the absence of such officers, a chairman chosen by the stockholders by the vote of a majority of the votes cast by stockholders present in person or by proxy. The Secretary, or, in the Secretary's absence, an Assistant Secretary, or in the absence of both the Secretary and Assistant Secretaries, a person appointed by the Board of Directors or, in the absence of such appointment, a person appointed by the chairman of the meeting shall act as secretary of the meeting. In the event that the Secretary presides at a meeting of the stockholders, an Assistant Secretary, or in the absence of Assistant Secretaries, an individual appointed by the Board of Directors or the chairman of the meeting, shall record the minutes of the meeting. The order of business and all other matters of procedure at any meeting of stockholders shall be determined by the chairman of the meeting. The chairman of the meeting may prescribe such rules, regulations and procedures and take such action as, in the discretion of the chairman and without any action by the stockholders, are appropriate for the proper conduct of the meeting, including, without limitation, (a) restricting admission to the time set for the commencement of the meeting; (b) limiting attendance at the meeting to stockholders of record of the Corporation, their duly authorized proxies and other such individuals as the chairman of the meeting may determine; (c) limiting participation at the meeting on any matter to stockholders of record of the Corporation entitled to vote on such matter, their duly authorized proxies and other such individuals as the chairman of the meeting may determine; (d) limiting the time allotted to questions or comments by participants; (e) determining when the polls should be opened and closed; (f) maintaining order and security at the meeting; (g) removing any stockholder or any other individual who refuses to comply with meeting procedures, rules or guidelines as set forth by the chairman of the meeting; (h) concluding a meeting or recessing or adjourning the meeting to a later date and time and place announced at the meeting; and (i) complying with any state and local laws and regulations concerning safety and security. Unless otherwise determined by the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

Section 9. Action by Written Consent. Any action required or permitted to be taken at any meeting of stockholders may be taken without a meeting if a unanimous consent setting forth the action is given in writing or by electronic transmission by each stockholder entitled to vote on the matter and filed with the minutes of proceedings of the stockholders.

Section 10. Voting of Stock by Certain Holders. Stock of the Corporation registered in the name of a corporation, partnership, trust or other entity, if entitled to be voted, may be voted by the president or a vice president, a general partner or trustee thereof, as the case may be, or a proxy appointed by any of the foregoing individuals, unless some other person who has been appointed to vote such stock pursuant to a bylaw or a resolution of the governing body of such corporation or other entity or agreement of the partners of a partnership presents a certified copy of such bylaw, resolution or agreement, in which case such person may vote such stock. Any director or other fiduciary may vote stock registered in his or her name in his or her capacity as such fiduciary, either in person or by proxy.

Shares of stock of the Corporation directly or indirectly owned by it shall not be voted at any meeting and shall not be counted in determining the total number of outstanding shares entitled to be voted at any given time, unless they are held by it in a fiduciary capacity, in which case they may be voted and shall be counted in determining the total number of outstanding shares at any given time.

The Board of Directors may adopt by resolution a procedure by which a stockholder may certify in writing to the Corporation that any shares of stock registered in the name of the stockholder are held for the account of a specified person other than the stockholder. The resolution shall set forth the class of stockholders who may make the certification, the purpose for which the certification may be made, the form of certification and the information to be contained in it; if the certification is with respect to a record date, the time after the record date within which the certification must be received by the Corporation; and any other provisions with respect to the procedure which the Board of Directors considers necessary or desirable. On receipt of such certification, the person specified in the certification shall be regarded as, for the purposes set forth in the certification, the stockholder of record of the specified stock in place of the stockholder who makes the certification.

Section 11. **Inspectors.** The Board of Directors or the chairman of any meeting of stockholders may appoint, before or at the meeting, one or more inspectors for the meeting and any successor thereto. The inspectors, if any, shall (i) determine the number of shares of stock represented at the meeting in person or by proxy and the validity and effect of proxies, (ii) receive and tabulate all votes, ballots or consents, (iii) report such tabulation to the chairman of the meeting, (iv) hear and determine all challenges and questions arising in connection with the right to vote, and (v) do such acts as are proper to conduct the election or vote with fairness to all stockholders. Each such report shall be in writing and signed by him or her or by a majority of them if there is more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors. The report of the inspector or inspectors on the number of shares represented at the meeting and the results of the voting shall be prima facie evidence thereof.

Section 12. **Advance Notice of Stockholder Nominees for Director and Other Stockholder Proposals.**

(a) **Annual Meetings of Stockholders.** (1) Nominations of individuals for election to the Board of Directors and the proposal of other business to be considered by the stockholders may be made at an annual meeting of stockholders (i) pursuant to the Corporation's notice of meeting, (ii) by or at the direction of the Board of Directors or (iii) by any stockholder of the Corporation who was a stockholder of record both at the time of giving of notice by the stockholder as provided for in this Section 12(a) and at the time of the annual meeting, who is entitled to vote at the meeting in the election of each individual so nominated or on any such other business, as the case may be, and who has complied with this Section 12(a).

(2) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of paragraph (a)(1) of this Section 12, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation and such other business must otherwise be a proper matter for action by the stockholders. To be timely, a stockholder's notice shall set forth all information required under this Section 12 and shall be delivered to the Secretary at the principal executive office of the Corporation not earlier than the 150th day nor later than 5:00 p.m., Eastern Time, on the 120th day prior to the first anniversary of the date of the proxy statement for the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced or delayed by more than 30 days from the first anniversary of the date of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not earlier than the 150th day prior to the date of such annual meeting and not later than 5:00 p.m., Eastern Time, on the later of the 120th day prior to the date of such annual meeting or the tenth day following the day on which public announcement of the date of such meeting is first made. The public announcement of a postponement or adjournment of an annual meeting shall not commence a new time period for the giving of a stockholder's notice as described above.

(3) Such stockholder's notice shall set forth:

(i) as to each individual whom the stockholder proposes to nominate for election or reelection as a director (each a "Proposed Nominee"),

(A) the name, age, business address and residence address of the Proposed Nominee,

(B) the class, series and number of any shares of stock of the Corporation that are beneficially owned by the Proposed Nominee,

(C) the date such shares were acquired and the investment intent of such acquisition,

(D) any material relationship between the Proposed Nominee and the nominating stockholder; and

(E) all other information relating to the Proposed Nominee that is required to be disclosed in solicitations of proxies for election of directors in an election contest (even if an election contest is not involved), or is otherwise required, in each case pursuant to Regulation 14A or Regulation 14C (or any successor provisions) under the Exchange Act and the rules thereunder (including the Proposed Nominee's written consent to being named in the proxy statement as a nominee and to serving as a director if elected);

provided, however, that for purposes of this clause (i) of paragraph (a)(2) of this Section 12, no Proposed Nominee shall be eligible for election or reelection as a director of the Corporation, unless such Proposed Nominee delivers (in accordance with the time periods prescribed for delivery of notice under this Section 12) to the Secretary at the principal executive offices of the Corporation a written questionnaire with respect to the background and qualification of such Proposed Nominee and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary upon written request) and a written representation and agreement (in the form provided by the Secretary upon written request) that such Proposed Nominee:

(X) is not and will not become a party to (1) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such Proposed Nominee, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation or (2) any Voting Commitment that could limit or interfere with such Proposed Nominee's ability to comply, if elected as a director of the Corporation, with such Proposed Nominee's duties as a director under applicable law;

(Y) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed therein, and

(Z) in such Proposed Nominee's personal capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director of the Corporation, and will comply with all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Corporation;

(ii) as to any other business that the stockholder proposes to bring before the meeting, a description of such business, the reasons for proposing such business at the meeting and any material interest in such business of such stockholder or any Stockholder Associated Person (as defined below), individually or in the aggregate, including any anticipated benefit to the stockholder and the Stockholder Associated Person therefrom;

(iii) as to the stockholder giving the notice, any Proposed Nominee and any Stockholder Associated Person:

(A) the class, series and number of all shares of stock or other securities of the Corporation (collectively, the "Company Securities") which are owned (beneficially or of record) by such stockholder, Proposed Nominee or Stockholder Associated Person, if any, the date on which each such Company Security was acquired and the investment intent of such acquisition, and any short interest (including any opportunity to profit or share in any benefit from any decrease in the price of such stock or other security) in any Company Securities of any such person,

(B) the nominee holder for, and number of, any Company Securities owned beneficially but not of record by such stockholder, Proposed Nominee or Stockholder Associated Person,

(C) to the extent not set forth pursuant to the immediately preceding clause, (w) whether and the extent to which such stockholder, Proposed Nominee or Stockholder Associated Person has direct or indirect beneficial ownership of any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation, whether or not such instrument or right shall be subject to settlement in the underlying class or series of capital stock of the Corporation or otherwise, or any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation (a "Derivative Instrument"), (x) any rights to dividends on the shares of the Corporation owned beneficially by such



stockholder that are separated or separable from the underlying shares of the Corporation, (y) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such stockholder is a general partner or, directly or indirectly, beneficially owns an interest in a general partner and (z) any performance-related fees (other than an asset-based fee) that such stockholder is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, as of the date of such notice, including without limitation any such interests held by members of such stockholder's immediate family sharing the same household (which information shall be supplemented by such stockholder and beneficial owner, if any, not later than 10 days after the record date for the meeting to disclose such ownership as of the record date).

(D) any derivative, swap or other transaction or series of transactions engaged in, directly or indirectly, by such stockholder, Proposed Nominee and Stockholder Associated Person, the purpose or effect of which is to give such stockholder, Proposed Nominee and Stockholder Associated Person economic risk similar to ownership of shares of any class or series of the Corporation, including due to the fact that the value of such derivative, swap or other transactions are determined by reference to the price, value or volatility of any shares of any class or series of the Corporation, or which derivative, swap or other transactions provide, directly or indirectly, the opportunity to profit from any increase in the price or value of shares of any class or series of the Corporation ("Synthetic Equity Interests"), which such Synthetic Equity Interests shall be disclosed without regard to whether (x) such derivative, swap or other transactions convey any voting rights in such shares to such stockholder, Proposed Nominee or such Stockholder Associated Person, (y) the derivative, swap or other transactions are required to be, or are capable of being, settled through delivery of such shares or (z) such stockholder, Proposed Nominee or such Stockholder Associated Person may have entered into other transactions that hedge or mitigate the economic effect of such derivative, swap or other transactions, and

(E) a general description of whether and the extent to which such stockholder, Proposed Nominee or Stockholder Associated Person has Synthetic Equity Interests or Derivative Instruments with respect to shares of stock or other equity interest of any other company;

(iv) as to the stockholder giving the notice, any Stockholder Associated Person with an interest or ownership referred to in clauses (ii) or (iii) of this paragraph (2) of this Section 12(a), and any Proposed Nominee,

(A) the name and address of such stockholder, as they appear on the Corporation's stock ledger, and the current name and business address, if different, of each such Stockholder Associated Person and any Proposed Nominee and

(B) the investment strategy or objective, if any, of such stockholder and each such Stockholder Associated Person who is not an individual and a copy of the prospectus, offering memorandum or similar document, if any, provided to investors or potential investors in such stockholder and each such Stockholder Associated Person; and

(v) to the extent known by the stockholder giving the notice, the name and address of any other stockholder supporting the nominee for election or reelection as a director or the proposal of other business on the date of such stockholder's notice.

(4) Notwithstanding anything in this subsection (a) of this Section 12 to the contrary, in the event that the number of directors to be elected to the Board of Directors is increased, and there is no public announcement of such action at least 130 days prior to the first anniversary of the date of the proxy statement for the preceding year's annual meeting, a stockholder's notice required by this Section 12(a) shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive office of the Corporation not later than 5:00 p.m., Eastern Time, on the tenth day following the day on which such public announcement is first made by the Corporation.

(5) For purposes of this Section 12, "Stockholder Associated Person" of any stockholder means (i) any person acting in concert with such stockholder, (ii) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such stockholder (other than a stockholder that is a depository) and (iii) any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such stockholder or such Stockholder Associated Person.

(b) **Special Meetings of Stockholders.** Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of individuals for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected only (i) by or at the direction of the Board of Directors or (ii) provided that the Board of Directors has determined that directors shall be elected at such

special meeting, by any stockholder of the Corporation who is a stockholder of record both at the time of giving of notice provided for in this Section 12 and at the time of the special meeting, who is entitled to vote at the meeting in the election of each individual so nominated and who has complied with the notice procedures set forth in this Section 12. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more individuals to the Board of Directors, any such stockholder may nominate an individual or individuals (as the case may be) for election as a director as specified in the Corporation's notice of meeting, if the stockholder's notice, containing the information required by paragraph (2) of this Section 12(a) shall be delivered to the Secretary at the principal executive office of the Corporation not earlier than the 120th day prior to such special meeting and not later than 5:00 p.m., Eastern Time, on the later of the 90th day prior to such special meeting or the tenth day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. The public announcement of a postponement or adjournment of a special meeting shall not commence a new time period for the giving of a stockholder's notice as described above.

(c) General. (1) If information submitted pursuant to this Section 12 by any stockholder proposing a nominee for election as a director or any proposal for other business at a meeting of stockholders shall be inaccurate to a material extent, at any time from the date of submission through the date of the meeting of stockholders, such information may be deemed not to have been provided in accordance with this Section 12. Any such stockholder shall notify the Corporation of any inaccuracy or change (within two Business Days of becoming aware of such inaccuracy or change) in any such information. Upon written request by the Secretary or the Board of Directors, any such stockholder shall provide, within five Business Days of delivery of such request (or such other period as may be specified in such request), (A) written verification, satisfactory, in the discretion of the Board of Directors or any authorized officer of the Corporation, to demonstrate the accuracy of any information submitted by the stockholder pursuant to this Section 12 and (B) a written update of any information previously submitted by the stockholder pursuant to this Section 12 as of an earlier date. If a stockholder fails to provide such written verification or written update within such period, the information as to which written verification or written update was requested may be deemed not to have been provided in accordance with this Section 12.

(2) Only such individuals who are nominated in accordance with this Section 12 shall be eligible for election by stockholders as directors, and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with this Section 12. The chairman of the meeting shall have the power to determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with this Section 12.

(3) "Public announcement" shall mean disclosure (i) in a press release reported by the Dow Jones News Service, Associated Press, Business Wire, PR Newswire or other widely circulated news or wire service or (ii) in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to the Exchange Act.

(4) Notwithstanding the foregoing provisions of this Section 12, a stockholder shall also comply with all applicable requirements of state law and of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 12. Nothing in this Section 12 shall be deemed to affect any right of a stockholder to request inclusion of a proposal in, or the right of the Corporation to omit a proposal from, the Corporation's proxy statement pursuant to Rule 14a-8 (or any successor provision) under the Exchange Act. Nothing in this Section 12 shall require disclosure of revocable proxies received by the stockholder or Stockholder Associated Person pursuant to a solicitation of proxies after the filing of an effective Schedule 14A by such stockholder or Stockholder Associated Person under Section 14(a) of the Exchange Act.

Section 13. Control Share Acquisition Act. Notwithstanding any other provision of the charter of the Corporation or these Bylaws, Title 3, Subtitle 7 of the Maryland General Corporation Law, or any successor statute (the "MGCL"), shall not apply to any acquisition by any person of shares of stock of the Corporation. This section may be repealed, in whole or in part, at any time, whether before or after an acquisition of control shares and, upon such repeal, may, to the extent provided by any successor bylaw, apply to any prior or subsequent control share acquisition.

ARTICLE III

DIRECTORS

Section 1. General Powers. The business and affairs of the Corporation shall be managed under the direction of its Board of Directors.

Section 2. Number and Qualifications. The number of directors which shall constitute the whole Board of Directors shall be not less than three (3) nor more than fifteen (15). The number of directors of the Corporation may be changed by majority vote of the entire Board of Directors. The directors need not be stockholders. A director shall be an individual at least 21 years of age who is not under legal disability.

Section 3. Tenure and Removal. The directors shall be elected at the annual meeting of the stockholders, except as provided in Section 4 of this Article, and each director elected shall hold office for a term of one (1) year and until his successor is elected and qualifies; provided, however, that unless otherwise restricted by the charter or by law, any director or the entire Board of Directors may be removed, either with or without cause, from the Board of Directors at any meeting of stockholders by the affirmative vote of a majority of all the votes entitled to be cast generally for the election of directors.

Section 4. Vacancies. Any vacancy on the Board of Directors by reason of death, resignation, retirement, disqualification, removal from office, or otherwise (other than an increase in the number of directors), shall be filled by a majority of the remaining directors then in office, even if such majority is less than a quorum. Any vacancy in the number of directors created by an increase in the number of directors may be filled by a majority vote of the entire Board of Directors. The directors so chosen shall serve until the next annual meeting of stockholders and until his or her successor is elected and qualifies. If there are no directors in office, then an election of directors may be held in the manner provided by statute.

Section 5. Annual and Regular Meetings. An annual meeting of the Board of Directors shall be held immediately after and at the same place as the annual meeting of stockholders, no notice other than this Bylaw being necessary. In the event such meeting is not so held, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors. The Board of Directors may provide, by resolution, the time and place for the holding of regular meetings of the Board of Directors without other notice than such resolution.

Section 6. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, the Chief Executive Officer, the President or by at least two of the directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix any place as the place for holding any special meeting of the Board of Directors called by them. The Board of Directors may provide, by resolution, the time and place for the holding of special meetings of the Board of Directors without other notice than such resolution.

Section 7. Notice. Notice of any special meeting of the Board of Directors shall be delivered personally or by telephone, electronic mail, facsimile transmission, courier or United States mail to each director at his or her business or residence address. Notice by personal delivery, telephone, electronic mail or facsimile transmission shall be given at least 24 hours prior to the meeting. Notice by United States mail shall be given at least three days prior to the meeting. Notice by courier shall be given at least two days prior to the meeting. Telephone notice shall be deemed to be given when the director or his or her agent is personally given such notice in a telephone call to which the director or his or her agent is a party. Electronic mail notice shall be deemed to be given upon transmission of the message to the electronic mail address given to the Corporation by the director. Facsimile transmission notice shall be deemed to be given upon completion of the transmission of the message to the number given to the Corporation by the director and receipt of a completed answer-back indicating receipt. Notice by United States mail shall be deemed to be given when deposited in the United States mail properly addressed, with postage thereon prepaid. Notice by courier shall be deemed to be given when deposited with or delivered to a courier properly addressed. Neither the business to be transacted at, nor the purpose of, any annual, regular or special meeting of the Board of Directors need be stated in the notice, unless specifically required by statute or these Bylaws.

Section 8. Quorum. A majority of the directors shall constitute a quorum for transaction of business at any meeting of the Board of Directors, provided that, if less than a majority of such directors is present at such meeting, a majority of the directors present may adjourn the meeting from time to time without further notice, and provided further that if, pursuant to applicable law, the charter of the Corporation or these Bylaws, the vote of a majority or other percentage of a particular group of directors is required for action, a quorum must also include a majority of such group.

Section 9. Voting. The action of a majority of the directors present at a meeting at which a quorum is present shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable law, the charter or these Bylaws. If enough directors have withdrawn from a meeting to leave less than a quorum but the meeting is not adjourned, the action of the majority of that number of directors necessary to constitute a quorum at such meeting shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable law, the charter or these Bylaws.

Section 10. Organization. At each meeting of the Board of Directors, the Chairman of the Board or, in the absence of the Chairman, the Vice Chairman of the Board, if any, shall act as Chairman of the meeting. In the absence of both the Chairman and Vice Chairman of the Board, the Chief Executive Officer or in the absence of the Chief Executive Officer, the President or in the absence of the President, a director chosen by a majority of the directors present, shall act as chairman of the meeting. The Secretary or, in his or her absence, an Assistant Secretary of the Corporation, or in the absence of the Secretary and all Assistant Secretaries, a person appointed by the chairman of the meeting, shall act as secretary of the meeting.

Section 11. Consent by Directors Without a Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission, and such consent is filed with the minutes of proceedings of the Board of Directors or committee.

Section 12. Telephone Meetings. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or any committee, by means of conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 13. Compensation. Unless otherwise restricted by the charter or these Bylaws, the Board of Directors shall have the authority to fix the compensation of directors, provided, however, that no officer of the Corporation shall receive any compensation for serving as a director of the Corporation. The directors who are not officers of the Corporation shall be paid their expenses, if any, and an annual sum for their service on the Board of Directors and its committees. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 14. Reliance. Each director and officer of the Corporation shall, in the performance of his or her duties with respect to the Corporation, be entitled to rely on any information, opinion, report or statement, including any financial statement or other financial data, prepared or presented by an officer or employee of the Corporation whom the director or officer reasonably believes to be reliable and competent in the matters presented, by a lawyer, certified public accountant or other person, as to a matter which the director or officer reasonably believes to be within the person's professional or expert competence, or, with respect to a director, by a committee of the Board of Directors on which the director does not serve, as to a matter within its designated authority, if the director reasonably believes the committee to merit confidence .

Section 15. Ratification . The Board of Directors or the stockholders may ratify and make binding on the Corporation any action or inaction by the Corporation or its officers to the extent that the Board of Directors or the stockholders could have originally authorized the matter. Moreover, any action or inaction questioned in any stockholders' derivative proceeding or any other proceeding on the ground of lack of authority, defective or irregular execution, adverse interest of a director, officer or stockholder, non-disclosure, miscomputation, the application of improper principles or practices of accounting, or otherwise, may be ratified, before or after judgment, by the Board of Directors or by the stockholders, and if so ratified, shall have the same force and effect as if the questioned action or inaction had been originally duly authorized, and such ratification shall be binding upon the Corporation and its stockholders and shall constitute a bar to any claim or execution of any judgment in respect of such questioned action or inaction.

Section 16. Emergency Provisions. Notwithstanding any other provision in the charter or these Bylaws, this Section 16 shall apply during the existence of any catastrophe, or other similar emergency condition, as a result of which a quorum of the Board of Directors under Article III of these Bylaws cannot readily be obtained (an "Emergency"). During any Emergency, unless otherwise provided by the Board of Directors, (i) a meeting of the Board of Directors or a committee thereof may be called by any director or officer by any means feasible under the circumstances; (ii) notice of any meeting of the Board of Directors during such an Emergency may be given less than 24 hours prior to the meeting to as many directors and by such means as may be feasible at the time, including publication, television or radio, and (iii) the number of directors necessary to constitute a quorum shall be one-third of the entire Board of Directors.

ARTICLE IV

COMMITTEES OF DIRECTORS

Section 1. General Provisions. The Board of Directors may appoint one or more committees, consisting of one or more of the directors of the Corporation, to serve at the pleasure of the Board of Directors. Subject to the provisions hereof, the

Board of Directors shall have the power at any time to change the membership of any committee, to fill any vacancy, to designate an alternate member to replace any absent or disqualified member or to dissolve any such committee. The Board of Directors may delegate to committees appointed under this Section 1 of this Article IV any of the powers of the Board of Directors, except as prohibited by law.

Section 2. Meetings. Notice of committee meetings shall be given in the same manner as notice for special meetings of the Board of Directors. A majority of the members of the committee shall constitute a quorum for the transaction of business at any meeting of the committee. The act of a majority of the committee members present at a meeting shall be the act of such committee; provided, however, in establishing a committee, the Board of Directors may provide for the voting and other rights of the members of the committee. The Board of Directors may designate a chairman of any committee, and such chairman or, in the absence of a chairman, any two members of any committee (if there are at least two members of the committee) may fix the time and place of its meeting unless the Board shall otherwise provide. In the absence of any member of any such committee, the members thereof present at any meeting, whether or not they constitute a quorum, may appoint another director to act in the place of such absent member. Each committee shall keep minutes of its proceedings.

ARTICLE V

INDEMNIFICATION

To the maximum extent permitted by Maryland law in effect from time to time, the Corporation, without requiring a preliminary determination of the ultimate entitlement to indemnification, shall indemnify and shall pay or reimburse reasonable expenses in advance of final disposition of a proceeding to (a) any individual who is a present or former director or officer of the Corporation and who is made or threatened to be made a party to the proceeding by reason of his or her service in that capacity or (b) any individual who, while a director or officer of the Corporation and at the request of the Corporation, serves or has served as a director, officer, partner or trustee of another corporation, real estate investment trust, partnership, joint venture, trust, employee benefit plan or any other enterprise and who is made or threatened to be made a party to the proceeding by reason of his or her service in that capacity. The rights to indemnification and advance of expenses provided by the charter of the Corporation and these Bylaws shall vest immediately upon election of a director or officer. The Corporation may, with the approval of its Board of Directors, provide such indemnification and advance for expenses to an individual who served a predecessor of the Corporation in any of the capacities described in (a) or (b) above and to any employee or agent of the Corporation or a predecessor of the Corporation. The indemnification and payment or reimbursement of expenses provided in these Bylaws shall not be deemed exclusive of or limit in any way other rights to which any person seeking indemnification or payment or reimbursement of expenses may be or may become entitled under any bylaw, regulation, insurance, agreement or otherwise.

Neither the amendment nor repeal of this Article, nor the adoption or amendment of any other provision of the Bylaws or charter of the Corporation inconsistent with this Article, shall apply to or affect in any respect the applicability of the preceding paragraph with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption regardless of whether a claim with respect to such action or inaction is raised prior or subsequent to such amendment.

ARTICLE VI

TRANSACTIONS WITH INTERESTED DIRECTORS

Section 1. No transaction between the Corporation and one or more of its directors, or between the Corporation and any other corporation, firm, association or other entity in which one or more of its directors are directors or officers of this Corporation or are financially interested, shall be either void or voidable for this reason alone, provided that such transaction shall be approved in a manner consistent with Section 2-419 of the MGCL.

Section 2. The Corporation shall not enter into any transactions or agreements with KC Holdings, Inc., a Delaware corporation, except pursuant to the Management Agreement and Option Agreement, each dated as of November 21, 1991, between the Corporation and KC Holdings, Inc., unless any such transaction is approved by a majority of the directors of the Corporation who are neither employees of the Corporation or any subsidiary of the Corporation.

## ARTICLE VII

### OFFICERS

Section 1. General Provisions. The officers of the Corporation shall be chosen by the Board of Directors and shall include a President, a Secretary and a Treasurer. The Corporation may also have at the discretion of the Board of Directors such other officers as are desired, including a Chairman of the Board of Directors, a Vice Chairman of the Board of Directors, a Chief Executive Officer, one or more Vice Presidents, a Chief Operating Officer, a Chief Financial Officer, one or more Assistant Secretaries and Assistant Treasurers, and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article VII. In the event there are two or more Vice Presidents, then one or more may be designated as Executive Vice President, Senior Vice President, or other similar or dissimilar title. At the time of the election of officers, the directors may by resolution determine the order of their rank. Any number of offices may be held by the same person, unless the charter or these Bylaws otherwise provide.

Section 2. The Board of Directors, at its first meeting after each annual meeting of stockholders, shall choose the officers of the Corporation.

Section 3. The Board of Directors may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Compensation. The compensation of the officers shall be fixed from time to time by or under the authority of the Board of Directors and no officer shall be prevented from receiving such compensation by reason of the fact that he is also a director.

Section 5. Removal and Resignation. Any officer or agent of the Corporation may be removed, with or without cause, by the Board of Directors if in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer of the Corporation may resign at any time by delivering his or her resignation to the Board of Directors, the Chairman of the Board, the President or the Secretary. Any resignation shall take effect immediately upon its receipt or at such later time specified in the resignation. The acceptance of a resignation shall not be necessary to make it effective unless otherwise stated in the resignation. Such resignation shall be without prejudice to the contract rights, if any, of the Corporation.

Section 6. Chairman of the Board. The Chairman of the Board of Directors, if such an officer be elected, shall, if present, preside at all meetings of the Board of Directors and of the stockholders. The Chairman of the Board shall exercise and perform such other powers and duties as may be from time to time assigned to him by the Board of Directors or prescribed by these Bylaws.

Section 7. President. In the absence of a Chief Executive Officer, the President shall be the Chief Executive Officer of the Corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the Corporation. He shall have the general powers and duties of management usually vested in the office of president and chief executive officer of corporations, and shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

Section 8. Vice Presidents. In the absence or disability of the President, the Vice Presidents in order of their rank as fixed by the Board of Directors, or if not ranked, the Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice Presidents shall have such other duties as from time to time may be prescribed for them, respectively, by the Board of Directors.

Section 9. Secretary. The Secretary shall attend all sessions of the Board of Directors and all meetings of the stockholders and record all votes and the minutes of all proceedings in a book to be kept for that purpose; and shall perform like duties for the standing committees when required by the Board of Directors. The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or these Bylaws. He shall keep in safe custody the seal of the Corporation, and when authorized by the Board, affix the same to any instrument requiring it, and when so affixed it shall be attested by his signature or by the signature of an Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest to the affixing by his signature.

Section 10. Assistant Secretary. The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors, or if there be no such determination, the Assistant Secretary designated by the Board of Directors, shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall, perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Section 11. Treasurer. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys, and other valuable effects in the name and to the credit of the Corporation, in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his transactions as Treasurer and of the financial condition of the Corporation.

Section 12. Assistant Treasurer. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors, or if there be no such determination, the Assistant Treasurer designated by the Board of Directors, shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

## ARTICLE VIII

### STOCK

Section 1. Certificates. The Corporation may issue some or all of the shares of any or all of the Corporation's classes or series of stock without certificates if authorized by the Board of Directors. In the event that the Corporation issues shares of stock represented by certificates, such certificates shall be in such form as prescribed by the Board of Directors or a duly authorized officer, shall contain the statements and information required by the MGCL and shall be signed by the officers of the Corporation in the manner permitted by the MGCL. In the event that the Corporation issues shares of stock without certificates, to the extent then required by the MGCL, the Corporation shall provide to the record holders of such shares of stock a written statement of the information required by the MGCL to be included on stock certificates. There shall be no differences in the rights and obligations of stockholders based on whether or not their shares of stock are represented by certificates. If a class or series of stock is authorized by the Board of Directors to be issued without certificates, no stockholder shall be entitled to a certificate or certificates representing any shares of such class or series of stock held by such stockholder unless otherwise determined by the Board of Directors and then only upon written request by such stockholder to the Secretary of the Corporation.

Section 2. Transfers. All transfers of shares of stock shall be made on the books of the Corporation, by the holder of the shares of stock, in person or by his or her attorney, in such manner as the Board of Directors or any officer of the Corporation may prescribe and, if such shares of stock are certificated, upon surrender of certificates duly endorsed. The issuance of a new certificate upon the transfer of certificated shares is subject to the determination of the Board of Directors that such shares of stock shall no longer be represented by certificates. Upon the transfer of uncertificated shares of stock, to the extent then required by the MGCL, the Corporation shall provide to record holders of such shares of stock a written statement of the information required by the MGCL to be included on stock certificates.

The Corporation shall be entitled to treat the holder of record of any share of stock as the holder in fact thereof and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such share or on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of the State of Maryland.

Notwithstanding the foregoing, transfers of shares of any class or series of stock will be subject in all respects to the charter of the Corporation and all of the terms and conditions contained therein.

Section 3. Replacement Certificate. Any officer of the Corporation may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, destroyed, stolen or mutilated, upon the making of an affidavit of that fact by the person claiming the certificate to be lost, destroyed, stolen or mutilated; provided, however, if such shares of stock have ceased to be certificated, no new certificate shall be issued unless requested in writing by such stockholder and the Board of Directors has determined that such certificates may be issued. Unless otherwise determined by an officer of the Corporation, the owner of such lost, destroyed, stolen or mutilated certificate or certificates, or his or her legal representative, shall be required, as a condition precedent to the issuance of a new certificate or certificates, to give the Corporation a bond in such sums as it may direct as indemnity against any claim that may be made against the Corporation.

Section 4. Fixing of Record Date. The Board of Directors may set, in advance, a record date for the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders or determining stockholders entitled to receive payment of any dividend or the allotment of any other rights, or in order to make a determination of stockholders for any other proper purpose. Such date, in any case, shall not be prior to the close of business on the day the record date is fixed and shall be not more than 90 days and, in the case of a meeting of stockholders, not less than ten days, before the date on which the meeting or particular action requiring such determination of stockholders of record is to be held or taken.

When a record date for the determination of stockholders entitled to notice of and to vote at any meeting of stockholders has been set as provided in this section, such record date shall continue to apply to the meeting if adjourned or postponed, except if the meeting is adjourned to a date more than 120 days or postponed to a date more than 90 days after the record date originally fixed for the meeting, in which case a new record date for such meeting may be determined as set forth herein.

Section 5. Stock Ledger. The Corporation shall maintain at its principal office or at the office of its counsel, accountants or transfer agent, an original or duplicate share ledger containing the name and address of each stockholder and the number of shares of each class held by such stockholder.

Section 6. Fractional Stock; Issuance of Units. The Board of Directors may issue fractional stock or provide for the issuance of scrip, all on such terms and under such conditions as they may determine. Notwithstanding any other provision of the charter or these Bylaws, the Board of Directors may issue units consisting of different securities of the Corporation. Any security issued in a unit shall have the same characteristics as any identical securities issued by the Corporation, except that the Board of Directors may provide that for a specified period securities of the Corporation issued in such unit may be transferred on the books of the Corporation only in such unit.

**ARTICLE IX**

**DISTRIBUTIONS**

Section 1. Authorization. Dividends and other distributions upon the stock of the Corporation may be authorized by the Board of Directors, subject to the provisions of law and the charter of the Corporation. Dividends and other distributions may be paid in cash, property or stock of the Corporation, subject to the provisions of law and the charter.

Section 2. Contingencies. Before payment of any dividends or other distributions, there may be set aside out of any assets of the Corporation available for dividends or other distributions such sum or sums as the Board of Directors may from time to time, in its absolute discretion, think proper as a reserve fund for contingencies, for equalizing dividends, for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors shall determine, and the Board of Directors may modify or abolish any such reserve.

**ARTICLE X**

**CONTRACTS, LOANS, CHECKS AND DEPOSITS**

Section 1. Contracts. The Board of Directors may authorize any officer or agent to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances. Any agreement, deed, mortgage, lease or other document shall be valid and binding upon the Corporation when duly authorized or ratified by action of the Board of Directors and executed by an authorized person.

Section 2. Checks and Drafts. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or agent of the Corporation in such manner as shall from time to time be determined by the Board of Directors.

Section 3. Deposits. All funds of the Corporation not otherwise employed shall be deposited or invested from time to time to the credit of the Corporation as the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, or any other officer designated by the Board of Directors may determine.



## ARTICLE XI

### FISCAL YEAR

The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

## ARTICLE XII

### SEAL

Section 1. Seal. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its incorporation and the words "Incorporated Maryland." The Board of Directors may authorize one or more duplicate seals and provide for the custody thereof.

Section 2. Affixing Seal. Whenever the Corporation is permitted or required to affix its seal to a document, it shall be sufficient to meet the requirements of any law, rule or regulation relating to a seal to place the word "(SEAL)" adjacent to the signature of the person authorized to execute the document on behalf of the Corporation.

## ARTICLE XIII

### NOTICES

Whenever any notice of a meeting is required to be given under the provisions of the law, the charter or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

## ARTICLE XIV

### AMENDMENTS

Section 1. BY DIRECTORS. The board of directors shall have the power to adopt, alter or repeal any bylaws of the Corporation and to make new bylaws, except that the board of directors shall not alter or repeal this Section or any bylaws made by the stockholders.

Section 2. BY STOCKHOLDERS. The stockholders shall have the power to adopt, alter or repeal any bylaws of the Corporation and to make new bylaws.

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## Section 3: EX-10 (SECOND AMENDED AND RESTATED 1998 EQUITY PARTICIPATION PLAN)

### Exhibit 10.9

#### SECOND AMENDED AND RESTATED

#### 1998 EQUITY PARTICIPATION PLAN

#### OF

#### KIMCO REALTY CORPORATION

#### (RESTATED FEBRUARY 25, 2009)

Kimco Realty Corporation, a Maryland corporation, originally adopted The 1998 Equity Participation Plan of Kimco Realty Corporation, effective June 18, 1998, for the benefit of its eligible employees, consultants and directors. The 1998 Equity Participation Plan of Kimco Realty Corporation was previously amended and restated in its entirety as the Amended and Restated 1998 Equity Participation Plan of Kimco Realty Corporation, dated as of October 20, 2004, and as the Second Amended and Restated 1998 Equity Participation Plan of Kimco Realty Corporation, dated as of February 26, 2007. In furtherance of the purposes of the Plan (as such term is defined below), the Second Amended and Restated 1998 Equity Participation Plan of Kimco Realty Corporation is hereby restated as of the date hereof. This amendment constitutes a complete amendment, restatement and continuation of the 1998 Equity Participation Plan of Kimco Realty Corporation.

The Plan consists of two plans, one for the benefit of key Employees (as such term is defined below) and Consultants and one for the benefit of Independent Directors (as such term is defined below).

The purposes of this Plan are as follows:

(1) To provide an additional incentive for directors, key Employees and Consultants to further the growth, development and financial success of the Company by personally benefiting through the ownership of Company stock and/or rights which recognize such growth, development and financial success.

(2) To enable the Company to obtain and retain the services of directors, key Employees and Consultants considered essential to the long range success of the Company by offering them an opportunity to own stock in the Company and/or rights which will reflect the growth, development and financial success of the Company.

## ARTICLE I.

### DEFINITIONS

#### Section 1.1 General.

Wherever the following terms are used in this Plan they shall have the meanings specified below, unless the context clearly indicates otherwise.

#### Section 1.2 Administrator.

"Administrator" shall mean the entity that conducts the general administration of the Plan as provided herein. With reference to the administration of the Plan with respect to Options granted to Independent Directors, the term "Administrator" shall refer to the Board. With reference to the administration of the Plan with respect to any other Award, the term "Administrator" shall refer to the Committee unless the Board has assumed the authority for administration of the Plan generally as provided in Section 9.1.

#### Section 1.3 Award.

"Award" shall mean an Option, a Restricted Stock award or a Deferred Stock award which may be awarded or granted under the Plan (collectively, "Awards").

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Section 1.4      Award Agreement.

“Award Agreement” shall mean a written agreement executed by an authorized officer of the Company and the Holder which shall contain such terms and conditions with respect to an Award as the Administrator shall determine, consistent with the Plan.

Section 1.5      Award Limit.

“Award Limit” shall mean 1,500,000 shares of Common Stock, as adjusted pursuant to Section 10.3.

Section 1.6      Board.

“Board” shall mean the Board of Directors of the Company.

Section 1.7      Code.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

Section 1.8      Committee.

“Committee” shall mean the Compensation Committee of the Board, or another committee of the Board, appointed as provided in Section 10.1.

Section 1.9      Common Stock

“Common Stock” shall mean the common stock of the Company, par value \$.01 per share, and any equity security of the Company issued or authorized to be issued in the future, but excluding any preferred stock and any warrants, options or other rights to purchase Common Stock; provided that such equity security qualifies as “service recipient stock” under Treasury regulation §1.409A-1(b)(5)(iii).

Section 1.10     Company.

“Company” shall mean Kimco Realty Corporation, a Maryland corporation.

Section 1.11     Consultant.

“Consultant” shall mean any consultant or adviser if:

- (a)      The consultant or adviser renders “significant services” as defined in Treasury regulation §1.409A-1(f)(2)(iii) to the Company and otherwise meets the requirements for a “service provider” as set forth in Treasury regulation §1.409A-1(f) with respect to the Company or of any corporation which is a Subsidiary;
- (b)      The services rendered by the consultant or adviser are not in connection with the offer or sale of securities in a capital-raising transaction and do not directly or indirectly promote or maintain a market for the Company’s securities; and
- (c)      The consultant or adviser is a natural person who has contracted directly with the Company to render such services.

Section 1.12     Corporate Transaction.

“Corporate Transaction” shall mean the consummation of any of the following stockholder-approved transactions to which the Company is a party:

- (a)      a merger or consolidation in which the Company is not the surviving entity, except for a transaction the principal purpose of which is to change the State in which the Company is incorporated, form a holding company or effect a similar reorganization as to form whereupon this Plan and all Options are assumed by the successor entity;

(b) the sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company, in complete liquidation or dissolution of the Company in a transaction not covered by the exceptions to clause (a), above; or

(c) any reverse merger in which the Company is the surviving entity but in which securities possessing more than fifty percent (50%) of the total combined Voting power of the Company's outstanding securities are transferred or issued to a person or persons different from those who held such securities immediately prior to such merger.

*Section 1.13 Deferred Stock.*

"Deferred Stock" shall mean Common Stock awarded under Article VIII of the Plan.

*Section 1.14 Director.*

"Director" shall mean a member of the Board.

*Section 1.15 Employee.*

"Employee" shall mean any officer or other employee (as defined in accordance with Section 3401(c) of the Code) of the Company, of Kimco Realty Services, Inc., or of any corporation which is a Subsidiary.

*Section 1.16 Equity Restructuring.*

"Equity Restructuring" shall mean a non-reciprocal transaction between the Company and its stockholders, such as a stock dividend, stock split, spin-off, rights offering or recapitalization through a large, nonrecurring cash dividend, that affects the shares of Common Stock (or other securities of the Company) or the share price of the Common Stock (or other securities) and causes a change in the per share value of the Common Stock underlying outstanding Awards.

*Section 1.17 Exchange Act.*

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

*Section 1.18 Fair Market Value.*

"Fair Market Value" of a share of Common Stock as of a given date shall be (i) the closing price of a share of Common Stock on the principal exchange on which shares of Common Stock are then trading, if any (or as reported on any composite index which includes such principal exchange), on the trading day previous to such date, or if shares were not traded on the trading day previous to such date, then on the next preceding date on which a trade occurred, or (ii) if Common Stock is not traded on an exchange but is quoted on Nasdaq or a successor quotation system, the mean between the closing representative bid and asked prices for the Common Stock on the trading day previous to such date as reported by Nasdaq or such successor quotation system; or (iii) if Common Stock is not publicly traded on an exchange and not quoted on Nasdaq or a successor quotation system, the Fair Market Value of a share of Common Stock as established by the Committee (or the Board, in the case of Options granted to Independent Directors) acting in good faith.

*Section 1.19 Full Value Award.*

"Full Value Award" means any Award other than an Option or other Award for which the Holder pays the intrinsic value (whether directly or by forgoing a right to receive a payment from the Company).

*Section 1.20 Holder.*

"Holder" shall mean a person who has been granted or awarded an Award.

Section 1.21      *Incentive Stock Option.*

“Incentive Stock Option” shall mean an option which conforms to the applicable provisions of Section 422 of the Code and which is designated as an Incentive Stock Option by the Committee.

Section 1.22      *Independent Director.*

“Independent Director” shall mean a member of the Board who is not an Employee of the Company.

Section 1.23      *Non-Qualified Stock Option.*

“Non-Qualified Stock Option” shall mean an Option which is not designated as an Incentive Stock Option by the Committee.

Section 1.24      *Option.*

“Option” shall mean a stock option granted under Article III of this Plan. An Option granted under this Plan shall, as determined by the Committee, be either a Non-Qualified Stock Option or an Incentive Stock Option; *provided, however*, that Options granted to Independent Directors and consultants shall be Non-Qualified Stock Options.

Section 1.25      *Optionee.*

“Optionee” shall mean an Employee, Consultant or Independent Director granted an Option under this Plan.

Section 1.26      *Performance Criteria*

“Performance Criteria” shall mean the following business criteria with respect to the Company, any Subsidiary or any division or operating unit: (a) net income, (b) pre-tax income, (c) operating income, (d) cash flow, (e) earnings per share, (f) return on equity, (g) return on invested capital or assets, (h) cost reductions or savings, (i) funds from operations, (j) appreciation in the fair market value of Common Stock, (k) operating profit; (l) working capital; and (m) earnings before any one or more of the following items: interest, taxes, depreciation or amortization; provided, that each of the business criteria described in subsections (a) through (m) shall be determined in accordance with generally accepted accounting principles (“GAAP”). For each fiscal year of the Company, the Committee may provide for objectively determinable adjustments, as determined in accordance with GAAP, to any of the business criteria described in subsections (a) through (m) for one or more of the items of gain, loss, profit or expense: (i) determined to be extraordinary or unusual in nature or infrequent in occurrence; (ii) related to the disposal of a segment of a business; (iii) related to a change in accounting principles under GAAP; (iv) related to discontinued operations that do not qualify as a segment of business under GAAP; (v) attributable to the business operations of any entity acquired by the Company during the fiscal year and (vi) reflecting adjustments to funds from operations with respect to straight-line rental income as reported in the Company’s Exchange Act reports.

Section 1.27      *Plan.*

“Plan” shall mean the Second Amended and Restated 1998 Equity Participation Plan of Kimco Realty Corporation, as restated February \_\_\_, 2009, and as may be amended from time to time.

Section 1.28      *QDRO.*

“QDRO” shall mean a qualified domestic relations order as defined by the Code or Title I of the Employee Retirement Income Security Act of 1974, as amended, or the rules thereunder.

Section 1.29      *Restricted Stock.*

“Restricted Stock” shall mean Common Stock awarded under Article VII of the Plan.

Section 1.30 Rule 16b-3.

"Rule 16b-3" shall mean that certain Rule 16b-3 under the Exchange Act, as such Rule may be amended from time to time.

Section 1.31 Section 162(m) Participant

"Section 162(m) Participant" shall mean any key Employee designated by the Administrator as a key Employee whose compensation for the fiscal year in which the key Employee is so designated or a future fiscal year may be subject to the limit on deductible compensation imposed by Section 162(m) of the Code.

Section 1.32 Securities Act

"Securities Act" shall mean the Securities Act of 1933, as amended.

Section 1.33 Subsidiary.

"Subsidiary" shall mean any corporation in an unbroken chain of corporations beginning with the Company if each of the corporations other than the last corporation in the unbroken chain then owns stock possessing 50 percent or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

Section 1.34 Substitute Award

"Substitute Award" shall mean an Option granted under this Plan upon the assumption of, or in substitution for, outstanding equity awards previously granted by a company or other entity in connection with a corporate transaction, such as a merger, combination, consolidation or acquisition of property or stock; *provided, however*, that in no event shall the term "Substitute Award" be construed to refer to an award made in connection with the cancellation and repricing of an Option.

Section 1.35 Termination of Consultancy.

"Termination of Consultancy" shall mean the time when the engagement of Holder as a Consultant to the Company or a Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, by resignation, discharge, death or Retirement; but excluding terminations where there is a simultaneous commencement of employment with the Company or any Subsidiary. The Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to Termination of Consultancy, including, but not by way of limitation, the question of whether a Termination of Consultancy resulted from a discharge for good cause, and all questions of whether particular leaves of absence constitute Terminations of Consultancy.

Notwithstanding any other provision of this Plan, the Company or any Subsidiary has an absolute and unrestricted right to terminate a Consultant's service at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in writing.

Section 1.36 Termination of Directorship.

"Termination of Directorship" shall mean the time when a Holder who is an Independent Director ceases to be a Director for any reason, including, but not by way of limitation, a termination by resignation, failure to be elected, death or Retirement. The Board, in its sole and absolute discretion, shall determine the effect of all matters and questions relating to Termination of Directorship with respect to Independent Directors.

Section 1.37 Termination of Employment.

"Termination of Employment" shall mean the time when the employee-employer relationship between a Holder and the Company or any Subsidiary is terminated for any reason, with or without cause, including, but not by way of limitation, a termination by resignation, discharge, death, disability or Retirement; but excluding (i) terminations where there is a simultaneous reemployment or continuing employment of a Holder by the Company or any Subsidiary, (ii) at the discretion of the Committee, terminations which result in a temporary severance of the employee-employer relationship, and (iii) at the discretion of the Administrator, terminations which are followed by the simultaneous establishment of a consulting relationship by the Company or a Subsidiary with the former

employee. The Administrator, in its absolute discretion, shall determine the effect of all matters and questions relating to Termination of Employment, including, but not by way of limitation, the question of whether a Termination of Employment resulted from a discharge for good cause, and all questions of whether particular leaves of absence constitute Terminations of Employment; *provided, however*, that, unless otherwise determined by the Administrator in its discretion, a leave of absence, change in status from an employee to an independent contractor or other change in the employee-employer relationship shall constitute a Termination of Employment if, and to the extent that, such leave of absence, change in status or other change interrupts employment for the purposes of Section 422(a)(2) of the Code and the then applicable regulations and revenue rulings under said Section. Notwithstanding any other provision of this Plan, the Company or any Subsidiary has an absolute and unrestricted right to terminate an Employee's employment at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in writing.

*Section 1.38 Retirement.*

"Retirement" of a Holder shall mean his Termination of Employment, Termination of Consultancy or Termination of Directorship, as the case may be, on or after his sixty-fifth birthday or his completion of twenty full (not necessarily consecutive) years of employment, consultancy or directorship, as the case may be, with the Company.

**ARTICLE II.  
SHARES SUBJECT TO PLAN**

*Section 2.1 Shares Subject to Plan.*

- (a) The shares of stock subject to Awards shall be Common Stock, initially shares of the Company's Common Stock, par value \$ .01 per share. Subject to adjustment as provided in Section 10.3, the aggregate number of such shares which may be issued upon exercise of such Awards under the Plan shall not exceed thirty eight million (38,000,000), *provided, however*, that the aggregate number of shares which may be awarded as Restricted Stock under Article VII of the Plan shall not exceed seven hundred and sixty six thousand four hundred and eighty two (766,482). In the event that Substitute Awards are granted under the Plan, the aggregate number of shares of Common Stock available under the Plan for Substitute Awards shall be increased by the number of shares of Common Stock which may be granted or issued with respect to such Substitute Awards. The shares of Common Stock issuable upon exercise of such Options or rights or upon any such Awards may be either previously authorized but unissued shares or treasury shares.
- (b) The maximum number of shares which may be subject to Awards granted under the Plan to any individual in any calendar year shall not exceed the Award Limit. To the extent required by Section 162(m) of the Code, shares subject to Options which are canceled continue to be counted against the Award Limit and if, after grant of an Option, the price of shares subject to such Option is reduced, the transaction is treated as a cancellation of the Option and a grant of a new Option and both the Option deemed to be canceled and the Option deemed to be granted are counted against the Award Limit.

*Section 2.2 Add-back of Options and Other Rights*

If any Option, or other right to acquire shares of Common Stock under any other Award under the Plan, expires or is canceled without having been fully exercised, or is exercised in whole or in part for cash as permitted by this Plan, the number of shares subject to such Option or other right but as to which such Option or other right was not exercised prior to its expiration, cancellation or exercise may again be optioned, granted or awarded hereunder, subject to the limitations of Section 2.1. Furthermore, any shares subject Awards which are adjusted pursuant to Section 10.3 and become exercisable with respect to shares of stock of another corporation shall be considered cancelled and may again be optioned, granted or awarded hereunder, subject to the limitations of Section 2.1. Notwithstanding the provisions of this Section 2.2, no shares of Common Stock may again be optioned, granted or awarded if such action would cause an Incentive Stock Option to fail to qualify as an incentive stock option under Section 422 of the Code. If any shares of Restricted Stock are surrendered by the Holder or repurchased by the Company pursuant to Section 7.4 or 0 hereof, such shares may again be optioned, granted or awarded hereunder, subject to the limitations of Section 2.1.

**ARTICLE III.  
GRANTING OF AWARDS**

*Section 3.1      Award Agreement.*

Each Award shall be evidenced by an Award Agreement. Award Agreements evidencing Awards intended to qualify as performance-based compensation as described in Section 162(m)(4)(C) of the Code shall contain such terms and conditions as may be necessary to meet the applicable provisions of Section 162(m) of the Code.

*Section 3.2      Provisions Applicable to Section 162(m) Participants.*

(a)      The Committee, in its discretion, may determine whether an Award is to qualify as performance-based compensation as described in Section 162(m)(4)(C) of the Code.

(b)      Notwithstanding anything in the Plan to the contrary, the Committee may grant any Award to a Section 162(m) Participant, including Restricted Stock the restrictions with respect to which lapse upon the attainment of performance goals which are related to one or more of the Performance Criteria and any Deferred Stock award described in Article VIII that vests or becomes exercisable or payable upon the attainment of performance goals which are related to one or more of the Performance Criteria.

(c)      To the extent necessary to comply with the performance-based compensation requirements of Section 162(m)(4)(C) of the Code, with respect to any Award granted under Articles VII and VIII which may be granted to one or more Section 162(m) Participants, no later than ninety (90) days following the commencement of any fiscal year in question or any other designated fiscal period or period of service (or such other time as may be required or permitted by Section 162(m) of the Code), the Committee shall, in writing, (i) designate one or more Section 162(m) Participants, (ii) select the Performance Criteria applicable to the fiscal year or other designated fiscal period or period of service, (iii) establish the various performance targets, in terms of an objective formula or standard, and amounts of such Awards, as applicable, which may be earned for such fiscal year or other designated fiscal period or period of service, and (iv) specify the relationship between Performance Criteria and the performance targets and the amounts of such Awards, as applicable, to be earned by each Section 162(m) Participant for such fiscal year or other designated fiscal period or period of service. Following the completion of each fiscal year or other designated fiscal period or period of service, the Committee shall certify in writing whether the applicable performance targets have been achieved for such fiscal year or other designated fiscal period or period of service. Except as otherwise provided by any written agreement between the Company and any applicable Holder, in determining the amount earned by a Section 162(m) Participant, the Committee shall have the right to reduce (but not to increase) the amount payable at a given level of performance to take into account additional factors that the Committee may deem relevant to the assessment of individual or corporate performance for the fiscal year or other designated fiscal period or period of service.

(d)      Furthermore, notwithstanding any other provision of the Plan or any Award which is granted to a Section 162(m) Participant and is intended to qualify as performance-based compensation as described in Section 162(m)(4)(C) of the Code shall be subject to any additional limitations set forth in Section 162(m) of the Code (including any amendment to Section 162(m) of the Code) or any regulations or rulings issued thereunder that are requirements for qualification as performance-based compensation as described in Section 162(m)(4)(C) of the Code, and the Plan shall be deemed amended to the extent necessary to conform to such requirements.

*Section 3.3      Limitations Applicable to Section 16 Persons.*

Notwithstanding any other provision of the Plan, the Plan, and any Award granted or awarded to any individual who is then subject to Section 16 of the Exchange Act, shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, the Plan and Awards granted or awarded hereunder shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

*Section 3.4      At-Will Employment.*

Nothing in the Plan or in any Award Agreement hereunder shall confer upon any Holder any right to continue in the employ of, or as a Consultant for, the Company or any Subsidiary, or as a director of the Company, or shall interfere with or restrict in any way the rights of the Company and any Subsidiary, which are hereby expressly reserved, to discharge any Holder at any time for any

reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written employment agreement between the Holder and the Company and any Subsidiary.

Section 3.5 Full Value Award Vesting Limitations.

Notwithstanding any other provision of the Plan to the contrary, any Full Value Award shall become vested over a period of not less than three (3) years (or, in the case of vesting based upon the attainment of performance goals which are related to one or more of the Performance Criteria or other performance-based objectives, over a period of not less than one (1) year) following the date the Award is made.

ARTICLE IV.  
GRANTING OF OPTIONS

Section 4.1 Eligibility.

Any Employee or Consultant selected by the Administrator pursuant to Section 4.4(a)(i) shall be eligible to be granted an Option. Each Independent Director of the Company shall be eligible to be granted Options at the times and in the manner set forth in Section 4.4(d).

Section 4.2 Disqualification for Stock Ownership.

No person may be granted an Incentive Stock Option under this Plan if such person, at the time the Incentive Stock Option is granted, owns stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any then existing Subsidiary or parent corporation (within the meaning of Section 422 of the Code) unless such Incentive Stock Option conforms to the applicable provisions of Section 422 of the Code.

Section 4.3 Qualification of Incentive Stock Options.

No Incentive Stock Option shall be granted to any person who is not an Employee.

Section 4.4 Granting of Options

- (a) The Committee shall from time to time, in its absolute discretion, and subject to applicable limitations of this Plan:
- (i) Determine which Employees are key Employees and select from among the key Employees or Consultants (including Employees or Consultants who have previously received Awards under the Plan) such of them as in its opinion should be granted Options;
- (ii) Subject to the Award Limit, determine the number of shares to be subject to such Options granted to the selected key Employees or Consultants;
- (iii) Subject to Section 3.3, determine whether such Options are to be Incentive Stock Options or Non-Qualified Stock Options and whether such Options are to qualify as performance-based compensation as described in Section 162(m)(4)(C) of the Code; and
- (iv) Determine the terms and conditions of such Options, consistent with this Plan; *provided, however*, that the terms and conditions of Options intended to qualify as performance-based compensation as described in Section 162(m)(4)(C) of the Code shall include, but not be limited to, such terms and conditions as may be necessary to meet the applicable provisions of Section 162(m) of the Code.
- (b) Upon the selection of a key Employee or Consultant to be granted an Option, the Committee shall instruct the Secretary of the Company to issue the Option and may impose such conditions on the grant of the Option as it deems appropriate. Without limiting the generality of the preceding sentence, the Committee may, in its discretion and on such terms as it deems appropriate, require as a condition on the grant of an Option to an Employee or Consultant that the Employee or Consultant surrender



for cancellation some or all of the unexercised Options or other rights which have been previously granted to him under this Plan or otherwise. An Option, the grant of which is conditioned upon such surrender, may have an option price lower (or higher) than the exercise price of such surrendered Option or other award, may cover the same (or a lesser or greater) number of shares as such surrendered Option or other award, may contain such other terms as the Committee deems appropriate, and shall be exercisable in accordance with its terms, without regard to the number of shares, price, exercise period or any other term or condition of such surrendered Option or other award.

(c) Any Incentive Stock Option granted under this Plan may be modified by the Committee to disqualify such option from treatment as an "incentive stock option" under Section 422 of the Code.

(d) Any person who, in his capacity as an Independent Director, was scheduled to receive a grant of Options under Section 4.4 of the Amended and Restated Stock Option Plan For Key Employees and Outside Directors of Kimco Realty Corporation (the "1995 Plan") will receive such grants under this Plan. Any person who, upon adoption of this Plan, is not an Independent Director of the Company, but who later becomes an Independent Director shall be granted at the time of his appointment as an Independent Director, a Non-Qualified Option to purchase 3,000 shares of Common Stock. Each Independent Director who has received a grant pursuant to this Section 4.4(d) or Section 3.4 of the 1995 Plan shall be granted on the first and second anniversary of the date of his grant under this Section 4.4(d) or Section 3.4 of the 1995 Plan (so long as he is an Independent Director on such date) a Non-Qualified Option to purchase 3,000 shares of Common Stock. All the foregoing Option grants authorized by this Section 4.4(d) are subject to stockholder approval of the Plan.

**ARTICLE V.  
TERMS OF OPTIONS**

*Section 5.1      Option Price.*

The price per share of the shares subject to each Option shall be set by the Committee; *provided, however*, that such price shall be no less than the par value<sup>1</sup> of a share of Common Stock, unless otherwise permitted by applicable state law, and (i) in the case of Incentive Stock Options and Options intended to qualify as performance-based compensation as described in Section 162(m)(4)(C) of the Code, such price shall not be less than 100% of the Fair Market Value of a share of Common Stock on the date the Option is granted; (ii) in the case of Incentive Stock Options granted to an individual then owning (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of stock of the Company or any Subsidiary or parent Corporation thereof (within the meaning of Section 422 of the Code) such price shall not be less than 110% of the Fair Market Value of a share of Common Stock on the date the Option is granted; and (iii) in the case of Options granted to Independent Directors, such price shall equal 100% of the Fair Market Value of a share of Common Stock on the date the Option is granted.

*Section 5.2      Expiration of Options.*

(a) The term of an Option granted hereunder shall be set by the Committee in its discretion; *provided, however*, that, no Option may be exercised to any extent by anyone after the first to occur of the following events:

(i) In the case of an Incentive Stock Option, (A) the expiration of ten years from the date the Option was granted, or (B) in the case of any Optionee owning (within the meaning of Section 424(d) of the Code), at the time the Incentive Stock Option was granted, more than 10% of the total combined voting power of all classes of stock of the Company, any Subsidiary or any parent corporation (within the meaning of Section 422 of the Code), the expiration of five years from the date the Incentive Stock Option was granted; or

(ii) In the case of a Non-qualified Option, the expiration of ten years and one day from the date the Non-qualified Option was granted; or

(iii) Except (x) in the case of any Optionee who is disabled (within the meaning of Section 22(e)(3) of the Code) or (y) as otherwise determined by the Committee in its discretion either pursuant to the terms of an applicable Award Agreement or by action of the Committee taken at the time of the Optionee's Termination of Employment, Termination of Consultancy or Termination of Directorship, the expiration of three months from the date of the Optionee's Termination of Employment, Termination of Consultancy or Termination of Directorship, as the case may be, for any reason other than such Optionee's death (unless the Optionee dies within said three-month period) or Retirement; or

(iv) In the case of any Optionee who is disabled (within the meaning of Section 22(e)(3) of the Code), the expiration of one year from the date of the Optionee's Termination of Employment, Termination of Consultancy or Termination of Directorship, as the case may be, for any reason other than such Optionee's death (unless the Optionee dies within said one-year period) or Retirement; or

(v) The expiration of one year from the date of the Optionee's death; or

(vi) In the case of any Optionee's Retirement, the earlier of (A) the date the Optionee engages in any activity in competition with the Company, or which is inimical, contrary or harmful to the interests of the Company, or (B) the expiration of the term of the Option in accordance with clause (i) or (ii) above.

(b) Subject to the provisions of Section 5.2(a), the Committee shall provide, in the terms of each individual Option, when such Option expires and becomes unexercisable; and (without limiting the generality of the foregoing) the Committee may provide in the terms of individual Award Agreements that said Option expires immediately upon a Termination of Employment, Termination of Consultancy or Termination of Directorship, as the case may be; *provided, however*, that provision may be made that such Option shall become exercisable in the event of a Termination of Employment because of the Optionee's Retirement, death, disability or as may otherwise be determined by the Committee.

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<sup>1</sup> Note to draft: Any Option granted with an exercise price less than the Fair Market Value of the Common Stock on the date of grant may be subject to Section 409A.

Section 5.3      *Consideration.*

In consideration of the granting of an Option, the Optionee shall agree, in the written Award Agreement, to remain in the employ of (or to consult for or to serve as an Independent Director of, as applicable) the Company or any Subsidiary for a period of at least one year (or such shorter period as may be fixed in the Award Agreement or by action of the Committee following grant of the Option) after the Option is granted (or, in the case of an Independent Director, until the next annual meeting of stockholders of the Company). Nothing in this Plan or in any Award Agreement hereunder shall confer upon any Optionee, any right to continue in the employ of, or as a consultant for, the Company or any Subsidiary, or as a director of the Company, or shall interfere with or restrict in any way the rights of the Company and any Subsidiary, which are hereby expressly reserved, to discharge any Optionee at any time for any reason whatsoever, with or without good cause.

Section 5.4      *Substitute Awards.*

Notwithstanding the foregoing provisions of this Article V to the contrary, in the case of an Option that is a Substitute Award, the price per share of the shares subject to such Option may be less than the Fair Market Value per share on the date of grant, *provided*, that the excess of:

(a)      The aggregate Fair Market Value (as of the date such Substitute Award is granted) of the shares subject to the Substitute Award; over

(b)      The aggregate exercise price thereof;

does not exceed the excess of:

(c)      The aggregate fair market value (as of the time immediately preceding the transaction giving rise to the Substitute Award, such fair market value to be determined by the Committee) of the shares of the predecessor entity that were subject to the grant assumed or substituted for by the Company; over

(d)      The aggregate exercise price of such shares.

**ARTICLE VI.  
EXERCISE OF OPTION**

Section 6.1      *Partial Exercise.*

An exercisable Option may be exercised in whole or in part. However, an Option shall not be exercisable with respect to fractional shares and the Committee (or the Board, in the case of Options granted to Independent Directors) may require that, by the terms of the Option, a partial exercise be with respect to a minimum number of shares.

Section 6.2      *Manner of Exercise.*

All or a portion of an exercisable Option shall be deemed exercised upon delivery of all of the following to the Secretary of the Company or his or her office:

(a)      A written notice complying with the applicable rules established by the Committee (or the Board, in the case of Options granted to Independent Directors) stating that the Option, or a portion thereof, is exercised. The notice shall be signed by the Optionee or other person then entitled to exercise the Option or such portion;

(b)      Such representations and documents as the Committee (or the Board, in the case of Options granted to Independent Directors), in its absolute discretion, deems necessary or advisable to effect compliance with all applicable provisions of the Securities Act of 1933, as amended, and any other federal or state securities laws or regulations. The Committee or Board may, in its absolute discretion, also take whatever additional actions it deems appropriate to effect such compliance including, without limitation, placing legends on share certificates and issuing stop-transfer notices to agents and registrars;

(c) In the event that the Option shall be exercised pursuant to Section 8.1 by any person or persons other than the Optionee, appropriate proof of the right of such person or persons to exercise the Option; and

(d) Full cash payment to the Secretary of the Company for the shares with respect to which the Option, or portion thereof, is exercised. However, the Committee (or the Board, in the case of Options granted to Independent Directors), may in its discretion (i) allow a delay in payment up to thirty (30) days from the date the Option, or portion thereof, is exercised; (ii) allow payment, in whole or in part, through the delivery of shares of Common Stock which have been owned by the Holder for at least six months, duly endorsed for transfer to the Company with a Fair Market Value on the date of delivery equal to the aggregate exercise price of the Option or exercised portion thereof; (iii) allow payment, in whole or in part, through the surrender of shares of Common Stock then issuable upon exercise of the Option having a Fair Market Value on the date of Option exercise equal to the aggregate exercise price of the Option or exercised portion thereof; (iv) allow payment, in whole or in part, through the delivery of property of any kind which constitutes good and valuable consideration; (v) allow payment, in whole or in part, through the delivery of a full recourse promissory note bearing interest (at no less than such rate as shall then preclude the imputation of interest under the Code) and payable upon such terms as may be prescribed by the Committee or the Board; (vi) allow payment, in whole or in part, through the delivery of a notice that the Holder has placed a market sell order with a broker with respect to shares of Common Stock then issuable upon exercise of the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the Option exercise price, provided that payment of such proceeds is then made to the Company upon settlement of such sale; or (vii) allow payment through any combination of the consideration provided in the foregoing subparagraphs (ii), (iii), (iv), (v) and (vi). In the case of a promissory note, the Administrator may also prescribe the form of such note and the security to be given for such note.

The Option may not be exercised, however, by delivery of a promissory note or by a loan from the Company when or where such loan or other extension of credit is prohibited by law, and payment in the manner prescribed by the preceding sentences shall not be permitted to the extent that the Administrator determines that payment in such manner may result in an extension or maintenance of credit, an arrangement for the extension of credit, or a renewal of an extension of credit in the form of a personal loan to or for any Director or executive officer of the Company that is prohibited by Section 13(k) of the Exchange Act or other applicable law.

#### *Section 6.3 Conditions to Issuance of Stock Certificates.*

The Company shall not be required to issue or deliver any certificate or certificates for shares of stock purchased upon the exercise of any Option or portion thereof prior to fulfillment of all of the following conditions:

- (a) The admission of such shares to listing on all stock exchanges on which such class of stock is then listed;
- (b) The completion of any registration or other qualification of such shares under any state or federal law, or under the rulings or regulations of the Securities and Exchange Commission or any other governmental regulatory body which the Committee or Board shall, in its absolute discretion, deem necessary or advisable;
- (c) The obtaining of any approval or other clearance from any state or federal governmental agency which the Committee (or Board, in the case of Options granted to Independent Directors) shall, in its absolute discretion, determine to be necessary or advisable;
- (d) The lapse of such reasonable period of time following the exercise of the Option as the Committee (or Board, in the case of Options granted to Independent Directors) may establish from time to time for reasons of administrative convenience; and
- (e) The receipt by the Company of full payment for such shares, including payment of any applicable withholding tax.

#### *Section 6.4 Rights as Stockholders.*

The Holders shall not be, nor have any of the rights or privileges of, stockholders of the Company in respect of any shares purchasable upon the exercise of any part of an Option unless and until certificates representing such shares have been issued by the Company to such holders.

*Section 6.5 Ownership and Transfer Restrictions.*

The Committee (or Board, in the case of Options granted to Independent Directors), in its absolute discretion, may impose such restrictions on the ownership and transferability of the shares purchasable upon the exercise of an Option as it deems appropriate. Any such restriction shall be set forth in the respective Award Agreement and may be referred to on the certificates evidencing such shares. The Committee may require the Employee to give the Company prompt notice of any disposition of shares of Common Stock acquired by exercise of an Incentive Stock Option within (i) two years from the date of granting such Option to such Employee or (ii) one year after the transfer of such shares to such Employee. The Committee may direct that the certificates evidencing shares acquired by exercise of an Option refer to such requirement to give prompt notice of disposition.

*Section 6.6 Exercise by Employees of Kimco Realty Services, Inc.*

Notwithstanding anything to the contrary contained in this Plan, an Optionee who is an employee of Kimco Realty Services, Inc. shall exercise his Option in accordance with the following procedures:

- (a) (i) Such Employee shall pay the exercise price to the Secretary of Kimco Realty Services, Inc. in cash; (ii) Kimco Realty Services, Inc. shall then purchase for cash from Kimco the number of shares underlying the exercised Options for the Fair Market Value of such shares; and (iii) Kimco Realty Services, Inc. shall then deliver such shares to the Employee.
- (b) In the case of exercise of Options pursuant to Section 6.2(d)(iii), only the provisions of paragraphs (a)(ii) and (a)(iii) above shall apply, and then only with respect to the net number of shares issuable.

*Section 6.7 Additional Limitations on Exercise of Options.*

Holders may be required to comply with any timing or other restrictions with respect to the settlement or exercise of an Option, including a window-period limitation, as may be imposed in the discretion of the Administrator.

**ARTICLE VII.  
AWARD OF RESTRICTED STOCK**

*Section 7.1 Eligibility.*

Subject to the Award Limit, Restricted Stock may be awarded to any Employee who the Committee determines is a key Employee or any Consultant who the Committee determines should receive such an Award. Additionally, Independent Directors may be granted awards of Restricted Stock.

*Section 7.2 Award of Restricted Stock.*

- (a) The Committee (or the Board, in the case of Independent Directors), may from time to time, in its absolute discretion:
  - (i) Determine which Employees are key Employees and select from among the key Employees, Consultants or Independent Directors (including Employees, Consultants or Independent Directors who have previously received other Awards under the Plan) such of them as in its opinion should be awarded Restricted Stock;
  - (ii) Determine the purchase price, if any, of such Restricted Stock Award, consistent with the Plan; and
  - (iii) Subject to Section 3.5, determine the other terms and conditions applicable to such Restricted Stock Award, consistent with the Plan.
- (b) The Committee (or the Board, in the case of Restricted Stock awarded to Independent Directors), shall establish the purchase price, if any, and form of payment for Restricted Stock; provided, however, that such purchase price shall be no less than the par value of the Common Stock to be purchased, unless otherwise permitted by applicable state law. In all cases, legal consideration shall be required for each issuance of Restricted Stock.

(c) Upon the selection of a key Employee, Consultant or Independent Director to be awarded Restricted Stock, the Committee (or the Board, in the case of Independent Directors) shall instruct the Secretary of the Company to issue such Restricted Stock and may impose such conditions on the issuance of such Restricted Stock as it deems appropriate.

*Section 7.3 Rights as Stockholders.*

Subject to Section 7.4, upon delivery of the shares of Restricted Stock to the Holder or the escrow holder pursuant to 0, the Holder shall have, unless otherwise provided by the Committee (or the Board, in the case of Restricted Stock awarded to Independent Directors), all the rights of a stockholder with respect to said shares, subject to the restrictions in his or her Award Agreement, including the right to receive all dividends and other distributions paid or made with respect to the shares; *provided, however*, that in the discretion of the Committee (or the Board, in the case of Restricted Stock awarded to Independent Directors), any extraordinary distributions with respect to the Common Stock shall be subject to the restrictions set forth in Section 7.4.

*Section 7.4 Restriction.*

All shares of Restricted Stock issued under the Plan (including any shares received by holders thereof with respect to shares of Restricted Stock as a result of stock dividends, stock splits or any other form of recapitalization) shall, in the terms of each individual Award Agreement, be subject to such restrictions as the Committee (or the Board, in the case of Restricted Stock awarded to Independent Directors) shall provide, which restrictions may include, without limitation, restrictions concerning voting rights and transferability and restrictions based on duration of employment with the Company, Company performance and individual performance; provided, however, that, except with respect to shares of Restricted Stock granted to Section 162(m) Participants, by action taken after the Restricted Stock is issued, the Committee may, on such terms and conditions as it may determine to be appropriate, remove any or all of the restrictions imposed by the terms of the Award Agreement in the event of a Corporate Transaction or the applicable Holder's Retirement, death or disability. Restricted Stock may not be sold or encumbered until all restrictions are terminated or expire. Except as otherwise provided by any written agreement between the Company and any applicable Holder, a Holder's rights in unvested Restricted Stock shall lapse, and such Restricted Stock shall be surrendered to the Company without consideration, upon, as applicable, Termination of Employment, Termination of Consultancy or Termination of Directorship with the Company.

*Section 7.5 Repurchase of Restricted Stock.*

The Committee (or the Board, in the case of Restricted Stock awarded to Independent Directors) shall provide in the terms of each individual Award Agreement that the Company shall have the right to repurchase from the Holder the Restricted Stock then subject to restrictions under the Award Agreement immediately upon, as applicable, a Termination of Employment, a Termination of Consultancy or a Termination of Directorship between the Holder and the Company, at a cash price per share equal to the lesser of (i) the Fair Market Value of a share of Common Stock on the date of Termination of Employment, Termination of Consultancy or Termination of Directorship, as applicable, and (ii) the price per share paid by the Holder for such Restricted Stock

*Section 7.6 Escrow.*

Except as otherwise provided in any Award Agreement, the Secretary of the Company or such other escrow holder as the Committee (or the Board, in the case of Restricted Stock awarded to Independent Directors) may appoint shall retain physical custody of each certificate representing Restricted Stock until all of the restrictions imposed under the Award Agreement with respect to the shares evidenced by such certificate expire or shall have been removed.

*Section 7.7 Legend.*

In order to enforce the restrictions imposed upon shares of Restricted Stock hereunder, the Committee (or the Board, in the case of Restricted Stock awarded to Independent Directors) shall cause a legend or legends to be placed on certificates representing all shares of Restricted Stock that are still subject to restrictions under Award Agreements, which legend or legends shall make appropriate reference to the conditions imposed thereby.

Section 7.8      Section 83(b) Election.

If a Holder makes an election under Section 83(b) of the Code, or any successor section thereto, to be taxed with respect to the Restricted Stock as of the date of transfer of the Restricted Stock rather than as of the date or dates upon which the Holder would otherwise be taxable under Section 83(a) of the Code, the Holder shall deliver a copy of such election to the Company immediately after filing such election with the Internal Revenue Service.

**ARTICLE VIII.**  
**DEFERRED STOCK**

Section 8.1      Eligibility.

Subject to the Award Limit, awards of Deferred Stock may be granted to any Employee whom the Committee determines is a key Employee or any Consultant whom the Committee determines should receive such an Award. Additionally, Independent Directors may be granted awards of Deferred Stock in lieu of directors' fees.

Section 8.2      Deferred Stock.

Any key Employee or Consultant or Independent Director selected by the Committee may be granted an award of Deferred Stock in the manner determined from time to time by the Committee. The number of shares of Deferred Stock shall be determined by the Committee and may be linked to the Performance Criteria or other specific performance criteria determined to be appropriate by the Committee, in each case on a specified date or dates or over any period or periods determined by the Committee consistent with Section 3.5. Common Stock underlying a Deferred Stock award will not be issued until the Deferred Stock award has vested, pursuant to a vesting schedule or performance criteria set by the Committee; *provided, however*, that, except with respect to shares of Deferred Stock granted to Section 162(m) Participants, by action taken after the Deferred Stock is issued, the Committee may, on such terms and conditions as it may determine to be appropriate, remove any or all of the restrictions imposed by the terms of the Award Agreement in the event of a Corporate Transaction or the applicable Holder's Retirement, death or disability. Unless otherwise provided by the Committee, a Holder of Deferred Stock shall have no rights as a Company stockholder with respect to such Deferred Stock until such time as the Award has vested and the Common Stock underlying the Award has been issued.

Section 8.3      Deferred Stock Agreement.

Each award of Deferred Stock shall be evidenced by an Award Agreement, which shall be executed by the Holder and an authorized Officer of the Company and which shall contain such terms and conditions as the Committee shall determine, consistent with this Plan.

Section 8.4      Term.

The term of an award of Deferred Stock shall be set by the Board in its discretion.

Section 8.5      Exercise or Purchase Price.

The Committee may establish the exercise or purchase price of shares of Deferred Stock; *provided, however*, that such price shall not be less than the par value of a share of Common Stock, unless otherwise permitted by applicable state law.

Section 8.6      Exercise Upon Termination of Employment, Termination of Consultancy or Termination of Directorship.

An award of Deferred Stock is exercisable or payable only while the Holder is an Employee, Consultant or Independent Director, as applicable; *provided, however*, that the Administrator in its sole and absolute discretion may provide that the award of Deferred Stock may be exercised or paid subsequent to a Termination of Employment following a "change of control or ownership" (within the meaning of Section 1.162-27(e)(2)(v) or any successor regulation thereto) of the Company.

**ARTICLE IX.  
ADMINISTRATION**

*Section 9.1      Committee.*

Except as may otherwise be determined by the Board in its sole discretion, the Committee (or another committee or a subcommittee of the Board assuming the functions of the Committee under the Plan) shall consist solely of two or more Independent Directors appointed by and holding office at the pleasure of the Board, each of whom is both a "non-employee director" as defined by Rule 16b-3 and an "outside director" for purposes of Section 162(m) of the Code. Appointment of Committee members shall be effective upon acceptance of appointment. Committee members may resign at any time by delivering written notice to the Board. Vacancies in the Committee may be filled by the Board.

*Section 9.2      Duties and Powers of Committee.*

It shall be the duty of the Committee to conduct the general administration of this Plan in accordance with its provisions. The Committee shall have the power to interpret this Plan and the Award Agreements, and to adopt such rules for the administration, interpretation, and application of this Plan as are consistent therewith and to interpret, amend or revoke any such rules and to amend any Award Agreement, *provided* that the rights or obligations of the Holder of the Award that is the subject of any such Award Agreement are not affected adversely. Notwithstanding the foregoing, the full Board, acting by a majority of its members in office, shall conduct the general administration of the Plan with respect to Awards granted to Independent Directors. Any such grant or award under this Plan need not be the same with respect to each Holder. Any such interpretations and rules with respect to Incentive Stock Options shall be consistent with the provisions of Section 422 of the Code. In its absolute discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Committee under this Plan except with respect to matters which under Rule 16b-3 or Section 162(m) of the Code, or any regulations or rules issued thereunder, are required to be determined in the sole discretion of the Committee.

*Section 9.3      Majority Rule; Unanimous Written Consent.*

The Committee shall act by a majority of its members in attendance at a meeting at which a quorum is present or by a memorandum or other written instrument signed by all members of the Committee.

*Section 9.4      Compensation; Professional Assistance; Good Faith Actions.*

Members of the Committee shall receive such compensation for their services as members as may be determined by the Board. All expenses and liabilities which members of the Committee incur in connection with the administration of this Plan shall be borne by the Company. The Committee may, with the approval of the Board, employ attorneys, consultants, accountants, appraisers, brokers, or other persons. The Committee, the Company and the Company's officers and Directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee or the Board in good faith shall be final and binding upon all Holders, the Company and all other interested persons. No members of the Committee or Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or Awards, and all members of the Committee and the Board shall be fully protected by the Company in respect of any such action, determination or interpretation.

*Section 9.5      Delegation of Authority to Grant and Amend Awards.*

The Committee may, but need not, delegate from time to time some or all of its authority to (a) grant Awards under the Plan and (b) amend Awards previously granted pursuant to the Plan to a committee consisting of one or more members of the Committee or of one or more officers of the Company; *provided, however*, that the Committee may not delegate its authority to grant or to amend Awards to individuals (x) who are subject on the date of the grant to the reporting rules under Section 16(a) of the Exchange Act, (y) who are Section 162(m) Participants, or (z) who are officers of the Company who are delegated authority by the Committee hereunder. Any delegation hereunder shall be subject to the restrictions and limits that the Committee specifies at the time of such delegation of authority and may be rescinded at any time by the Committee. At all times, any committee appointed under this Section 9.5 shall serve in such capacity at the pleasure of the Committee.



**ARTICLE X.**  
**MISCELLANEOUS PROVISIONS**

*Section 10.1 Not Transferable.*

Awards under this Plan may not be sold, pledged, assigned, or transferred in any manner other than by will or the laws of descent and distribution, pursuant to beneficiary designation procedures approved from time to time by the Committee (or the Board, in the case of Options granted to Independent Directors) or pursuant to a QDRO, unless and until such rights or awards have been exercised, or the shares underlying such rights or awards have been issued, and all restrictions applicable to such shares have lapsed. No Award or interest or right therein shall be liable for the debts, contracts or engagements of the Holder or his successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence. During the lifetime of the Holder, only he may exercise an Option or other Award (or any portion thereof) granted to him under the Plan, unless it has been disposed of pursuant to a QDRO. After the death of the Holder, any exercisable portion of an Option or other Award may, prior to the time when such portion becomes unexercisable under the Plan or the applicable Award Agreement, be exercised by, as applicable, his personal representative, any person empowered to do so under the deceased Holder's will or under the then applicable laws of descent and distribution or any beneficiary designated by the Holder pursuant to procedures approved in accordance with this Section 10.1.

*Section 10.2 Amendment, Suspension or Termination of this Plan.*

Except as otherwise provided in this Section 10.2, this Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Board or the Committee. However, without approval of the Company's stockholders given within twelve months before or after the action by the Board or the Committee, no action of the Board or the Committee may, except as provided in Section 8.3, increase the limits imposed in Section 2.1 on the maximum number of shares which may be issued under this Plan or modify the Award Limit, and no action of the Board or the Committee may be taken that would otherwise require stockholder approval as a matter of applicable law, regulation or rule. No amendment, suspension or termination of this Plan shall, without the consent of the Holder, impair any rights or obligations under any Awards theretofore granted or awarded, unless the Award itself otherwise expressly so provides. No Award may be granted or awarded during any period of suspension or after termination of this Plan, and in no event may any Incentive Stock Option be granted under this Plan after the first to occur of the following events:

- (a) The expiration of ten years from the date the Plan is adopted by the Board; or
- (b) The expiration of ten years from the date the Plan is approved by the Company's stockholders under Section 10.4.

*Section 10.3 Changes in Common Stock or Assets of the Company, Acquisition or Liquidation of the Company and Other Corporate Events.*

(a) Subject to Section 10.3(e), in the event that the Committee (or the Board, in the case of Options granted to Independent Directors) determines that any dividend or other distribution, reorganization, merger, consolidation, combination, repurchase, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company (including, but not limited to, a Corporate Transaction), or exchange of Common Stock or other securities of the Company, issuance of warrants or other rights to purchase Common Stock or other securities of the Company, or other similar Corporate Transaction or event (other than an Equity Restructuring), in the Committee's sole discretion (or in the case of Options granted to Independent Directors, the Board's sole discretion), affects the Common Stock such that an adjustment is determined by the Committee to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to an Award, then the Committee shall, in such manner as it may deem equitable, adjust any or all of:

- (i) the number and kind of shares of Common Stock (or other securities or property) with respect to which Awards may be granted, or which may be awarded (including, but not limited to, adjustments of the limitations in Section 2.1 on the maximum number and kind of shares which may be issued and adjustments of the Award Limit),

(ii) the number and kind of shares of Common Stock (or other securities or property) subject to outstanding Awards, and

(iii) the grant or exercise price with respect to any Award.

(b) Subject to Section 10.3(b)(vii) and 10.3(e), in the event of any Corporate Transaction or other transaction or event described in Section 10.3(a) or any unusual or nonrecurring transactions or events (other than an Equity Restructuring) affecting the Company, any affiliate of the Company, or the financial statements of the Company or any affiliate, or of changes in applicable laws, regulations, or accounting principles, the Administrator in its sole and absolute discretion, and on such terms and conditions as it deems appropriate, either by the terms of the Award or by action taken prior to the occurrence of such transaction or event and either automatically or upon the Holder's request, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to any Award under this Plan, to facilitate such transactions or events or to give effect to such changes in laws, regulations or principles:

(i) To provide for either (A) the purchase of any such Award for an amount of cash and/or other property equal to the amount that could have been attained upon the exercise of such Award, or realization of the Holder's rights had such Award been currently exercisable or payable (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction or event described in this Section 10.3(b) the Administrator determines in good faith that no amount would have been obtained upon the exercise of such Award or the realization of the Holder's rights, then such Award may be terminated by the Company without payment) or (B) fully vested or the replacement of such Award with other rights or property selected by the Administrator in its sole discretion;

(ii) To provide that the Award cannot vest, be exercised or become payable after such event;

(iii) To provide that such Award shall be exercisable as to all shares covered thereby, notwithstanding anything to the contrary in the provisions of such Award;

(iv) To provide that such Award be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar options, rights or awards covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices;

(v) To make adjustments in the number and type of shares of Common Stock (or other securities or property) subject to outstanding Awards, and in the number and kind of outstanding Restricted Stock or Deferred Stock and/or in the terms and conditions of (including the grant or exercise price), and the criteria included in, outstanding Awards and Awards which may be granted in the future;

(vi) To provide for a specified period of time prior to such event, the restrictions imposed under an Award Agreement upon some or all shares of Restricted Stock or Deferred Stock may be terminated, and in the case of Restricted Stock, some or all of the shares of such Restricted Stock may cease to be subject to repurchase under 0 or forfeiture under Section 7.4 after such event; and

(vii) In the event of any Corporate Transaction, each outstanding Award shall, immediately prior to the effective date of the Corporate Transaction, automatically become fully exercisable for all of the shares of Common Stock at the time subject to such rights or fully vested, as applicable, and may be exercised or become payable for any or all of those shares as fully-vested shares of Common Stock. However, an outstanding Award shall not so accelerate if and to the extent: (i) such Award is, in connection with the Corporate Transaction, either to be assumed by the successor or survivor corporation (or parent thereof) or to be replaced with a comparable right with respect to shares of the capital stock of the successor or survivor corporation (or parent thereof) or (ii) the acceleration of exercisability of such Award is subject to other limitations imposed by the Administrator at the time of grant. The determination of comparability of rights under clause (i) above shall be made by the Administrator, and its determination shall be final, binding and conclusive.

(c) In connection with the occurrence of any Equity Restructuring:

(i) The number and type of securities subject to each outstanding Option and the exercise price thereof, if applicable, will be proportionately adjusted. The adjustments provided under this Section 10.3(c) shall be nondiscretionary and shall be final and binding on the affected Holder and the Company.

(ii) The Administrator shall make such proportionate adjustments, if any, as the Administrator in its discretion may deem appropriate to reflect such Equity Restructuring with respect to the aggregate number and kind of shares of Common Stock (or other securities or property) that may be issued under the Plan (including, but not limited to, adjustments of the limitations in Section 2.1).

(d) Subject to Section 10.3(e) and 10.8, the Administrator may, in its discretion, include such further provisions and limitations in any Award agreement or certificate, as it may deem equitable and in the best interests of the Company.

(e) With respect to Awards which are granted to Section 162(m) Participants and are intended to qualify as performance-based compensation under Section 162(m)(4)(C), no adjustment or action described in this Section 9.3 or in any other provision of the Plan shall be authorized to the extent that such adjustment or action would cause the Plan to fail to so qualify under Section 162(m)(4)(C), as the case may be, or any successor provisions thereto. No adjustment or action described in this Section 10.3 or in any other provision of the Plan shall be authorized to the extent that such adjustment or action would cause the Plan to violate Section 422(b)(1) of the Code. Furthermore, no such adjustment or action shall be authorized to the extent such adjustment or action would result in short-swing profits liability under Section 16 or violate the exemptive conditions of Rule 16b-3 unless the Committee determines that the Award is not to comply with such exemptive conditions. The number of shares of Common Stock subject to any Award shall always be rounded to the next whole number.

*Section 10.4 Approval of Plan by Stockholders.*

The Plan will be submitted for the approval of the Company's stockholders within twelve months after the date of the Board's adoption of this amended plan. Except as otherwise prohibited by the New York Stock Exchange or other applicable exchange or quotation system or as prohibited by an applicable statute or other law, Awards may be awarded prior to such stockholder approval, provided that such Awards not be exercisable prior to the time when the Plan is approved by the Company's stockholders, and *provided further* that if such approval has not been obtained at the end of said twelve month period, all Awards previously awarded under the Plan shall thereupon be canceled and become null and void.

*Section 10.5 Tax Withholding.*

The Company shall be entitled to require payment in cash or deduction from other compensation payable to each Holder of any sums required by federal, state or local tax law to be withheld with respect to the issuance, vesting, exercise or payment of any Award. The Committee may in its discretion and in satisfaction of the foregoing requirement allow such Holder to elect to have the Company withhold shares of Common Stock otherwise issuable under such Option or other award (or allow the return of shares of Common Stock) having a Fair Market Value equal to the sums required to be withheld.

*Section 10.6 Loans.*

The Committee may, in its discretion, extend one or more loans to key Employees in connection with the exercise or receipt of an Award granted or awarded under the Plan, or the issuance of Restricted Stock or Deferred Stock awarded under the Plan. The terms and conditions of any such loan shall be set by the Committee. Notwithstanding the foregoing, no loan shall be made to an Employee under this Section to the extent such loan shall result in an extension or maintenance of credit, an arrangement for the extension of credit, or a renewal of an extension of credit in the form of a personal loan to or for any Director or executive officer of the Company that is prohibited by Section 13(k) of the Exchange Act or other applicable law. In the event that the Administrator determines in its discretion that any loan under this Section may be or will become prohibited by Section 13(k) of the Exchange Act or other applicable law, the Administrator may provide that such loan shall be immediately due and payable in full and may take any other action in connection with such loan as the Administrator determines in its discretion to be necessary or appropriate for the repayment, cancellation or extinguishment of such loan.

*Section 10.7 Forfeiture Provisions.*

Pursuant to its general authority to determine the terms and conditions applicable to Awards under the Plan, the Administrator shall have the right to provide, in the terms of Awards made under the Plan, or to require a Holder to agree by separate written instrument at the time the Award is granted, that (a)(i) any proceeds, gains or other economic benefit actually or constructively received by the Holder upon any receipt or exercise of the Award, or upon the receipt or resale of any Common Stock underlying the Award, must be paid to the Company, and (ii) the Award shall terminate and any unexercised portion of the Award (whether or not vested) shall be forfeited, if (b)(i) a Termination of Employment, Termination of Consultancy or Termination of Directorship occurs prior to a specified date, or within a specified time period following receipt or exercise of the Award, or (ii) the Holder at any time, or during a specified time period, engages in any activity in competition with the Company, or which is inimical, contrary or harmful to the interests of the Company, as further defined by the Administrator or (iii) the Holder incurs a Termination of Employment, Termination of Consultancy or Termination of Directorship for cause.

*Section 10.8 Effect of Plan Upon Options and Compensation Plans.*

The adoption of this Plan shall not affect any other compensation or incentive plans in effect for the Company or any Subsidiary. Nothing in this Plan shall be construed to limit the right of the Company (i) to establish any other forms of incentives or compensation for Employees, Directors or consultants of the Company or any Subsidiary or (ii) to grant or assume options or other rights otherwise than under this Plan in connection with any proper corporate purpose including but not by way of limitation, the grant or assumption of options in connection with the acquisition by purchase, lease, merger, consolidation or otherwise, of the business, stock or assets of any corporation, partnership, limited liability company, firm or association.

*Section 10.9 Compliance with Laws.*

The Plan, the granting and vesting of Awards under the Plan and the issuance and delivery of shares of Common Stock and the payment of money under the Plan or under Awards granted or awarded hereunder are subject to compliance with all applicable federal and state laws, rules and regulations (including but not limited to state and federal securities law and federal margin requirements) and to such approvals by any listing, regulatory or governmental authority as may, in the opinion of counsel for the Company, be necessary or advisable in connection therewith; *provided, however*, that the foregoing shall not relieve the Company of its obligations under any Award. Any securities delivered under the Plan shall be subject to such restrictions, and the person acquiring such securities shall, if requested by the Company, provide such assurances and representations to the Company as the Company may deem necessary or desirable to assure compliance with all applicable legal requirements. To the extent permitted by applicable law, the Plan and Awards granted or awarded hereunder shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

*Section 10.10 Federal Income Tax Consequences.*

The following is a general summary under current law of the material federal income tax consequences to participants in the Plan. This summary deals with the general tax principles that apply and is provided only for general information. Some kinds of taxes, such as the alternative minimum tax and state and local income taxes are not discussed. Tax laws are complex and subject to change and may vary depending on individual circumstances and from locality to locality. The summary does not discuss all aspects of income taxation that may be relevant to each participant in light of his or her personal investment circumstances. This summarized tax information is not tax advice.

For federal income tax purposes, if a Holder is granted non-qualified stock options under the Plan, the Holder will not have taxable income on the grant of the option, nor will the Company be entitled to any deduction. Generally, on exercise of non-qualified stock options a Holder will recognize ordinary income, and the Company will be entitled to a deduction, in an amount equal to the difference between the option exercise price and the fair market value of the Common Stock on the date of exercise. There is no taxable income when the Holder is granted an incentive stock option or when that option is exercised. However, the amount by which the fair market value of the shares at the time of exercise exceeds the option price will be an "item of tax preference" for alternative minimum tax purposes. Gain realized on the sale of stock issued to the Holder pursuant to the exercise of an incentive stock option is taxable at capital gains rates, and no tax deduction is available to the Company, unless the Holder disposes of the shares within (1) two years after the date of grant of the option or (2) within one year of the date the shares were transferred to the Holder. If the shares of Common Stock are sold or otherwise disposed of before the end of the one-year and two-year periods specified above, the difference between the option exercise price and the fair market value of the shares on the date of the option's exercise will be taxed at ordinary income rates, and the Company will be entitled to a deduction to the extent the Holder must recognize ordinary income.

No taxable income is realized on the receipt of the new restricted shares of Common Stock or on the receipt of Deferred Stock, but upon the lapse of all of the restrictions on the stock or upon the vesting and issuing of the stock due to the attainment of certain performance or other criteria, the fair market value of the shares (less any purchase price paid for such shares, if any) received must be treated as compensation taxable as ordinary income to the Holder in the year of the lapse of the final restrictions. The Company will be entitled to a deduction for compensation paid in the same amount which the Holder realized as ordinary income.

Section 10.11 Titles.

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Plan.

Section 10.12 Governing Law.

This Plan and any agreements hereunder shall be administered, interpreted and enforced under the internal laws of the State of New York without regard to conflicts of laws thereof.

Section 10.13 Section 409A.

To the extent that the Administrator determines that any Award granted under the Plan is subject to Section 409A of the Code, the Award Agreement evidencing such Award shall incorporate the terms and conditions required by Section 409A of the Code. To the extent applicable, the Plan and Award Agreements shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the effective date of the Plan. Notwithstanding any provision of the Plan to the contrary, in the event that the Administrator determines that any Award may be subject to Section 409A of the Code and related Department of Treasury guidance (including such Department of Treasury guidance as may be issued after the effective date of the Plan), the Administrator may adopt such amendments to the Plan and the applicable Award Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Administrator determines are necessary or appropriate to (a) exempt the Award from Section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the Award, or (b) comply with the requirements of Section 409A of the Code and related Department of Treasury guidance.

\* \* \*

I hereby certify that the foregoing Plan was duly adopted by the Board of Directors of Kimco Realty Corporation on February 25, 2009.

Executed on this 25 day of February, 2009.

KIMCO REALTY CORPORATION

By: /s/ Milton Cooper  
Name: Milton Cooper  
Title: Chief Executive Officer

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Section 4: EX-12.1 (COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES)

Exhibit 12.1

Kimco Realty Corporation and Subsidiaries Computation of Ratio of Earnings to Fixed Charges For the year ended December 31, 2008		
Pretax earnings from continuing operations before adjustment for minority interests or income loss from equity investees	\$	47,418,852
Add:		
Interest on indebtedness (excluding capitalized interest)		213,156,103
Amortization of debt related expenses		5,160,325
Portion of rents representative of the interest factor		7,740,485
		<u>273,475,765</u>
Distributed income from equity investees		<u>261,993,161</u>
Pretax earnings from continuing operations, as adjusted	\$	<u>535,468,926</u>
Fixed charges -		
Interest on indebtedness (including capitalized interest)	\$	241,850,328
Amortization of debt related expenses		2,163,271
Portion of rents representative of the interest factor		7,740,485
		<u>251,754,084</u>
Fixed charges	\$	<u>251,754,084</u>
Ratio of earnings to fixed charges		<u>2.1</u>

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Section 5: EX-12.2 (COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS)

Exhibit 12.2

Kimco Realty Corporation and Subsidiaries Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends For the year ended December 31, 2008		
Pretax earnings from continuing operations before adjustment for minority interests or income loss from equity investees	\$	47,418,852
Add:		
Interest on indebtedness (excluding capitalized interest)		213,156,103
Amortization of debt related expenses		5,160,325
Portion of rents representative of the interest factor		7,740,485
		<u>273,475,765</u>
Distributed income from equity investees		<u>261,993,161</u>
Pretax earnings from continuing operations, as adjusted	\$	<u>535,468,926</u>
Combined fixed charges and preferred stock dividends -		
Interest on indebtedness (including capitalized interest)	\$	241,850,328
Preferred dividend factor		47,287,500
Amortization of debt related expenses		2,163,271
Portion of rents representative of the interest factor		7,740,485
		<u>299,041,584</u>
Combined fixed charges and preferred stock dividends	\$	<u>299,041,584</u>
Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends		<u>1.8</u>

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Section 6: EX-21.1 (SUBSIDIARIES OF THE COMPANY)

Exhibit 21.1

SUBSIDIARY GUARANTY

44 PLAZA, INC.  
AUK REALTY CORPORATION  
BKS REALTY INC.  
BRENDA PROPERTIES, INC.  
CHERRY HILLVIEW, INC.  
EAST END OPERATING CORP.  
GC ACQUISITION CORP.  
HAMBURG WELLNESS PARTNERS  
HARVEST PROPERTIES CORP.  
K & W INVESTORS, INC.  
KCHGC, INC.  
KB BIRMINGHAM 1035, INC.  
KD HAZEL DELL 1031, INC.  
KD LONGVIEW 1029, INC.  
KIF I LP, INC.  
KIGFRE HUB, INC.  
KIMAPPLE NORTH HOLDINGS, INC.  
KIMCADE, INC.  
KIMCAL CORPORATION  
KIMCARS INVESTMENT, INC.  
KIMCOAST OF WARREN, INC.

KIMCO BBB 878A, INC.  
KIMCO 118 O/P, INC.  
KIMCO 120 O/P, INC.  
KIMCO 129 FLORIDA, INC.  
KIMCO 280 METRO, INC.  
KIMCO 413B, INC.  
KIMCO 420, INC.  
KIMCO 632, INC.  
KIMCO 1620, INC.  
KIMCO ACADIANA 670, LLC  
KIMCO ALBANY, INC.  
KIMCO ALLEGHENY 1185 BUSINESS TRUST  
KIMCO ALTAMONTE SPRINGS 636, INC.  
KIMCO ANAHEIM, INC.  
KIMCO ARAPAHOE, INC.  
KIMCO ARBOR LAKES 1558, INC.  
KIMCO AUBURN 1482A, INC.  
KIMCO AUGUSTA 635, INC.  
KIMCO AUSTIN, INC.  
KIMCO AUSTIN 589, INC.  
KIMCO AUTOVENTURE, INC.  
KIMCO BANGOR 200, INC.  
KIMCO BAYRIDGE 1134, INC.  
KIMCO BEAUMONT 1635, INC.  
KIMCO BELAIR 1187, INC.  
KIMCO BELLMORE 1135, INC.  
KIMCO BIRCHWOOD, INC.  
KIMCO BRADENTON 698, INC.  
KIMCO BRAZIL INVESTMENT, INC.  
KIMCO BT CORP.

KIMCO BUCKS 651 TRUST INC.  
KIMCO BURLESON 496, INC.  
KIMCO CARY 696, INC.  
KIMCO CAMBRIDGE 242, INC.  
KIMCO CANTON 182, INC.  
KIMCO CANYON POINTE INC.  
KIMCO CAPITAL CORP.  
KIMCO CARROLLWOOD 664, INC.  
KIMCO CENTRE AT WESTBANK INC.  
KIMCO CHARLESTON 631, INC.  
KIMCO CHARLOTTE 192, INC.  
KIMCO CHATHAM PLAZA 1619, INC.  
KIMCO CINNAMINSON 645, INC.  
KIMCO CLAWSON 143, INC.  
KIMCO COLUMBUS, INC.  
KIMCO CONCOURSE, INC.  
KIMCO CONROE MARKETPLACE 1555, INC.  
KIMCO COPPERFIELD ACQUISITIONS, INC.  
KIMCO COPPERFIELD 1122, INC.  
KIMCO CORAL SPRINGS 623, INC.  
KIMCO CORONA HILLS 1633, INC.  
KIMCO CORSICA SQUARE 1571, INC.  
KIMCO CRANSTON 691, INC.  
KIMCO CRÈME ALLEN 1309, INC.  
KIMCO CRÈME COLLEYVILLE 1308, INC.  
KIMCO CRÈME LP BUSINESS TRUST  
KIMCO CROSS CREEK 607, INC.  
KIMCO CURLEW CROSSING 1186, INC.  
KIMCO CUPERTINO VILLAGE 1344, INC.  
KIMCO CYPRESS 1086B, INC.  
KIMCO CYPRESS 1086C, INC.  
KIMCO DELRAN, INC.  
KIMCO DENVER 680, INC.  
KIMCO DERBY, INC.  
KIMCO DEV. OF MCINTOSH SARASOTA, INC.  
KIMCO DEV. OF MENTOR, INC.  
KIMCO DEV. OF MUSKEGON, INC.  
KIMCO DEV. OF NEW KENSINGTON, INC.  
KIMCO DEV. OF SEMINOLE SANFORD, INC.  
KIMCO DEV. OF TROY, INC.  
KIMCO DEV. OF TYVOLA, INC.  
KIMCO DOCSTONE 1295, INC.  
KIMCO DOWNS PARK 764, INC.  
KIMCO DURHAM 639, INC.  
KIMCO EAST BANK 689, INC.  
KIMCO EAST RUTHERFORD 1395, INC.  
KIMCO EL CAJON 1028, INC.  
KIMCO EMBRY VILLAGE 1576, INC.  
KIMCO CYPRESS 1086B, INC.  
KIMCO EMPIRE HILLSBOROUGH 1191, INC.  
KIMCO FARMINGTON 146, INC.  
KIMCO FLAGLER 1589, INC.  
KIMCO FLORENCE 646, INC.  
KIMCO FLORIDA HOSPITALITY, INC.  
KIMCO FOLSOM 1106, INC.  
KIMCO FRANKLIN SQUARE 1136, INC.



KIMCO FREEPORT 1176, INC.  
KIMCO GALLERY 660 TRUST  
KIMCO GATES 149, INC.  
KIMCO GERMANY HOLDINGS, INC.  
KIMCO GUN HILL ROAD 1625, INC.  
KIMCO GOVERNORS MARKETPLACE 317, INC.  
KIMCO GREAT BARRINGTON 609, INC.  
KIMCO GREEN ORCHARD 606, INC.  
KIMCO GREENBRIDGE 674A, INC.  
KIMCO GREENVILLE 676, INC.  
KIMCO GREENWICH STREET QRS, INC.  
KIMCO GREENWOOD VILLAGE 1022, INC.  
KIMCO HAMMOND AIRE 1183, INC.  
KIMCO HAYDEN PLAZA 604, INC.  
KIMCO HARSTON WOODS, INC.  
KIMCO HFC INVESTMENT, INC.  
KIMCO HOLMDEL NJ, INC.  
KIMCO HOMDEL TOWNE CENTER 1007, INC.  
KIMCO HOUMA 274, LLC  
KIMCO HUEHUETOCA, INC.  
KIMCO HYANNIS 1114, INC.  
KIMCO INCOME FUND I GP, INC.  
KIMCO INCOME FUND II GP, INC.  
KIMCO INTOWN CORP.  
KIMCO JLP CALIFORNIA, INC.  
KIMCO JUAN TABO PLAZA 591, INC.  
KIMCO KENAI 1108, INC.  
KIMCO KENT 637, INC.  
KIMCO KISSIMMEE 613, INC.  
KIMCO KML, INC.  
KIMCO LAFAYETTE 670, INC.  
KIMCO LAFAYETTE 671, INC.  
KIMCO LAKELAND 123, INC.  
KIMCO LAKEWOOD 684, INC.  
KIMCO LANDMARK STATION 275, INC.  
KIMCO LATIN AMERICA CORPORATION  
KIMCO LARGO 139, INC.  
KIMCO LARGO 196, INC.  
KIMCO LARKFIELD 1341, INC.  
KIMCO LAUREL, INC.  
KIMCO LEXINGTON 140, INC.  
KIMCO LINDA MAR 1115, INC.  
KIMCO LITTLE FERRY 1646, INC.  
KIMCO LIVONIA, INC.  
KIMCO MALLSIDE PLAZA 1381, INC.  
KIMCO MANASSAS 672, INC.  
KIMCO MELBOURNE 616, INC.  
KIMCO MANAGEMENT OF NEW JERSEY, INC.  
KIMCO MANAGEMENT OF MARYLAND, INC.  
KIMCO MANCHESTER 1120, INC.  
KIMCO MAPLE HILL 138, INC.  
KIMCO MAPLEWOOD 673, INC.  
KIMCO MARANA 1024, INC.  
KIMCO MASHPAUG TRUST  
KIMCO MASHPAUG 1011, INC.  
KIMCO MASSAPEQUA 1138, INC.

KIMCO MISSION BELL 1124, INC.  
KIMCO MOORESVILLE CROSSING 1626, INC.  
KIMCO MORGAN HILL 1032, INC.  
KIMCO MS MONTROSE 1013, INC.  
KIMCO MT. DORA 677, INC.  
KIMCO NAMPA 1142, INC.  
KIMCO NB CORP.  
KIMCO NJ, INC.  
KIMCO NORTH BRUNSWICK 617, INC.  
KIMCO NORTH HOLDINGS, INC.  
KIMCO NORTH HOLDINGS II, INC.  
KIMCO NORTH HOLDINGS III, INC.  
KIMCO NORTH HOLDINGS IV, INC.  
KIMCO NORTH HOLDINGS V, INC.  
KIMCO NORTH HOLDINGS VI, INC.  
KIMCO NORTH HOLDINGS VII, INC.  
KIMCO NORTH HOLDINGS VIII, INC.  
KIMCO NORTH HOLDINGS IX, INC.  
KIMCO NORTH HOLDINGS XII, INC.  
KIMCO NORTH HOLDINGS XIII, INC.  
KIMCO NORTH HOLDINGS XIV, INC.  
KIMCO NORTH HOLDINGS XV, INC.  
KIMCO NORTH HOLDINGS XVI, INC.  
KIMCO NORTH HOLDINGS XVII, INC.  
KIMCO NORTH HOLDINGS XVIII, INC.  
KIMCO NORTH HOLDINGS XIX, INC.  
KIMCO NORTH HOLDINGS XX, INC.  
KIMCO NOVATO FAIR 1036, INC.  
KIMCO OAKLAND COMMONS 1111, INC.  
KIMCO OCALA 665, INC.  
KIMCO ONE CENTRE, INC.  
KIMCO ONE FINANCIAL PLACE, INC.  
KIMCO ORLANDO 638, INC.  
KIMCO PALM AIRE 1126, INC.  
KIMCO PARKCHESTER 1139, INC.  
KIMCO PARTNERSHIP ACQUISITION, INC.  
KIMCO PENN HOLDCO, INC.  
KIMCO PEPPERTREE, INC.  
KIMCO PERGAMENT, INC.  
KIMCO PERRY STREET QRS, INC.  
KIMCO PINEVILLE CENTRUM, INC.  
KIMCO PINEVILLE 1033, INC.  
KIMCO FL RETAIL, INC.  
KIMCO PLANO INC.  
KIMCO POTOSI, INC.  
KIMCO POWAY CITY 1195, INC.  
KIMCO PREFERRED INVESTOR I, INC.  
KIMCO PREFERRED INVESTOR II, INC.  
KIMCO PREFERRED INVESTOR III, INC.  
KIMCO PREFERRED INVESTOR IV TRUST  
KIMCO PREFERRED INVESTOR V, INC.  
KIMCO PREFERRED INVESTOR VI, INC.  
KIMCO PREFERRED INVESTOR VII, INC.  
KIMCO PREFERRED INVESTOR VIII, INC.  
KIMCO PREFERRED INVESTOR IX, INC.  
KIMCO PREFERRED INVESTOR X, INC.

KIMCO PREFERRED INVESTOR XI, INC.  
KIMCO PREFERRED INVESTOR XII, INC.  
KIMCO PREFERRED INVESTOR XIII, INC.  
KIMCO PREFERRED INVESTOR XIV, INC.  
KIMCO PREFERRED INVESTOR XV, INC.  
KIMCO PREFERRED INVESTOR XVI, INC.  
KIMCO PREFERRED INVESTOR XVII, INC.  
KIMCO PREFERRED INVESTOR XVIII, INC.  
KIMCO PREFERRED INVESTOR XIX, INC.  
KIMCO PREFERRED INVESTOR XX, INC.  
KIMCO PREFERRED INVESTOR XXI TRUST  
KIMCO PREFERRED INVESTOR XXII, INC.  
KIMCO PREFERRED INVESTOR XXIII, INC.  
KIMCO PREFERRED INVESTOR XXIV, INC.  
KIMCO PREFERRED INVESTOR XXV, INC.  
KIMCO PREFERRED INVESTOR XXVI, INC.  
KIMCO PREFERRED INVESTOR XXVII, INC.  
KIMCO PREFERRED INVESTOR XXIX, INC.  
KIMCO PREFERRED INVESTOR XXX TRUST  
KIMCO PREFERRED INVESTOR XXXI, INC.  
KIMCO PREFERRED INVESTOR XXXII, INC.  
KIMCO PREFERRED INVESTOR XXXIII BUSINESS TRUST  
KIMCO PREFERRED INVESTOR XXXIV, INC.  
KIMCO PREFERRED INVESTOR XXXV, INC.  
KIMCO PREFERRED INVESTOR XXXVI, INC.  
KIMCO PREFERRED INVESTOR XXXVII, INC.  
KIMCO PREFERRED INVESTOR XXXVIII, INC.  
KIMCO PREFERRED INVESTOR XXXIX, INC.  
KIMCO PREFERRED INVESTOR XLI, INC.  
KIMCO PREFERRED INVESTOR XLII, INC.  
KIMCO PREFERRED INVESTOR XLIII, INC.  
KIMCO PREFERRED INVESTOR XLIV, INC.  
KIMCO PREFERRED INVESTOR XLV, INC.  
KIMCO PREFERRED INVESTOR XLVI, INC.  
KIMCO PREFERRED INVESTOR XLVIII, INC.  
KIMCO PREFERRED INVESTOR XLIX, INC.  
KIMCO PREFERRED INVESTOR LIII, INC.  
KIMCO PREFERRED INVESTOR LIV, INC.  
KIMCO PREFERRED INVESTOR LVI, INC.  
KIMCO PREFERRED INVESTOR LIX, INC.  
KIMCO PREFERRED INVESTOR LXII, INC.  
KIMCO PREFERRED INVESTOR LXIII, INC.  
KIMCO PREFERRED INVESTOR LXIV, INC.  
KIMCO PREFERRED INVESTOR LXVI, INC.  
KIMCO PREFERRED INVESTOR LXVII, INC.  
KIMCO PREFERRED INVESTOR LXIX, INC.  
KIMCO PREFERRED INVESTOR LXX, INC.  
KIMCO PREFERRED INVESTOR LXXI, INC.  
KIMCO PREFERRED INVESTOR LXXII, INC.  
KIMCO PREFERRED INVESTOR LXXIV, INC.  
KIMCO PREFERRED INVESTOR LXXIII, INC.  
KIMCO PREFERRED INVESTOR LXXVI, INC.  
KIMCO PREFERRED INVESTOR LXXVIII, INC.  
KIMCO PREFERRED INVESTOR LXXIX, INC.  
KIMCO PREFERRED LI HOTEL INVESTOR, INC.  
KIMCO PREFERRED SNF, INC.

KIMCO PROPERTIES, INC.  
KIMCO PROPS, NASHVILLE, INC.  
KIMCO PUERTO RICO CORPORATION  
KIMCO PURCHASING AGENCY CORPORATION  
KIMCO RALEIGH 177, INC.  
KIMCO RALPH'S CORNER 659 TRUST  
KIMCO REALTY ADVISORS, INC.  
KIMCO RICHMOND 800, INC.  
KIMCO RIDGEWOOD 615, INC.  
KIMCO RIO NORTE 1125, INC.  
KIMCO RIVERS AVE. 622, INC.  
KIMCO RIVERGATE 588, INC.  
KIMCO RIVERGATE STATION GP, INC.  
KIMCO RIVERGATE STATION 1118, INC.  
KIMCO RIVERGATE STATION OUTPARCEL 1118A, INC.  
KIMCO ROCKFORD CROSSING 1184, INC.  
KIMCO SAND LAKE 618, INC.  
KIMCO SANTEE 705, INC.  
KIMCO SARASOTA 378, INC.  
KIMCO SAVANNAH 185, INC.  
KIMCO SCHAUMBURG, INC.  
KIMCO SCOTTSDALE MALL 183, INC.  
KIMCO SELECT INVESTMENTS, INC.  
KIMCO SELECT PHILMED, INC.  
KIMCO SEQUOIA INC.  
KIMCO SHARONVILLE 276, INC.  
KIMCO SHOPS AT THE POND 1117, INC.  
KIMCO SOUTH MIAMI 634, INC.  
KIMCO SOUTH PARKER 682, INC.  
KIMCO SPRING CREEK 686, INC.  
KIMCO ST. AUGUSTINE 1293, INC.  
KIMCO STATEN ISLAND SS 1343, INC.  
KIMCO STUART 619, INC.  
KIMCO TALLAHASSEE 715, INC.  
KIMCO TAMPA 470, INC.  
KIMCO TANDEM INVESTMENT, INC.  
KIMCO TEMPE 580A, INC.  
KIMCO TEMPLE 1099, INC.  
KIMCO TEXAS, INC.  
KIMCO TITLE CORPORATION  
KIMCO TOWSON, INC.  
KIMCO TOWSON LIMITED PARTNERSHIP  
KIMCO TUSTIN, INC.  
KIMCO TUSTIN 1107, INC.  
KIMCO TYLER STREET PLAZA 1374, INC.  
KIMCO UNION CRESCENT, INC.  
KIMCO WAYNE HEIGHTS OUTPARCEL, INC.  
KIMCO WEST MELBOURNE 668, INC.  
KIMCO WEST PALM BEACH 633, INC.  
KIMCO WESTERVILLE 178, INC.  
KIMCO WESTGATE PLAZA 1554, INC.  
KIMCO WESTMONT 614, INC.  
KIMCO WHITE LAKE 667, INC.  
KIMCO WHITE PLAINS 1140, INC.  
KIMCO WHITEHALL GP 1190 BUSINESS TRUST  
KIMCO WHITEHALL LP 1190 BUSINESS TRUST

KIMCO WM148, INC.  
KIMCO WS REALTY, INC.  
KIMCO WOODFOREST 655, INC.  
KIMCO VALDOSTA 1030, INC.  
KIMCO VALENCIA 1023, INC.  
KIMCO VALLEY VIEW 1123, INC.  
KIMCO YONKERS 801, INC.  
KIMCO YORKSHIRE 1294, INC.  
KIMCO DEV. OF 31 SOUTH, INC.  
KIMCO DEV. OF GASTONIA, INC.  
KIMCO DEV. OF GIANTS TRUST  
KIMCO DEV. OF GREENWOOD OP, INC.  
KIMCO DEV. OF HAMPTON BAYS, INC.  
KIMCO DEV. OF KETTERING, INC.  
KIMCO DEV. OF WATERLOO AKRON, INC.  
KIMCO OF CHERRY HILL, INC.  
KIMCO OF HERMITAGE, INC.  
KIMCO OF HUNTINGTON, INC.  
KIMCO OF ILLINOIS, INC.  
KIMCO OF MILLERODE, INC.  
KIMCO OF NANUET, INC.  
KIMCO OF NEW ENGLAND, INC.  
KIMCO OF NEW YORK, INC.  
KIMCO OF NORTH MIAMI, INC.  
KIMCO OF OAKVIEW, INC.  
KIMCO OF OHIO, INC.  
KIMCO OF PENNSYLVANIA TRUST  
KIMCO OF RACINE, INC.  
KIMCO DEV. OF SPRINGBORO PIKE, INC.  
KIMCO OF SPRINGFIELD, INC.  
KIMCO OF SYOSSET, INC.  
KIMCO OF TAMPA, INC.  
KIMCO OF TENNESSEE, INC.  
KIMCO OF UTAH, INC.  
KRC ACQUISITION CORP.  
KRC ALTON 802, INC.  
KRC ARLINGTON 866, INC.  
KRC ARLINGTON HEIGHTS 896, INC.  
KRC AZ PROPERTY MANAGEMENT, INC.  
KRC BELLEVILLE 808, INC.  
KRC BRIDGETON 875, INC.  
KRC CAN RETAIL, INC.  
KRC CANADA GP HOLDING, INC.  
KRC CANADA HOLDING, INC.  
KRC CARBONDALE 848, INC.  
KRC CHAMPAIGN 870, INC.  
KRC CHILE ACQUISITION CORP.  
KRC CHRISTY 804, INC.  
KRC CRESTHILL 868, INC.  
KRC CRYSTAL CITY 850, INC.  
KRC CRYSTAL LAKE 891, INC.  
KRC CORPUS CHRISTI 878, INC.  
KRC CREVE COEUR 830, INC.  
KRC CRESTWOOD 887, INC.  
KRC DECATUR 797, INC.  
KRC DUBUQUE 847, INC.

KRC ELGIN 860, INC.  
KRC FAIRVIEW HEIGHTS 881, INC.  
KRC FOREST PARK 862, INC.  
KRC HARRISBURG 193, INC.  
KRC INDEPENDENCE 806, INC.  
KRC KIRKWOOD 803, INC.  
KRC LEMAY 834, INC.  
KRC MACARTHUR BLVD. 799, INC.  
KRC MEXICO ACQUISITION CORPORATION  
KRC MIDWEST CITY 857, INC.  
KRC MISHAWAKA 895, INC.  
KRC MUNDELJEN 874, INC.  
KRC NEW LONDON 1345, INC.  
KRC NORRIDGE 845, INC.  
KRC ORLAND PARK 809, INC.  
KRC OVERLAND PARK 805, INC.  
KRC PADUCAH 795, INC.  
KRC PA PROPERTY MANAGEMENT, INC.  
KRC PROPERTY MANAGEMENT I, INC.  
KRC ST. CHARLES 798, INC.  
KRC STATE AVENUE 807, INC.  
KRC SCHAUMBERG 855, INC.  
KRC SOUTHBEND 883, INC.  
KRC SPRINGFIELD 869, INC.  
KRC STREAMWOOD 897, INC.  
KRC WAKEGAN 886, INC.  
KRCV CORP.  
KRS SPECIALTY LEASING MIDWEST, INC.  
KSI CONVENIENCE, LLC  
KSI MORTGAGE INVESTMENT, LLC  
KSI TRUST  
KIMEAST, INC.  
KIMEX INDUSTRIAL, INC.  
KIMEX JUAREZ, INC.  
KIMEX PACHUCA, INC.  
KIMEX PUERTA DE HIERRO, INC.  
KIMEX REYNOSA HOLDINGS, INC.  
KIMEX SALTILLO HOLDING, INC.  
KIMEX SALTILLO HOLDING I, INC.  
KIMEX SENDERO NORTE HOLDING I, INC.  
KIMEX SENDERO NORTE HOLDING II, INC.  
KIMEX TRS INVESTMENT, INC.  
KIMNET SILER QRS, INC.  
KIMPIR JV, INC.  
KIMPT PERIMETER INVESTOR, INC.  
KIMRAECO, INC.  
KIMRED GROVE, INC.  
KIMSCHOTT, INC.  
KIMSCHOTT TYS-WEST, INC.  
KIMSTRAUSS 184, INC.  
KIMSWORTH INC.  
KIMSWORTH OF ALABAMA, INC.  
KIMSWORTH OF ARIZONA, INC.  
KIMSWORTH OF COLORADO, INC.  
KIMSWORTH OF FLORIDA, INC.  
KIMSWORTH OF GEORGIA, INC.

KIMSWORTH OF ILLINOIS, INC.  
KIMSWORTH OF INDIANA, INC.  
KIMSWORTH OF KANSAS, INC.  
KIMSWORTH OF LOUISIANA, INC.  
KIMSWORTH OF MICHIGAN, INC.  
KIMSWORTH OF MINNESOTA, INC.  
KIMSWORTH OF MISSOURI, INC.  
KIMSWORTH OF NEBRASKA, INC.  
KIMSWORTH OF NEW JERSEY, INC.  
KIMSWORTH OF NEW MEXICO, INC.  
KIMSWORTH OF OHIO, INC.  
KIMSWORTH OF PENNSYLVANIA, INC.  
KIMWEST HOSPITALITY INC.  
KIMWEST SKYLINE 1296, INC.  
KIMWEST YORKTOWN, INC.  
KIMWEST 186, INC.  
KIMVEN CORPORATION  
KIMZAY CORPORATION  
KIMZAY GEORGIA, INC.  
KIMZAY GREENWOOD, INC.  
KIMZAY OF FLORIDA, INC.  
KIMZAY OF ILLINOIS, INC.  
KIMZAY WINSTON-SALEM, INC.  
KUBS INCOME FUND I GP BUSINESS TRUST  
KUBS INCOME FUND I LP BUSINESS TRUST  
KWS 1012, INC.  
MANHASSET VENTURE, LLC  
MANMORT, INC.  
MANETTO HILLS ASSOCIATES, INC.  
MC KIM CORP  
MC MORT CORP.  
MILMAR REALTY CORPORATION  
NORBER TRUST  
NYCBLK, INC.  
OWL HOLDINGS, INC.  
PASSIVE INVESTORS, INC.  
PERMELYNN CORPORATION  
PERMELYNN OF BRIDGEHAMPTON, INC.  
PERMELYNN OF WESTCHESTER, INC.  
POTOMAC RUN, LLC  
RICH HILL, INC.  
ROCKINGHAM OUTPARCEL INC.  
ROCKINGHAM 620, INC.  
SANNDREL INC.  
SANNDREL OF HARRISBURG, INC.  
SANNDREL OF PENNSYLVANIA TRUST  
SANNDREL OF VIRGINIA, INC.  
SI 1339, INC.  
SP 255, INC.  
ST. ANDREWS SHOPPING CENTER CORP. OF CHARLESTON  
THE KIMCO CORPORATION  
WALL REALTY INC.  
WOODSO CORP.

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Section 7: EX-23.1 (CONSENT OF PRICEWATERHOUSECOOPERS LLP)

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (Nos. 333-133908, 333-115069, 333-144568 and 333-142192) and Forms S-8 (Nos. 333-135087, 333-61323, 333-85659, 333-62626, and 333-152658) of Kimco Realty Corporation and subsidiaries of our report dated February 26, 2009 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP  
New York, NY  
February 27, 2009

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Section 8: EX-31.1 (CERTIFICATION OF THE COMPANY???'S CHIEF EXECUTIVE OFFICER)

Exhibit 31.1

CERTIFICATION PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Milton Cooper certify that:

1. I have reviewed this report on Form 10-K of Kimco Realty Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 26, 2009

/s/ Milton Cooper  
Milton Cooper  
Chief Executive Officer

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**Section 9: EX-31.2 (CERTIFICATION OF THE COMPANY??S CHIEF FINANCIAL OFFICER)**

**CERTIFICATION PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

**Exhibit 31.2**

I, Michael V. Pappagallo certify that:

1. I have reviewed this report on Form 10-K of Kimco Realty Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 26, 2009

/s/ Michael V. Pappagallo  
Michael V. Pappagallo  
Chief Financial Officer

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**Section 10: EX-32.1 (CERTIFICATION OF THE COMPANY??S CHIEF EXECUTIVE OFFICER)**

**Exhibit 32.1**

**Section 906 Certification**

Pursuant to 18 U.S.C. ss. 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned officers of Kimco Realty Corporation (the "Company") hereby certifies, to such officer's knowledge, that:

- (i) the accompanying Annual Report on Form 10-K of the Company for the year ended December 31, 2008 (the "Report") fully complies with the requirements of Section 13 (a) or Section 15 (d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 26, 2009

/s/ Milton Cooper  
Milton Cooper  
Chief Executive Officer

Date: February 26, 2009

/s/ Michael V. Pappagallo  
Michael V. Pappagallo  
Chief Financial Officer

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**Section 11: EX-99.1 (FORM OF INDEMNIFICATION AGREEMENT)**

**Exhibit 99.1**

KIMCO REALTY CORPORATION  
INDEMNIFICATION AGREEMENT

This Indemnification Agreement ("Agreement") is made as of February 25, 2009 (the "Effective Date") by and between KIMCO REALTY CORPORATION, a Maryland corporation (the "Company"), and \_\_\_\_\_ ("Indemnitee").

RECITALS



WHEREAS, highly competent persons have become more reluctant to serve publicly-held corporations as directors or in other capacities unless they are provided with adequate protection through insurance and adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation and the uncertainties relating to such insurance and to indemnification have increased the difficulty of attracting and retaining such persons;

WHEREAS, the Board of Directors of the Company (the "**Board**") has determined that, (i) in order to attract and retain qualified individuals, the Company will attempt to maintain on an ongoing basis, at its sole expense, liability insurance to protect persons serving the Company and its subsidiaries from certain liabilities; (ii) although the furnishing of such insurance has been a customary and widespread practice among United States-based corporations and other business enterprises, the Company believes that, given current market conditions and trends, such insurance may be available to it in the future only at higher premiums and with more exclusions; (iii) at the same time, directors, officers and other persons in service to corporations or business enterprises are being increasingly subjected to expensive and time-consuming litigation relating to, among other things, matters that traditionally would have been brought only against the Company or business enterprise itself;

WHEREAS, the Bylaws of the Company require indemnification of the officers and directors of the Company, and, although Indemnitee may also be entitled to indemnification pursuant to applicable provisions of the Maryland General Corporation Law ("**MGCL**"), the Bylaws and the MGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the board of directors, officers and other persons with respect to indemnification;

WHEREAS, the Board has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company and that the Company should act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified;

WHEREAS, this Agreement is a supplement to and in furtherance of the Bylaws of the Company and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder; and

WHEREAS, Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company on the condition that he and the Company enter into the Agreement;

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee, intending to be legally bound, do hereby covenant and agree as follows:

1. Services to the Company. Indemnitee will serve or continue to serve as an officer, director or key employee of the Company for so long as Indemnitee is duly elected or appointed or until Indemnitee tenders his resignation.

2. Definitions. As used in this Agreement:

(a) "**Agent**" means any person who is or was a director, officer, or employee of the Company or a subsidiary of the Company or other person authorized by the Company to act for the Company or any Enterprise (as defined below) relating thereto, including any such person serving in such capacity as a director, officer, employee, trustee, administrator, general partner, managing member, fiduciary, agent or other official of another corporation, partnership, limited liability company, joint venture, trust or other enterprise at the request of, for the convenience of, or to represent the interests of the Company or a subsidiary of the Company.

(b) "Beneficial Owner" and "Beneficial Ownership" have the meanings set forth in Rule 13d-3 promulgated under the Exchange Act (as defined below) as in effect on the date hereof.

(c) "Change in Control" means the earliest to occur after the date of this Agreement of any of the following events:

(i) Acquisition of Stock by Third Party. Any Person (as defined below) is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing fifteen percent (15%) or more of the combined voting power of the Company's then outstanding securities entitled to vote generally in the election of directors, unless (i) the change in the relative Beneficial Ownership of the Company's securities by any Person results solely from a reduction in the aggregate number of outstanding shares of securities entitled to vote generally in the election of directors, or (ii) such acquisition was approved in advance by the Continuing Directors (as defined below) and such acquisition would not constitute a Change in Control under part (3) of this definition;

(ii) Change in Board of Directors. Individuals who, as of the date hereof, constitute the Board, and any new director whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who were directors on the date hereof or whose election for nomination for election was previously so approved (collectively, the "Continuing Directors") cease for any reason to constitute at least a majority of the members of the Board;

(iii) Corporate Transactions. The effective date of a reorganization, merger or consolidation of the Company (a "Business Combination"), in each case, unless, following such Business Combination: (i) all or substantially all of the individuals and entities who were the Beneficial Owners of securities entitled to vote generally in the election of directors immediately prior to such Business Combination beneficially own, directly or indirectly, more than 51% of the combined voting power of the then outstanding securities of the Company entitled to vote generally in the election of directors resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more Subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the securities entitled to vote generally in the election of directors; (ii) no Person (excluding any corporation resulting from such Business Combination) is the Beneficial Owner, directly or indirectly, of 15% or more of the combined voting power of the then outstanding securities entitled to vote generally in the election of directors of such corporation except to the extent that such ownership existed with respect to Company securities prior to the Business Combination; and (iii) at least a majority of the Board of Directors of the corporation resulting from such Business Combination were Continuing Directors at the time of the execution of the initial agreement, or of the action of the Board of Directors, providing for such Business Combination;

(iv) Liquidation. The approval by the stockholders of the Company of a complete liquidation of the Company or an agreement or series of agreements for the sale or disposition by the Company of all or substantially all of the Company's assets, other than factoring the Company's current receivables or escrows due (or, if such approval is not required, the decision by the Board to proceed with such a liquidation, sale, or disposition in one transaction or a series of related transactions); or

(v) Other Events. There occurs any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item on any similar schedule or form) promulgated under the Exchange Act (as defined below), whether or not the Company is then subject to such reporting requirement.

(d) "Corporate Status" means the status of a Person (as defined below) who is or was an Agent of the Company or of any other Enterprise (as defined below) which such Person is or was serving at the request of the Company.

(e) "Disinterested Director" means a director of the Company who is not and was not a party to a Proceeding (as defined below) in respect of which indemnification is sought by Indemnitee.

(f) "Enterprise" means the Company and any other corporation, constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger to which the Company (or any of its wholly owned subsidiaries) is a party, Subsidiary (as defined below), limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee is or was serving at the request of the Company as an Agent.

(g) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(h) "Expenses" (i) means reasonable attorneys' fees and costs, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding (as defined below); and (ii) includes Expenses incurred in connection with any appeal resulting from any Proceeding (as defined below), including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent; provided, however, that Expenses excludes amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(i) "Fines" includes any excise tax assessed on Indemnitee with respect to any employee benefit plan;

(j) "Independent Counsel" means a law firm or a member of a law firm that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning the Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements); or (ii) any other party to a Proceeding (as defined below) giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any Person (as defined below) who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

(k) "Maryland Court" means the Baltimore City District Court or the United States District Court for the District of Maryland located in Baltimore City.

(l) "Person" has the meaning set forth in Sections 13(d) and 14(d) of the Exchange Act as in effect on the date hereof; ~~provided, however,~~ that "Person" shall exclude: (i) the Company; (ii) any Subsidiaries (as defined below) of the Company; (iii) any employee benefit plan or employment plan of the Company or of a Subsidiary (as defined below) of the Company or of any corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company; and (iv) any trustee or other fiduciary holding securities under an employee benefit plan or employment plan of the Company or of a Subsidiary (as defined below) of the Company or of a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(m) "Potential Change in Control" means the occurrence of any of the following events: (i) the Company enters into any written or oral agreement, undertaking or arrangement, the consummation of which would result in the occurrence of a Change in Control; (ii) any Person or the Company publicly announces an intention to take or consider taking actions which if consummated would constitute a Change in Control; (iii) any Person who becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing 5% or more of the combined voting power of the Company's then outstanding securities entitled to vote generally in the election of directors increases his Beneficial Ownership of such securities by 5% or more over the percentage so owned by such Person on the date hereof; or (iv) the Board adopts a resolution to the effect that, for purposes of this Agreement, a Potential Change in Control has occurred.

(n) "Proceeding" includes any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of a civil (including intentional or unintentional tort claims), criminal, administrative or investigative nature, including any related appeal, in which Indemnitee was, is or will be involved as a party or witness or otherwise by reason of the fact that Indemnitee is or was an Agent of the Company, by reason of any action taken or not taken by him while acting as an Agent of the Company, or by reason of the fact that he is or was serving at the request of the Company as an Agent of any other Enterprise, in each case whether or not the Indemnitee is still serving in such capacity at the time any Proceeding is commenced or any liability or expense is incurred for which indemnification, reimbursement, or advancement of expenses can be provided under this Agreement.

(o) "Subsidiary," with respect to any Person, means any corporation or other entity of which a majority of the voting power of the voting equity securities or equity interest is owned, directly or indirectly, by that Person.

3. General. The Company shall indemnify, and advance Expenses to, Indemnitee (a) as provided in this Agreement and (b) otherwise to the maximum extent permitted by Maryland law in effect on the date hereof and as amended from time to time; provided, however, that no change in Maryland law shall have the effect of reducing the benefits available to Indemnitee hereunder based on Maryland law as in effect on the date hereof. The rights of Indemnitee provided in this Section 3 shall include, without limitation, the rights set forth in the other sections of this Agreement, including any additional indemnification permitted by Section 2-418(g) of the MGCL.

4. Standard for Indemnification. If by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be, made a party to any threatened, pending, or completed Proceeding, Indemnitee shall be indemnified against all judgments, penalties, fines and amounts paid in settlement and all Expenses actually and reasonably incurred by him or on his behalf in connection with a Proceeding by reason of his Corporate Status unless it is established that (i) the act or omission of Indemnitee was material to the matter giving rise to the Proceeding and (a) was committed in bad faith or (b) was the result of active and deliberate dishonesty, (ii) Indemnitee actually received an improper personal benefit in money, property or services, or (iii) in the case of any criminal Proceeding, Indemnitee had reasonable cause to believe that his conduct was unlawful.

5. Certain Limits on Indemnification. Notwithstanding any other provision of this Agreement (other than Section 7), Indemnitee may not be indemnified:

- (i) if the Proceeding was one by or in the right of the Company and the Indemnitee is adjudged to be liable to the Company; or
- (ii) if the Indemnitee is adjudged to be liable on the basis that personal benefit was improperly received in any Proceeding charging improper personal benefit to the Indemnitee, whether or not involving action in the Indemnitee's official capacity.

6. Indemnification for Expenses of a Witness. Notwithstanding and in addition to any other provision of this Agreement, to the extent that Indemnitee is, by reason of his Corporate Status, a witness in or otherwise incurs Expenses in connection with any Proceeding to which Indemnitee is not a party, the Company hereby covenants and agrees to indemnify and hold harmless the Indemnitee against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith.

7. Additional Indemnification. Notwithstanding any other provision of this Agreement, a court of appropriate jurisdiction, upon application of Indemnitee and such notice as the court shall require, may order indemnification in the following circumstances:

- (i) if it determines Indemnitee is entitled to reimbursement under Section 2-418(d)(1) of the MGCL, the court shall order indemnification, in which case Indemnitee shall be entitled to recover the expenses of securing such reimbursement; or
- (ii) if it determines that Indemnitee is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not Indemnitee (x) has met the standards of conduct set forth in Section 2-418(b) of the MGCL or (y) has been adjudged liable for receipt of an improper personal benefit under Section 2-418(c) of the MGCL, the court may order such indemnification as the court shall deem proper. However, indemnification with respect to any Proceeding by or in the right of the Company or in which liability shall have been adjudged in the circumstances described in Section 2-418(c) of the MGCL shall be limited to Expenses actually and reasonably incurred by the Indemnitee or on the Indemnitee's behalf in connection with a Proceeding.

8. Contribution in the Event of Joint Liability.

- (a) To the fullest extent permitted by applicable law, if the indemnification and hold harmless rights provided for in this Agreement are unavailable to Indemnitee in whole or in part for any reason whatsoever, the Company, in lieu of indemnifying and holding harmless Indemnitee, shall pay, in the first instance, the entire amount incurred by Indemnitee, whether for judgments, liabilities, Fines, penalties, amounts paid or to be paid in settlement and/or for Expenses, in connection with any Proceeding without requiring Indemnitee to contribute to such payment, and the Company hereby waives and relinquishes any right of contribution it may have at any time against Indemnitee.
- (b) The Company shall not enter into any settlement of any Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding) unless such settlement provides for a full and final release of all claims asserted against Indemnitee.
- (c) The Company hereby covenants and agrees to fully indemnify and hold harmless Indemnitee from any claims for contribution which may be brought by officers, directors or employees of the Company other than Indemnitee who may be jointly liable with Indemnitee.

9. Exclusions. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnification in connection with any claim made against Indemnitee:

(a) for which payment has actually been received by or on behalf of Indemnitee under any insurance policy or other indemnification provision, except with respect to any excess beyond the amount actually received under any insurance policy, contract, agreement, other indemnification provision or otherwise;

(b) for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act or similar provisions of state statutory law or common law; and/or

(c) except as otherwise provided in Sections 14(e) and (f) hereof, prior to a Change in Control, in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation; or (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law.

10. Advances of Expenses; Defense of Claim.

(a) Notwithstanding any provision of this Agreement to the contrary, and to the fullest extent permitted by applicable law, the Company shall advance the Expenses incurred by Indemnitee (or reasonably expected by Indemnitee to be incurred by Indemnitee within three (3) months) in connection with any Proceeding within ten (10) days after the receipt by the Company of a statement or statements requesting such advances from time to time, whether prior to or after final disposition of any Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee and shall include or be preceded or accompanied by the written affirmation and undertaking contemplated by Section 11. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnitee's ability to repay the Expenses and without requiring a preliminary determination of Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement. Advances shall include any and all reasonable Expenses incurred in pursuing a Proceeding to enforce this right of advancement, including Expenses incurred in preparing and forwarding statements to the Company to support the advances claimed. This Section 10(a) shall not apply to any claim made by Indemnitee for which indemnification is excluded pursuant to Section 9.

(b) The Company will be entitled to participate in the Proceeding at its own expense.

(c) The Company shall not settle any action, claim or Proceeding (in whole or in part) which would impose any Expense, judgment, Fine, penalty or limitation on the Indemnitee without the Indemnitee's prior written consent.

11. Procedure for Notification and Application for Indemnification.

(a) Indemnitee shall notify promptly the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement of Expenses covered hereunder. The failure of Indemnitee to so notify the Company shall not relieve the Company of any obligation which it may have to the Indemnitee under this Agreement, or otherwise, unless the Company is prejudiced by such failure.

(b) Indemnitee shall deliver to the Company a written affirmation by Indemnitee of Indemnitee's good faith belief that the standard of conduct necessary for indemnification by the Company as authorized by law and by this Agreement has been met and a written undertaking by or on behalf of Indemnitee, in substantially the form attached hereto as Exhibit A or in such form as may be required under applicable law as in effect at the time of the execution thereof, to reimburse the portion of any Expenses advanced to Indemnitee relating to claims, issues or matters in the Proceeding as to which it shall ultimately be established that the standard of conduct has not been met as described in Section 4.

12. Procedure Upon Application for Indemnification.

(a) Upon written request by Indemnitee for indemnification pursuant to this Agreement, a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall be made promptly in the specific case: (i) if a

Change in Control shall have occurred, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee, which Independent Counsel shall be selected by the Indemnitee and approved by the Board of Directors in accordance with Section 2-418(e)(2)(ii) of the MGCL, which approval will not be unreasonably withheld; or (ii) if a Change in Control shall not have occurred, (A) by the Board of Directors by a majority vote of a quorum consisting of Disinterested Directors or, if such a quorum cannot be obtained, then by a majority vote of a duly-authorized committee of the Board of Directors consisting solely of one or more Disinterested Directors, or (B) by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee, which Independent Counsel shall be selected by the Board of Directors in accordance with Section 2-418(e)(2)(ii) of the MGCL and approved by the Indemnitee, which approval shall not be unreasonably withheld, or (C) if so directed by a majority of the members of the Board of Directors, by the stockholders of the Company.

(b) The Company promptly will advise Indemnitee in writing with respect to any determination that Indemnitee is or is not entitled to indemnification, including a description of any reason or basis for which indemnification has been denied. If it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten (10) days after such determination. Indemnitee shall reasonably cooperate with the Person, Persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such Person, Persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or Expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the Person, Persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(c) The Company agrees to pay the reasonable fees and Expenses of Independent Counsel and to fully indemnify and hold harmless such Independent Counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

### 13. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, the Person, Persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement and the Company shall have the burden of proof to overcome that presumption in connection with the making by any Person, Persons or entity of any determination contrary to that presumption. Neither the failure of the Company (including by its directors or Independent Counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or Independent Counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(b) If the Person, Persons or entity empowered or selected under Section 12 of this Agreement to determine whether Indemnitee is entitled to indemnification shall not have made a determination within thirty (30) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a final judicial determination that any or all such indemnification is expressly prohibited under applicable law; ~~provided, however,~~ that such 30-day period may be extended for a reasonable time, not to exceed an additional fifteen (15) days, if the Person, Persons or entity making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto.

(c) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company or other Enterprise or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his conduct was unlawful.

(d) For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action or failure to act is based on the records or books of account of the Company or other Enterprise, including financial statements, or on information supplied to Indemnitee by the officers of the Company or other Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Company or other

Enterprise by an independent certified public accountant or by an appraiser or other expert selected by the Company or other Enterprise. The provisions of this Section 13(d) shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed or found to have met the applicable standard of conduct set forth in this Agreement.

(e) The knowledge and/or actions, or failure to act, of any other Agent of the Company or other Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

14. Remedies of Indemnitee.

(a) In the event that (i) a determination is made pursuant to Section 12 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses, to the fullest extent permitted by applicable law, is not timely made pursuant to Section 10 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 12(a) of this Agreement within thirty (30) days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 6 or 7 or the last sentence of Section 12(b) of this Agreement within ten (10) days after receipt by the Company of a written request therefor, (v) a contribution payment is not made in a timely manner pursuant to Section 8 of this Agreement, or (vi) payment of indemnification pursuant to Section 3 or 4 of this Agreement is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall be entitled to an adjudication by the Maryland Court to such indemnification, contribution or advancement of Expenses. Alternatively, Indemnitee, at his option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Except as set forth herein, the provisions of Maryland law (without regard to its conflict of laws rules) shall apply to any such arbitration. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 12(a) of this Agreement that Indemnitee is not entitled to indemnification, any judicial Proceeding or arbitration commenced pursuant to this Section 14 shall be conducted in all respects as a *de novo* trial, or arbitration, on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial Proceeding or arbitration commenced pursuant to this Section 14, Indemnitee shall be presumed to be entitled to indemnification under this Agreement and the Company shall have the burden of proving Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be, and the Company may not refer to or introduce into evidence any determination pursuant to Section 12(a) of this Agreement adverse to Indemnitee for any purpose. If Indemnitee commences a judicial Proceeding or arbitration pursuant to this Section 14, Indemnitee shall not be required to reimburse the Company for any advances pursuant to Section 10 until a final determination is made with respect to Indemnitee's entitlement to indemnification (as to which all rights of appeal have been exhausted or lapsed).

(c) If a determination shall have been made pursuant to Section 12(a) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial Proceeding or arbitration commenced pursuant to this Section 14, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification; or (ii) a prohibition of such indemnification under applicable law.

(d) The Company shall be precluded from asserting in any judicial Proceeding or arbitration commenced pursuant to this Section 14 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

(e) The Company shall indemnify and hold harmless Indemnitee to the fullest extent permitted by applicable law against all Expenses and, if requested by Indemnitee, shall (within ten (10) days after the Company's receipt of such written request) advance to Indemnitee, to the fullest extent permitted by applicable law, such Expenses which are incurred by Indemnitee in connection with any judicial Proceeding or arbitration brought by Indemnitee (i) to enforce his rights under, or to recover damages for breach of, this Agreement or any other indemnification, advancement or contribution agreement or provision of the Company's Bylaws now or hereafter in effect; or (ii) for recovery or advances under any insurance policy maintained by any Person for the benefit of Indemnitee, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advance, contribution or insurance recovery, as the case may be.

(f) Interest shall be paid by the Company to Indemnitee at the maximum rate as allowed by the Courts and Judicial Proceedings Article under Maryland law for amounts which the Company indemnifies or is obliged to indemnify for the

period commencing with the date on which Indemnitee requests indemnification, contribution, reimbursement or advancement of any Expenses and ending with the date on which such payment is made to Indemnitee by the Company.

15. Establishment of Trust. In the event of a Potential Change in Control, the Company shall, upon written request by Indemnitee, create a trust for the benefit of Indemnitee (the "Trust") and from time to time upon written request of Indemnitee shall fund such Trust in an amount sufficient to satisfy any and all Expenses reasonably anticipated at the time of each such request to be incurred in connection with investigating, preparing for, participating in or defending any Proceedings, and any and all judgments, Fines, penalties and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such judgments, Fines penalties and amounts paid in settlement) in connection with any and all Proceedings from time to time actually paid or claimed, reasonably anticipated or proposed to be paid. The trustee of the Trust (the "Trustee") shall be a bank or trust company or other individual or entity chosen by the Indemnitee and reasonably acceptable to the Company. Nothing in this Section 15 shall relieve the Company of any of its obligations under this Agreement. The amount or amounts to be deposited in the Trust pursuant to the foregoing funding obligation shall be determined by mutual agreement of the Indemnitee and the Company or, if the Company and the Indemnitee are unable to reach such an agreement, by Independent Counsel selected in accordance with Section 12(a) of this Agreement. The terms of the Trust shall provide that, except upon the consent of both the Indemnitee and the Company, upon a Change in Control: (a) the Trust shall not be revoked, or the principal thereof invaded, without the written consent of the Indemnitee; (b) the Trustee shall advance, to the fullest extent permitted by applicable law, within two (2) business days of a request by the Indemnitee and upon the execution and delivery to the Company of an undertaking providing that the Indemnitee undertakes to repay the advance to the extent that it is ultimately determined that Indemnitee is not entitled to be indemnified by the Company, any and all Expenses to the Indemnitee; (c) the Trust shall continue to be funded by the Company in accordance with the funding obligations set forth above; (d) the Trustee shall promptly pay to the Indemnitee all amounts for which the Indemnitee shall be entitled to indemnification pursuant to this Agreement or otherwise; and (e) all unexpended funds in such Trust shall revert to the Company upon mutual agreement by the Indemnitee and the Company or, if the Indemnitee and the Company are unable to reach such an agreement, by Independent Counsel selected in accordance with Section 12(a) of this Agreement, that the Indemnitee has been fully indemnified under the terms of this Agreement. The Trust shall be governed by Maryland law (without regard to its conflicts of laws rules) and the Trustee shall consent to the exclusive jurisdiction of the Maryland Court in accordance with Section 23 of this Agreement.

16. Security. Notwithstanding anything herein to the contrary, to the extent requested by the Indemnitee and approved by the Board, the Company may at any time and from time to time provide security to the Indemnitee for the Company's obligations hereunder through an irrevocable bank line of credit, funded trust or other collateral. Any such security, once provided to the Indemnitee, may not be revoked or released without the prior written consent of the Indemnitee.

17. Non-Exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Company's Bylaws, any agreement, a vote of stockholders or a resolution of directors, or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in applicable law, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the Company's Bylaws or this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent or subsequent assertion or employment of any other right or remedy.

(b) The MGCL and the Company's Bylaws permit the Company to purchase and maintain insurance or furnish similar protection or make other arrangements including, but not limited to, providing a trust fund, letter of credit, or surety bond ("Indemnification Arrangements") on behalf of Indemnitee against any liability asserted against him or incurred by or on behalf of him or in such capacity as Agent of the Company, or arising out of his status as such, whether or not the Company would have the power to indemnify him against such liability under the provisions of this Agreement or under the MGCL, as it may then be in effect. The purchase, establishment, and maintenance of any such Indemnification Arrangement shall not in any way limit or affect the rights and obligations of the Company or of the Indemnitee under this Agreement except as expressly provided herein, and the execution and delivery of this Agreement by the Company and the Indemnitee shall not in any way limit or affect the rights and obligations of the Company or the other party or parties thereto under any such Indemnification Arrangement.



(c) To the extent that the Company maintains an insurance policy or policies providing liability insurance for any Agents of the Company or of any other Enterprise which such Agent serves at the request of the Company, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such Agent under such policy or policies. If, at the time the Company receives notice from any source of a Proceeding as to which Indemnitee is a party or a participant (as a witness or otherwise) and the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies.

(d) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(e) The Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company as an Agent of any other Enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of Expenses from such Enterprise.

18. Duration of Agreement. All agreements and obligations of the Company contained herein shall continue during the period Indemnitee serves as an Agent of the Company or of any other Enterprise which Indemnitee serves at the request of the Company and shall continue thereafter so long as Indemnitee shall be subject to any possible Proceeding (including any rights of appeal thereto and any Proceeding commenced by Indemnitee pursuant to Section 14 of this Agreement) by reason of his Corporate Status, whether or not he is acting in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement.

19. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by applicable law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

20. Enforcement and Binding Effect.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as an Agent of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as an Agent of the Company.

(b) Without limiting any of the rights of Indemnitee under the Bylaws of the Company as they may be amended from time to time, this Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof.

(c) The indemnification and advancement of Expenses provided by or granted pursuant to this Agreement shall be binding upon and be enforceable by the parties hereto and their respective successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), shall continue as to an Indemnitee who has ceased to be an Agent of the Company or of any other Enterprise at the Company's request, and shall inure to the benefit of Indemnitee and his or her spouse, assigns, heirs, devisees, executors and administrators and other legal representatives.

(d) The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(e) This Agreement will inure to the benefit of and be enforceable by the Indemnitee's personal or legal representatives, executors, administrators, successors, heirs, distributees, legatees and other successors.

(f) This Agreement is personal in nature and neither of the parties hereto will, without the consent of the other, assign or delegate this Agreement or any rights or obligations hereunder except as expressly provided in this Section 20. Without limiting the generality or effect of the foregoing, Indemnitee's right to receive payments hereunder will not be assignable, whether by pledge, creation of a security interest or otherwise, other than by a transfer by the Indemnitee's will, devise, a grantor's trust instrument under which the Indemnitee or his estate is the sole beneficiary, or by the laws of descent and distribution, and, in the event of any attempted assignment or transfer contrary to this Section 20(f), the Company will have no liability to pay any amount so attempted to be assigned or transferred.

(g) The Company and Indemnitee agree herein that a monetary remedy for breach of this Agreement, at some later date, may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnitee irreparable harm. Accordingly, the parties hereto agree that Indemnitee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm and that by seeking injunctive relief and/or specific performance Indemnitee shall not be precluded from seeking or obtaining any other relief to which he may be entitled. The Company and Indemnitee further agree that Indemnitee shall be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertaking in connection therewith. The Company acknowledges that in the absence of a waiver, a bond or undertaking may be required of Indemnitee by the court, and the Company hereby waives any such requirement of such a bond or undertaking.

21. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement nor shall any waiver constitute a continuing waiver.

22. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given (i) if delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, or (ii) mailed by certified or registered mail with postage prepaid, on the third (3rd) business day after the date on which it is so mailed:

(a) If to Indemnitee, at the address indicated on the signature page of this Agreement or such other address as Indemnitee shall provide in writing to the Company.

(b) If to the Company, to:

Kimco Realty Corporation  
3333 New Hyde Park Road  
New Hyde Park, New York 11042  
Attention: General Counsel  
Fax: ( ) - .

or to any other address as may have been furnished to Indemnitee in writing by the Company.

23. Applicable Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Maryland, without regard to its conflict of laws rules. Except with respect to any arbitration commenced by Indemnitee pursuant to Section 14(a) of this Agreement, the Company and Indemnitee hereby irrevocably and unconditionally (a) agree that any action or Proceeding arising out of or in connection with this Agreement shall be brought only in a Maryland Court and not in any other state or federal court in the United States of America or any court in any other country; (b) consent to submit to the exclusive jurisdiction of such Maryland Court for purposes of any action or Proceeding arising out of or in connection with this Agreement; (c) appoint irrevocably, to the extent such party is not a resident of the State of Maryland, [ ] as its agent in the State of Maryland as such party's agent for acceptance of legal process in connection with any such action or Proceeding against such party with the same legal force and validity as if served upon such party personally within the State of Maryland; (d) waive any objection to the laying of venue of any such action or Proceeding in the Maryland Court; and (e) waive, and agree not to plead or to make, any claim that any such action or Proceeding brought in a Maryland Court has been brought in an improper or inconvenient forum, or is subject (in whole or in part) to a jury trial.

24. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed (and delivered by facsimile or other electronic transmission) by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

25. Miscellaneous. Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

\* \* \*

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the date first above written.

KIMCO REALTY CORPORATION

INDEMNITEE

By:	_____	_____
	Name:	Name:
	Title:	Address:

EXHIBIT A

FORM OF UNDERTAKING TO REPAY EXPENSES ADVANCED

The Board of Directors of Kimco Realty Corporation

Re: Undertaking to Repay Expenses Advanced

This undertaking is being provided pursuant to that certain Indemnification Agreement dated the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Kimco Realty Corporation (the "Company") and the undersigned Indemnitee (the "Indemnification Agreement"), pursuant to which I am entitled to advance of expenses in connection with \_\_\_\_\_ (the "Proceeding").

Terms used herein and not otherwise defined shall have the meanings specified in the Indemnification Agreement.

I am subject to the Proceeding by reason of my Corporate Status or by reason of alleged actions or omissions by me in such capacity. I believe in good faith that at all times, insofar as I was involved as a director of the Company, in any of the facts or events giving rise to the Proceeding, I (i) did not act in bad faith or as a result of active and deliberate dishonesty, (ii) did not actually receive any improper personal benefit in money, property or services and (iii) in the case of any criminal proceeding, had no reasonable cause to believe that any act or omission by me was unlawful.

In consideration of the advance of Expenses by the Company for reasonable attorneys' fees and related expenses incurred by me in connection with the Proceeding (the "Advanced Expenses"), I hereby agree that if, in connection with the Proceeding, it is established that (i) an act or omission by me was material to the matter giving rise to the Proceeding and (a) was committed in bad faith or (b) was the result of active and deliberate dishonesty or (ii) I actually received an improper personal benefit in money, property or services or (iii) in the case of any criminal proceeding, I had reasonable cause to believe that the act or omission was unlawful, then I shall promptly reimburse the portion of the Advanced Expenses relating to the claims, issues or matters in the Proceeding as to which the foregoing findings have been established.

IN WITNESS WHEREOF, I have executed this Affirmation and Undertaking on this \_\_day of \_\_\_\_\_, 200\_\_.

WITNESS:

\_\_\_\_\_

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**Section 12: EX-99.2 (EMPLOYMENT AGREEMENT BETWEEN KIMCO REALTY CORPORATION AND GLENN G. COHEN)**

**Exhibit 99.2**

**EMPLOYMENT AGREEMENT**

**THIS AGREEMENT**, dated February 3, 2009 is made by and between Kimco Realty Corporation (the “Company”), a Maryland corporation, and Glenn Cohen (the “Executive”).

- 1. Employment. The Company hereby agrees to employ Executive, and Executive hereby agrees to be employed by the Company, upon the terms and subject to the conditions set forth in this Agreement.
- 2. Certain Definitions.
  - (a) “Base Salary” is defined in Section 5(a).
  - (b) “Bonus” is defined in Section 5(b).
  - (c) “Benefits” is defined in Section 5(d).
  - (d) “Cause”. For purposes of this Agreement, “Cause” shall mean any of the following (i) conviction of a crime (including conviction on a nolo contendere plea) involving the commission by Executive of a felony or of a criminal act involving, in the good faith judgment of the Company, fraud, dishonesty, or moral turpitude; (ii) deliberate and continual refusal to perform employment duties reasonably requested by the Company or an affiliate after thirty (30) days’ written notice by certified mail of such failure to perform, specifying that the failure constitutes cause (other than as a result of vacation, sickness, illness or injury); (iii) fraud or embezzlement determined in accordance with the Company’s normal, internal investigative procedures consistently applied in comparable circumstances; (iv) misconduct or negligence in connection with the business of the Company or an affiliate which has a substantial adverse effect on the Company or the affiliate; (v) a breach of fiduciary duty to the Company; or (vi) violation of any of the company policies prohibiting harassment or discrimination in the workplace.
  - (e) “Change in Control”. For purposes of this Agreement, a “Change in Control” shall mean (i) a sale of all or substantially all of the assets of the Company to a Person (as defined in Rule 13d-5 under the Securities Exchange Act of 1934, as amended) who is not an affiliate of the Company or an entity in which the shareholders of the Company immediately prior to such transaction do not control more than 50% of the voting power immediately following the transaction, (ii) a sale by any Person resulting in more than 50% of the voting stock of the Company being held by a Person or Group (as defined in Rule 13d-5 under the Securities Exchange Act of 1934, as amended) that does not include Company or (iii) a merger

\_\_\_\_\_

or consolidation of the Company into another entity which is not an affiliate of the Company or an entity in which the shareholders of the Company immediately prior to such transaction do not control more than 50% of the voting power immediately following the transaction; provided that the transaction or event described in (i), (ii) or (iii) constitutes a "change in control event" as defined in Section 1.409A-3(i)(5) of the Department of Treasury Regulations.

- (f) **"Significantly Disabled"** For purposes of this Agreement, Executive shall be "Significantly Disabled" if Executive is incapable of performing his usual and customary duties under this Agreement, with or without reasonable accommodation, due to a physical or mental impairment that is expected to result in death or can be expected to last for a continuous period of not less than twelve months. The Executive's receipt of disability benefits for a period of not less than three months under the Company's long-term disability benefits plan (the "LTD Plan") or receipt of Social Security disability benefits shall be deemed conclusive evidence of Significant Disability for purpose of this Agreement.
- (g) **"Effective Date"** shall mean February 1, 2009
- (h) **"Stock Options"** is defined in Section 5(c).
- (i) **"Term of Employment"** is defined in Section 3.

3. **Term of Employment.** The period of Executive's employment under this Agreement shall begin as of the Effective Date and shall continue until January 31, 2012 (the "Term of Employment"), unless sooner terminated in accordance with Section 6 below or extended by mutual agreement of the parties.

4. **Duties and Responsibilities.**

- (a) During the Term of Employment, the Executive shall serve as Senior Vice President, Treasurer and Chief Accounting Officer. In such capacity, Executive shall perform the customary duties and have the customary responsibilities of such positions and such other duties as may be assigned to Executive from time to time by the officer to whom Executive reports or by the designee of the Company's Chief Executive Officer.
- (b) Executive agrees to faithfully serve the Company, devote his full working time, attention and energies to the business of the Company, its subsidiaries and affiliated entities, and perform the duties under this Agreement to the best of his abilities.
- (c) Executive agrees (i) to comply with all applicable laws, rules and regulations, and all requirements of all applicable regulatory, self-regulatory, and administrative bodies; (ii) to comply with the Company's rules, procedures, policies, requirements, and directions; and (iii) not to engage in any other business or employment without the written consent of the Company except as otherwise specifically provided herein.

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- (d) In connection with his employment during the Term of Employment, the Executive shall be based at the Company's office in New Hyde Park, NY, or such other location as shall be agreed between the Executive and the Company.

5. **Compensation and Benefits.**

- (a) **Base Salary.** During the Term of Employment, the Executive shall receive a base salary ("Base Salary") at a minimum rate of \$425,000 per annum (or such greater amount as shall be recommended by the Company's Chief Financial Officer/Chief Administrative Officer (CFO/CAO) and approved by the Chief Executive Officer, payable monthly or more frequently in accordance with the Company's practice as applied to other senior executives. Such base salary shall be reviewed at least annually.
- (b) **Bonus.** During the Term of Employment, the Executive shall receive a minimum annual cash bonus of \$100,000 ("Guaranteed Bonus") payable in equal installments in Executive's regular paycheck. The Executive may also receive a discretionary bonus ("Bonus") in cash on or before March 15th of the calendar year following the calendar year to which an applicable Bonus relates in an amount based on the discretion of the CFO/CAO with approval of the Chief Executive Officer. In order to receive the discretionary Bonus, Executive must be employed at the time the Bonus is paid out to other executives of the Company.
- (c) **Equity Compensation.** Executive shall be eligible to be granted options to purchase shares of the Company's common stock ("Stock Options") in accordance with the terms of the Stock Option Plan for Key Employees and Outside Directors of Kinco Realty Corporation (the "Amended and Restated 1998 Equity Participation Plan") and may be eligible for future grants as well. In accordance with the above mentioned "Amended and Restated 1998 Equity Participation Plan", he is also entitled to participate in the Restricted Stock Program.
- (d) **Benefits.** During the Term of Employment, the Executive shall be entitled to participate in or receive benefits under the employee benefit plans (including health, welfare and insurance plans) and other arrangements made available by the Company to its senior employees generally (collectively "Benefits"), subject to and on a basis consistent with the terms, conditions and overall administration of such plans or arrangements.
- (e) **Automobile.** During the Term of Employment, the Company shall also provide Executive a car allowance in the amount of \$10,920 per year, payable in equal installments (not less frequently than monthly) in accordance with the Company's customary payroll practice as applied to other senior executives.

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- (f) Business Expenses. The Company shall reimburse the Executive for all reasonable travel and other business expenses incurred by the Executive in the performance of his duties to the Company hereunder provided that such expenses are incurred for business reasons and accounted for in accordance with the Company's policy.
  - (g) No Waiver. The Executive shall also be entitled to such other benefits or terms of employment as are provided by law.
6. Termination of Employment. The Executive's employment hereunder may be terminated by the Company or the Executive, as applicable, without any breach of this Agreement only under the following circumstances:
- (a) Death. The Executive's employment hereunder shall terminate upon his death.
  - (b) Disability. If the Company determines in good faith that the Executive is Significantly Disabled and cannot perform the essential functions of his job with or without a reasonable accommodation (including any necessary or required period of leave) during the Term of Employment, the Company may give the Executive written notice of its intention to terminate the Executive's employment. In such event, the Executive's employment with the Company shall terminate effective on the 30th day after receipt of such notice by the Executive, provided that within the 30 days after such receipt, the Executive shall not have returned to full-time performance of his duties with or without a reasonable accommodation.
  - (c) Cause. The Company may terminate the Executive's employment hereunder for Cause.
  - (d) Without Cause. The Company may terminate the Executive's employment at any time hereunder without Cause upon thirty (30) days notice.
  - (e) Voluntary Resignation. The Executive voluntarily may terminate his employment with the Company.
  - (f) Expiration of Term of Employment. Executive's employment shall terminate upon expiration of the Term of Employment upon written notice by either party provided ninety (90) days before the expiration of the Term of Employment. The giving of such notice shall not constitute a termination without Cause. If notice is not provided pursuant to the first sentence of this Section 6(f), the Executive's employment shall continue "at-will" after the expiration of the Term. At the conclusion of the Term of Employment, this Agreement (except for the provisions set forth in Section 10, below) shall terminate and the Company shall have no further obligations under this Agreement.

- (g) Notice of Termination. Any termination of the Executive's employment hereunder during the Term of Employment (other than by reason of the Executive's death) shall be communicated by a notice of termination to the other parties hereto. For purposes of this Agreement, a "notice of termination" shall mean a written notice which (i) indicates the specific termination provision in the Agreement relied upon, (ii) sets forth in reasonable detail any facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision indicated and (iii) specifies the effective date of the termination.
7. Compensation Following Termination of Employment. Upon termination of Executive's employment under this Agreement, Executive (or his/her designated beneficiary or estate, as the case may be) shall be entitled to receive the following compensation:
- (a) Base Salary, Guaranteed Bonus, and Accrued but Unpaid Expenses and Vacation. The Company shall pay Executive any Base Salary and Guaranteed Bonus for services rendered to the date of termination, any accrued but unpaid expenses required to be reimbursed under this Agreement, and any vacation accrued, but unused, to the date of termination.
- (b) Other Compensation and Benefits. Except as otherwise provided under this Agreement,
- (i) any other compensation or benefits to which Executive may be entitled to under this Agreement or the Company's plans, policies or other arrangements at the time of termination shall be determined and paid in accordance with the terms of this Agreement or such plans, policies and arrangements providing such compensation or benefits, and
- (ii) except as provided hereunder, Executive shall have no right to receive any other compensation, or to participate in any other plan, arrangement or benefit, with respect to future periods after such termination or resignation.
- (c) Additional Compensation Payable Following Termination without Cause. Subject to Section 23(b) and Section 22(c), if the Executive's employment shall terminate without Cause (pursuant to Section 6(d)), and subject to the Executive's execution and non-revocation of a "Separation Agreement and General Release" in substantially the same form as attached hereto as Exhibit A, beginning with the first payroll period following the thirtieth (30<sup>th</sup>) day following the date of termination, the Company shall provide the following compensation and benefits to Executive unless the Change in Control provisions of Section 22 below apply:



- (i) Base Salary. The Company shall pay the Executive a severance benefit equal to the greater of (A) the remaining Base Salary payments to which Executive would be entitled for the remainder of the Term of Employment if such termination had not occurred or (B) one year's payment of Base Salary. Such payments shall be made at the same time and in the same manner as such compensation had been paid prior to such termination of employment; provided, however, that the initial payment shall include Base Salary amounts for all payroll periods from the date of termination through the date of such initial payment.
- (ii) Guaranteed Bonus. The Company shall pay Executive the Guaranteed Bonus(es) equal to the greater of (A) the remaining Guaranteed Bonus that he would have received pursuant to Section 5(b) if his employment had continued until the end of the Term of Employment if such termination had not occurred or (B) one year's payment of Guaranteed Bonus. Such payments shall be made at the same time and in the same manner as such compensation had been paid prior to such termination of employment, provided however, that the initial payment shall include Guaranteed Bonus amounts for all payroll periods from the date of termination through the date of such initial payment.
- (iii) Continuation of Group Health Benefits. If Executive elects to continue coverage under the Company's group health plan in accordance with the COBRA continuation coverage requirements, then the Company shall pay the full cost of such coverage for the period beginning immediately following Executive's last day of employment and ending on the earlier of (A) the last day on which salary continuation payments are made to Executive pursuant to subparagraph (i) above or (B) the expiration of the COBRA coverage period.
- (iv) Vesting of Stock Options and Restricted Stock Awards. All outstanding unvested Stock Options and Restricted Stock shall become immediately vested and fully exercisable. Executive will have ninety (90) days from the date of termination to exercise stock options. However, in the event of Executive's Death or Significant Disability (as defined in Section 2(f) above), Executive (or his administrator) will have one (1) year from the date of termination of employment to exercise said stock options in accordance with Section 22 (e)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

If during the period the Executive is otherwise entitled to receive severance pursuant to this Section 7(c) (the "Severance Period"), the Executive becomes an owner of, becomes employed by, or otherwise manages or provides services to any other business that the Company reasonably determines significantly competes with the Company in any state in which the Company does business, then the amount of severance payments that the Executive would otherwise have received thereafter pursuant to this Section 7(c) shall be reduced (but not below zero) by the amount of payments payable to the Executive from such other business during the Severance Period.

- (d) Compensation Upon Death or Significant Disability. Subject to Section 22(c), upon death or Significant Disability, the Executive (or such Payee as the Executive shall have designated on the signature page hereof) shall be entitled to six (6) months of the then-current Base Salary, six (6) months of the Guaranteed Bonus and any Stock Options and Restricted Stock then held by the Executive, which are not yet exercisable, shall thereupon become exercisable in accordance with the terms of such Stock Option. Payments of Base Salary pursuant to this Section 7(d) shall be made in one lump sum, payable on the thirtieth (30<sup>th</sup>) day following the date of the Executive's termination of employment due to his death or Significant Disability.
  - (e) No Other Compensation. If Executive's employment is terminated by reason of Cause or resignation by Executive (other than in accordance with Section 22 below following a Change in Control) or Expiration of the Term of Employment, then Executive shall not be entitled to any other compensation or benefits from the Company except as described in Section 7(a) and (b) above.
  - (f) Compliance with Section 409A. Payments under Section 7 shall be subject to the requirements of Section 23 below.
8. Survival. The expiration or termination of the Term of Employment shall not impair the rights or obligations of any party hereto which shall have accrued hereunder prior to such expiration.
9. Disputes. Any dispute or controversy arising under, out of, in connection with or in relation to this Agreement shall, at the election and upon written demand of any party to this Agreement, be finally determined and settled by arbitration in Garden City, New York in accordance with the rules and procedures of the American Arbitration Association, and judgment upon the award may be entered in any court having jurisdiction thereof. In such arbitration, each party shall bear its own legal fees and related costs, except that the parties shall share the fee of the arbitrator, where Employee pays an amount equal to the cost of the filing fee or purchasing an index number in federal or state court, whichever is less. To the extent that any claim is found not to be subject to arbitration, such claim shall be either decided by the U.S. District Court for the Eastern District of New York, or the Supreme Court in and for Nassau County, New York and all such claims shall be adjudicated by a judge sitting without a jury.

The prevailing party in any such proceeding shall be entitled to collect from the other party, all legal fees and expenses as permitted by law.

10. Restrictive Covenants.

This Section 10 shall not apply in the event of termination following a Change in Control (as defined in Section 2(e), above), pursuant to Section 22, below.

(a) Confidentiality.

- (i) During Executive's Term of Employment, with the Company, Executive will not use or disclose to any individual or entity any Confidential Information (as defined below) except (A) in the performance of Executive's duties for the Company, (B) as authorized in writing by the Company, or (C) as required by law or legal process, provided that prior written notice of such required disclosure is provided to the Company and that all reasonable efforts to preserve the confidentiality of such information shall be made.
- (ii) As used herein, "Confidential Information" shall mean information that (A) is used or potentially useful in the Company's business, (B) the Company treats as proprietary, private or confidential, and (C) is not generally known to the public. "Confidential Information" includes, without limitation, information relating to the Company's products or services; marketing, selling or business or development plans; current or prospective customer, client, landlord, owner and tenant lists and data, trade secrets, call lists, manuals, policies, memoranda, notes, records, technical data, sketches, plans, drawings, formulae, research and development data, sources of supply and material, operating and cost data, financial information and personnel information. "Confidential Information" also includes proprietary and/or confidential information of the Company's customers, clients, landlords, owners, tenants, suppliers and business or joint venture partners who may share such information with the Company pursuant to a confidentiality agreement or otherwise.

(b) Non-Solicitation.

- (i) Upon termination of employment for any reason, for the longer of (A) the period of time during which Executive is receiving any form of compensation from the Company (including compensation being paid pursuant to Section 7 above) or, (B) one (1) year from the termination of his employment, Executive shall not in any capacity employ or solicit for employment, or recommend that another person employ or solicit for employment, any person who is then and was at any time during Executive's employment an employee, sales representative or agent of the Company or any subsidiary or affiliate of the Company.

- (ii) Upon termination of employment for any reason, for the longer of (A) the period of time during which Executive is receiving any form of compensation from the Company (including compensation being paid pursuant to Section 7 above) or, (B) one (1) year from the termination of his employment, Executive will not, on behalf of himself, or any other person, firm or corporation, solicit any of the Company's customers, clients, landlords, owners, tenants, and business or joint venture partners with whom he has had contact while working for the Company; nor will Executive in any way, directly or indirectly, for himself, or any other person, firm, corporation or entity, divert, or take away any of the Company's customers, clients, landlords, owners, tenants, suppliers and business or joint venture partners with whom Executive has had contact. For purposes of this Section, the term "contact" shall mean engaging in any communication, whether written or oral, with the customer, client, landlord, owner, tenant, supplier and business or joint venture partner or any representative thereof, or obtaining any information with respect to such customer, client, landlord, owner, tenant, supplier and business or joint venture partner or representative thereof that results in a loss of existing business for Kimco. If Executive breaches this provision, the non-solicitation period of one (1) year shall not expire until the Executive is out of breach for a period of one (1) year.
- (c) Remedies for Breach of Confidentiality and Non-Solicitation Provisions of this Agreement. Executive acknowledges that this Section 10, its terms and his compliance are necessary to protect the Company's Confidential and Proprietary Information, its business and its goodwill, and that a breach of any of Executive's promises contained in this Section 10 will irreparably and continually damage the Company to an extent that money damages may not be adequate. For these reasons, Executive agrees that in the event of a breach or threatened breach by the Executive of this Section 10, the Company shall be entitled to a temporary restraining order and preliminary injunction restraining Executive from such breach, without the posting of a bond. Nothing contained in this Section shall be construed as prohibiting the Company from pursuing any other remedies available for such breach or threatened breach or any other breach of this Agreement. The Company and Executive further acknowledge and agree that it may be difficult, if not impossible, to compute the actual damages that will be suffered by the Company upon Executive's violation of this Section 10. It is agreed, therefore, that in the event Executive breaches these provisions, Executive shall forfeit any payments due under the Agreement.

- (d) Effect of Termination of Employment. Notwithstanding the provisions of Section 6(f) of this Agreement, the period of Executive's employment for purposes of determining the applicability of the restrictions contained in Section 10 of this Agreement shall include any period during which Executive is employed by the Company's successors or assigns. Upon termination of employment, as defined herein and for whatever cause, Executive shall immediately deliver to the Company or its successors or assigns, all Company property, including without limitation all Confidential Information as defined above.
11. Withholding of Taxes. The Company shall withhold from any compensation and benefits payable under this Agreement all applicable federal, state, local, or other taxes.
12. Binding on Successors. This Agreement shall be binding upon and inure to the benefit of the Company, the Executive and their respective successors, assigns, personnel and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable. The Company shall cause any successor to all or substantially all of its assets or business to assume this Agreement.
13. Governing Law. This Agreement is being made and executed in and is intended to be performed in the State of New York, and shall be governed, construed, interpreted and enforced in accordance with the substantive laws of the State of New York without regard to its conflict or choice of law rules.
14. Validity. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.
15. Notices. Any notice, request, claim, demand, document and other communication hereunder to any party shall be effective upon receipt (or refusal of receipt) and shall be in writing and delivered personally or sent, by telex, telecopy, facsimile transmission, or certified or registered mail, postage prepaid, as follows:

If to the Company, addressed to:

3333 New Hyde Park Rd.  
New Hyde Park, NY 11042  
Attn: Vice President, Human Resources

If to the Executive, to him at the address set forth below under his signature; or at any other address as any party shall have specified by notice in writing to the other parties in accordance herewith.

16. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement. This Agreement shall not become enforceable until executed by the Company.
17. Entire Agreement. The terms of this Agreement are intended by the parties to be the final expression of their agreement with respect to the employment of the Executive by the Company, may not be contradicted by evidence of any prior or contemporaneous agreement and supersedes any and all prior agreements. The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement.
18. Amendments; Waivers. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by the Executive and a disinterested director of the Company or by an arbitrator or court seeking to render enforceable through "judicial" modification an otherwise unenforceable provision. By an instrument in writing similarly executed, the Executive or the Company may waive compliance by the other party with any provision of this Agreement that such other party was or is obligated to comply with or perform, provided, however, that such waiver shall not operate as a waiver of, or estoppel with respect to, any other or subsequent failure. No failure to exercise and no delay in exercising any right, remedy, or power hereunder shall preclude any other or further exercise of any other right, remedy, or power provided herein or by law or in equity.
19. No Inconsistent Actions; Cooperation.
  - (a) The parties hereto shall not voluntarily undertake or fail to undertake any action or course of action inconsistent with the provisions or essential intent of this Agreement. Furthermore, it is the intent of the parties hereto to act in a fair and reasonable manner with respect to the interpretation and application of the provisions of this Agreement.
  - (b) Each of the parties hereto shall cooperate and take such actions, and execute such other documents as may be reasonably requested by the other in order to carry out the provisions and purposes of this Agreement.
20. No Alienation of Benefits. To the extent permitted by law the benefits provided by this Agreement shall not be subject to garnishment, attachment or any other legal process by the creditors of the Executive, his beneficiary or his estate.

21. Indemnification. The Company shall provide indemnification to the Executive to the extent permitted by the Company's corporate bylaws and under New York law.

22. Change in Control.

(a) Requirements for Additional Compensation. Subject to Section 23(b), if a Change in Control occurs and either (i) the Executive's employment is thereafter terminated by the Company without Cause pursuant to Section 6(d) above prior to the end of the 12-month period beginning on the date of the Change in Control, or (ii) the Executive voluntarily resigns his employment during the period commencing on the date of such Change in Control and ending on the sixtieth (60<sup>th</sup>) day following the date of such Change in Control (the "Cessation Date"), the Company shall provide the Executive with the additional compensation and benefits described in this Section 22.

(b) Lump Sum Payment. The Company shall pay Executive an amount equal to the lesser of:

(i) The amount of the then-current Base Salary under this Agreement and bonus (defined by the amount of bonus the Executive most recently received), that would have been payable to the Executive if he had continued in employment until the later of (A) the end of the Term of Employment and (B) first anniversary of the termination of employment; or

(ii) The greatest payment which in combination with all other payments to which the Executive would be entitled that could be paid to the Executive without triggering the excise tax imposed by Section 4999 of the Code.

The amount determined under this subsection (b) of this Section 22 will be paid to Executive in a single lump sum on or prior to the thirtieth (30<sup>th</sup>) day after such termination of the Executive's employment; and, in any event, on or prior to the 15th day of the third calendar month following the end of the calendar year in which such Change in Control occurs.

(c) Cessation of Severance Benefits. If the Executive's employment is terminated for any reason following the Cessation Date, including, without limitation, a termination of employment by the Company without Cause, the Executive shall not be entitled to receive any severance payments or benefits that would otherwise have been payable to the Executive pursuant to this Agreement in connection with a termination of his employment.

- (d) Additional Compensation. The Company shall pay Executive on a monthly basis an amount sufficient to reimburse Executive for the cost of premiums for continuation of group health coverage during the period Executive is receiving payments of Base Salary pursuant to clause (i) above.
- (e) Vesting of Stock Options. All outstanding unvested Stock Options and Restricted Stock shall become immediately vested and fully exercisable.
- (f) Compliance with Section 409A. Payments under this Section 22 shall be subject to the requirements of Section 23 below.

23.

Section 409A.

- (a) General. The parties acknowledge and agree that, to the extent applicable, this Agreement shall be interpreted in accordance with, and the parties agree to use their best efforts to achieve timely compliance with, Section 409A of the Code, and the Department of Treasury Regulations and other interpretive guidance promulgated thereunder (collectively, "Section 409A"), including without limitation any such regulations or other guidance that may be issued after the Effective Date. Notwithstanding any provision of this Agreement to the contrary, in the event that the Company determines that any compensation or benefits payable or provided under this Agreement may be subject to Section 409A, the Company may adopt (without any obligation to do so or to indemnify the Executive for failure to do so) such limited amendments to this Agreement and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Company reasonably determines are necessary or appropriate to (i) exempt the compensation and benefits payable under this Agreement from Section 409A and/or preserve the intended tax treatment of the compensation and benefits provided with respect to this Agreement or (ii) comply with the requirements of Section 409A. No provision of this Agreement shall be interpreted or construed to transfer any liability for failure to comply with the requirements of Section 409A from the Executive or any other individual to the Company or any of its affiliates, employees or agents.
- (b) Separation from Service under 409A. Notwithstanding any provision to the contrary in this Agreement:
  - (i) No amount shall be payable pursuant to Section 7(c) or Section 22 unless the termination of the Executive's employment constitutes a "separation from service" within the meaning of Section 1.409A-1(h) of the Department of Treasury Regulations;



- (ii) If the Executive is deemed at the time of his separation from service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the termination benefits to which the Executive is entitled under this Agreement (after taking into account all exclusions applicable to such termination benefits under Section 409A), including, without limitation, any portion of the additional compensation awarded pursuant to Section 7(c) or Section 22, is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of the Executive's termination benefits shall not be provided to the Executive prior to the earlier of (1) the expiration of the six-month period measured from the date of the Executive's "separation from service" with the Company (as such term is defined in the Department of Treasury Regulations issued under Section 409A) or (2) the date of the Executive's death. Upon the earlier of such dates, all payments deferred pursuant to this Section 23 (b)(ii) shall be paid in a lump sum to the Executive, and any remaining payments due under the Agreement shall be paid as otherwise provided herein;
- (iii) The determination of whether the Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of his separation from service shall be made by the Company in accordance with the terms of Section 409A and applicable guidance thereunder (including without limitation Section 1.409A-1(i) of the Department of Treasury Regulations and any successor provision thereto);
- (iv) For purposes of Section 409A, the Executive's right to receive installment payments pursuant to Section 7(c) shall be treated as a right to receive a series of separate and distinct payments; and
- (v) The reimbursement of any expense under Sections 5(f) or 7(a) shall be made no later than December 31 of the year following the year in which the expense was incurred. The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year. The amount of any in-kind benefits provided in one year shall not affect the amount of in-kind benefits provided in any other year.

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

KIMCO REALTY CORPORATION,  
a Maryland Corporation

By: /s/Milton Cooper

EXECUTIVE

/s/ Glenn G. Cohen  
Glenn G. Cohen

Executive's Payee pursuant to Section 7(d):  
Name: Glenn G. Cohen

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Section 13: EX-99.3 (\$650 MILLION CREDIT AGREEMENT)

Exhibit 99.3



\$650,000,000

CREDIT AGREEMENT

Dated as of August 26, 2008

Among

PK SALE LLC,  
as Borrower

PRK HOLDINGS I LLC, PRK HOLDINGS II LLC, PRK HOLDINGS III LLC,  
as Guarantors

KIMCO REALTY CORPORATION,  
as Guarantor

THE LENDERS  
from time to time party hereto,

JPMORGAN CHASE BANK, N.A.,  
as Administrative Agent

WACHOVIA BANK, NATIONAL ASSOCIATION,  
THE BANK OF NOVA SCOTIA,  
as Syndication Agents

WELLS FARGO BANK, NATIONAL ASSOCIATION,  
ROYAL BANK OF CANADA,  
as Documentation Agents

JPMORGAN SECURITIES INC.,  
WACHOVIA CAPITAL MARKETS, INC.  
as Joint Bookrunners and Joint Lead Arrangers

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CREDIT AGREEMENT, dated as of August 26, 2008, among PK Sale LLC, a Delaware limited liability company (the "Borrower" or "Sale LLC"), PRK Holdings I LLC, a Delaware limited liability company ("PRK 1"), PRK Holdings II LLC, a Delaware limited liability company ("PRK 2") and PRK Holdings III LLC, a Delaware limited liability company ("PRK 3"), KIMCO REALTY CORPORATION, a Maryland corporation ("Kimco"), the Lenders party hereto from time to time, WACHOVIA BANK, NATIONAL ASSOCIATION and SCOTIABANC, INC., as Co-Syndication Agents (in such capacity, the "Co-Syndication Agents"), JPMORGAN CHASE BANK, N.A., as administrative agent for the Lenders hereunder (in such capacity, the "Administrative Agent"), and WELLS FARGO BANK, NATIONAL ASSOCIATION and ROYAL BANK OF CANADA, as Co-Documentation Agents (in such capacity, collectively, the "Co-Documentation Agents").

The parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.1      Defined Terms.

As used in this Agreement, the following terms shall have the following meanings:

"ABR": for any day, a rate per annum equal to the greater of (a) the Prime Rate in effect on such day and (b) the Federal Funds Effective Rate in effect on such day plus ½ of 1%. For purposes hereof: "Prime Rate" shall mean the rate of interest per annum publicly announced from time to time by JPMCB as its prime rate in effect at its principal office in New York City, each change in the Prime Rate being effective from and including the date such change is publicly announced as being effective (the Prime Rate not being intended to be the lowest rate of interest charged by JPMCB in connection with extensions of credit to debtors); and "Federal Funds Effective Rate" shall mean, for any day, the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for the day of such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it. If for any reason the Administrative Agent shall have determined (which determination shall be conclusive absent manifest error) that it is unable to ascertain the Federal Funds Effective Rate for any reason, including the inability or failure of the Administrative Agent to obtain sufficient quotations in accordance with the terms thereof, the ABR shall be determined without regard to clause (b) of the first sentence of this definition, as appropriate, until the circumstances giving rise to such inability no longer exist. Any change in the ABR due to a change in the Prime Rate or the Federal Funds Effective Rate shall be effective as of the opening of business on the effective day of such change in the Prime Rate or the Federal Funds Effective Rate, respectively.

"ABR Loans": Loans, the rate of interest applicable to which is based upon the ABR.

"Account 1": an insurance company separate account known as PRISA.

"Account 2": an insurance company separate account known as PRISA II.

"Account 3": an insurance company separate account known as Western Conference of Teamsters.

"Acquired Companies": collectively, Pan Pacific Properties, Inc., a Maryland corporation, CT Operating Partnership, L.P., a California limited partnership, Western/Pinecreek, L.P., a Delaware limited partnership, and their respective subsidiaries.

"Adjusted Net Income": for any period, as to Kimco and the Consolidated Entities, Consolidated Net Income; provided that there shall be excluded the income (or deficit) of any Person other than Kimco accrued prior to the date it becomes a Subsidiary or is merged into or consolidated with Kimco or any of its Subsidiaries.



"**Administrative Agent**": as defined in the introductory paragraph hereof.

"**Administrative Questionnaire**": as defined in Section 12.6.

"**Affiliate**": as to any Person, any other Person which, directly or indirectly, is in Control of, is Controlled by, or is under common Control with, such Person.

"**Agreement**": this Credit Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance herewith.

"**Applicable Margin**": with respect to each Loan at any date, the applicable percentage per annum set forth below based upon the Status on such date:

	Level I Status	Level II Status
Eurocurrency Loans and Money Market Loans	1.150%	1.250%
ABR Loans	0%	0%

"**Applicable Percentage**": as to any Lender at any time, a percentage equal to a fraction the numerator of which is the aggregate outstanding principal amount of the Loans (or, if no Loans are then outstanding, the Commitment) of such Lender and the denominator of which is the aggregate outstanding principal amount of the Loans (or, if no Loans are then outstanding, the Commitments) of all Lenders.

"**Applicable Properties**": as defined in Section 3.10.

"**Assignment and Assumption**": as defined in Section 12.6.

"**Attributed Value**": the value attributed by Kimco to each of the Scheduled Properties, as set forth on Schedule 3.3.

"**AVP Certificate**": as defined in Section 5.2(g).

"**Board**": the Board of Governors of the Federal Reserve System of the United States of America (or any successor).

"**Borrower**": as defined in the introductory paragraph hereof.

"**Borrowing**": Loans of the same Type, made, converted or continued on the same date and, in the case of Eurocurrency Loans, as to which a single Interest Period is in effect.

"**Borrowing Date**": the Business Day specified in a notice pursuant to Section 2.1(d) as the date on which the Loans shall be made hereunder.

"**Borrowing Occasion**": as defined in Section 2.1.

"**Business Day**": a day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to close; provided that, when used in connection with a Eurocurrency Loan, the term "Business Day" shall also exclude any day on which commercial banks are not open for dealings in dollar deposits in the London interbank market.

"Capital Stock": any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants or options to purchase any of the foregoing.

"Cash Equivalents": (a) securities denominated in Dollars or any other currency of any Qualified Jurisdiction (any of the foregoing, "Currency"), in any event issued or directly and fully guaranteed or insured by the United States Government or any other Qualified Jurisdiction, as applicable, or any agency or instrumentality of any of them, having maturities of not more than one year from the date of acquisition, (b) time deposits and certificates of deposit denominated in Currency having maturities of not more than one year from the date of acquisition of any Lender or of any domestic commercial bank the senior long-term unsecured debt of which is rated at least A or the equivalent thereof by S&P or A2 or the equivalent thereof by Moody's and having capital and surplus in excess of \$500,000,000 (or the equivalent in the applicable Currency), (c) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (a) and (b) entered into with any bank meeting the qualifications specified in clause (b) above, (d) commercial paper denominated in Currency rated at least A-1 or the equivalent thereof by S&P or P-1 or the equivalent thereof by Moody's and in either case maturing within 90 days after the date of acquisition and (e) investments in money market funds that have assets in excess of \$2,000,000,000 (or the equivalent in the applicable Currency), are managed by recognized and responsible institutions and invest all of their assets in (x) obligations of the types referred to in clauses (a), (b), (c) and (d) above and (y) commercial paper denominated in Currency having at least the rating described in clause (d) above and maturing within 270 days after the date of acquisition.

"Co-Documentation Agents": as defined in the introductory paragraph hereof.

"Co-Syndication Agents": as defined in the introductory paragraph hereof.

"Code": the Internal Revenue Code of 1986, as amended from time to time.

"Collateral": all property in which a security interest is granted or purported to be granted pursuant to any Loan Document.

"Commitment": as to any Lender, the obligation to make Loans hereunder on the Borrowing Occasion in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender's name on Schedule 1.1A as such amount may be changed from time to time in accordance with the provisions of this Agreement. The initial aggregate amount of the Lenders' Commitments is \$650,000,000.

"Commitment Period": the period commencing with and including the date of this Agreement through and terminating at 5:00 p.m., New York City time, on August 26, 2008.

"Commonly Controlled Entity": an entity, whether or not incorporated, which is under common control with Kimco within the meaning of Section 4001 of ERISA or is part of a group which includes Kimco and which is treated as a single employer under Section 414 of the Code.

"Consolidated Entities": as of any date of determination, any entities whose financial results are consolidated with those of Kimco in accordance with GAAP.

"Consolidated Net Income": for any period, net income (or loss) of Kimco and the Consolidated Entities for such period determined on a consolidated basis in accordance with GAAP.

"Contractual Obligation": as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control": the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Credit Facility": the term loan credit facility established pursuant to this Agreement.

"Currency": as defined in the definition of the term "Cash Equivalents", provided that dollars shall not be treated as a Currency.

"Default": any of the events specified in Article X, whether or not any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

"Dollar Equivalent": on any date of determination, for purposes of the determination of Unrestricted Cash and Cash Equivalents, with respect to any amount in any Currency (other than dollars), the equivalent in dollars of such amount, determined by using the Exchange Rate with respect to such Currency.

"Dollars", "dollars" and "\$": lawful currency of the United States of America.

"EBITDA": for any Person, the consolidated net income of such Person and its Subsidiaries before income taxes, interest, depreciation, amortization, gains or losses on sales of operating real estate and marketable securities, any provision or benefit for income taxes, noncash impairment charges, and gains or losses on extraordinary items in accordance with GAAP and gains or losses on early extinguishment of debt.

"Effective Date": the date on which the conditions set forth in Section 5.1 shall be satisfied (or waived in accordance with Section 12.1).

"Environmental Laws": any and all foreign, Federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, requirements of any Governmental Authority or other Requirements of Law (including common law) regulating, relating to or imposing liability or standards of conduct concerning protection of human health or the environment, as now or may at any time hereafter be in effect, in each case to the extent the foregoing are applicable to Kimco, any Entity or any of their respective assets or properties.

"Entity": as of any date of determination, any Consolidated Entity or Unconsolidated Entity.

"ERISA": the Employee Retirement Income Security Act of 1974, as amended from time to time.

"Eurocurrency Loans": Loans the rate of interest applicable to which is based upon the Eurocurrency Rate.

"Eurocurrency Rate": with respect to any Eurocurrency Loan for any Interest Period, the rate appearing on Reuters "LIBOR01" or "LIBOR02" screen, as applicable, displaying British Bankers' Association Interest Rate Settlement Rates (or on any successor or substitute Reuters screen, or any successor to or substitute therefor, providing rate quotations comparable to those currently provided on such Reuters screen, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, as the rate for dollar deposits with a maturity comparable to such Interest Period. In the event that such rate is not available at such time for any reason, then the "Eurocurrency Rate" with respect to such Eurodollar Borrowing for such Interest Period shall be the rate at which dollar deposits of \$5,000,000 and for a maturity comparable to such Interest Period are offered by the principal London office of the Administrative Agent in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period.

"Eurocurrency Tranche": the collective reference to Eurocurrency Loans the then current Interest Periods with respect to all of which begin on the same date and end on the same later date.

"Event of Default": any of the events specified in Article X, provided that any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

"Exchange Rate": on any day, with respect to any Currency, (a) if the Existing Revolving Credit Facility is in effect and JPMCB is serving as the Administrative Agent thereunder, the "Exchange Rate" as defined in the Existing Revolving Credit Agreement then in effect for purposes of determining under the Existing Revolving Credit Facility the "Unrestricted Cash and Cash Equivalents" as defined in the Existing Revolving Credit Agreement, or, if the preceding clause (a) is inapplicable, (b) the rate at which such Currency may be exchanged into dollars, as set forth at approximately 11:00 a.m., London time, on such day on the Reuters World Currency Page for such Currency. For purposes of clause (b) of the preceding sentence, in the event that such rate does not appear on any Reuters World Currency Page, the Exchange Rate shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon in writing by the Administrative Agent and Kimco, or, in the absence of such agreement, such Exchange Rate shall instead be the arithmetic average of the spot rates of exchange of the Administrative Agent in the market where its Currency exchange operations in respect of such Currency are then being conducted, at or about 11:00 a.m., local time, on such date for the purchase of dollars for delivery two (2) Business Days later; *provided* that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Administrative Agent, after consultation with Kimco, may use any reasonable method it deems appropriate to determine such rate, and such determination shall be conclusive absent manifest error.

"Existing Revolving Credit Agreement": the Credit Agreement dated as of October 25, 2007 among Kimco, the several banks, financial institutions and other entities from time to time parties thereto, the Issuing Lender party thereto, and JPMCB, as administrative agent for the lenders thereunder, as modified, supplemented, amended or waived from time to time.

"Existing Revolving Credit Facility": the revolving credit facility established and in effect pursuant to the Existing Revolving Credit Agreement.

"Existing Term Loan Agreement": the Credit Agreement dated as of October 31, 2006 among Sale LLC, PRK1, PRK2, PRK3, Kimco, the several banks, financial institutions and other entities parties thereto, and JPMCB, as administrative agent for the lenders thereunder, as modified, supplemented, amended or waived through and immediately prior to the Effective Date.

"Existing Term Loan Facility": the term loan facility established pursuant to the Existing Term Loan Agreement.

"Exposure": as to any Lender at any time, the outstanding aggregate amount of such Lender's Loans at such time.

"Extended Maturity Date": as defined in Section 12.8.

"Federal Funds Effective Rate": as defined in the definition of the term "ABR".

"Fee Letter": Fee Letter, dated as of June 12, 2008, to which Kimco, JPMCB, J.P. Morgan, Wachovia Bank, National Association and Wachovia Capital Markets, LLC are parties, as the same may be amended, supplemented or otherwise modified from time to time in accordance therewith.

"FFO": funds from operations, as calculated based upon the NAREIT definition in effect on the date of said calculation or in a manner consistent with Kimco's prior reporting (with any variation from the NAREIT definition being specified in Schedule 1.1B).

"Final Date": as defined in Section 2.9(d).

"Financing Lease": any lease of property, real or personal, the obligations of the lessee in respect of which are required in accordance with GAAP to be capitalized on a balance sheet of such lessee.

"First Tier Company": each of PRK1, PRK2 and PRK3.

"FTC Guarantee": the Guarantee by a First Tier Company contained in Section 12.9 hereof.

"FTC Guarantors": as defined in Section 12.9(a).

"FTG Percentage": as defined in Section 12.9(i).

"GAAP": generally accepted accounting principles in the United States of America.

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

"Gross Asset Value": as of any relevant date, an amount equal to the sum, without duplication, of (a) Total Adjusted EBITDA, calculated with respect to the most recent Test Period ended on or before such date annualized and capitalized at 7.50%, plus (b) Unrestricted Cash and Cash Equivalents of Kimco and the Consolidated Entities as of such date, plus (c) the sum of the following items of Kimco and the Consolidated Entities: (i) land and development projects as of such date valued at "cost", and (ii) mezzanine and mortgage loan receivables valued at the lower of cost or market at such date and marketable securities at the value reflected in the consolidated financial statements of Kimco as of such date, plus (d) Kimco's investments in and advances to the Noncontrolled Entities valued at the lower of cost or market as reflected in the consolidated financial statements of Kimco as of such date, provided that the items described in clauses (c) and (d) (other than mortgage loan receivables valued at the lower of cost or market at such date and marketable securities at the value reflected in the consolidated financial statements of Kimco as of such date) shall not be taken into account to the extent that the amounts thereof exceed, in the aggregate, 40% of Gross Asset Value, plus (e) 100% of the bona fide purchase price of Identified Properties as of such date, and provided, further, that not more than 25% in the aggregate of items comprising Gross Asset Value shall be attributable to assets located outside of the United States or to assets owned by Entities not organized in and having principal offices in the United States.

"Guarantee": the Kimco Guarantee and each FTC Guarantee.

"Guarantee Obligation": as to any Person (the "guaranteeing person"), any obligation (determined without duplication) of (a) the guaranteeing person or (b) another Person (including any bank under any letter of credit) to induce the creation of which the guaranteeing person has issued a reimbursement, counter-indemnity or similar obligation, in either case guaranteeing or in effect guaranteeing any Indebtedness, leases, dividends or other obligations (the "primary obligations") of any other third Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of the guaranteeing person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (1) for the purchase or payment of any such primary obligation or (2) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (iv) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof, provided that the term Guarantee Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee Obligation of any guaranteeing person shall be deemed to be the maximum stated amount of the primary obligation relating to such Guarantee Obligation (or, if less, the maximum stated liability set forth in the instrument embodying such Guarantee Obligation); provided that in all events (and regardless of the existence of a stated liability amount), the amount of such Guarantee Obligation shall be such guaranteeing person's maximum reasonably anticipated liability in respect thereof as determined by Kimco in good faith.

"Guarantor": (a) Kimco, and (b) each First Tier Company.

"Holdco": each of Holdco1, Holdco2, and Holdco3.

"Holdco1": PK I Holdco LLC, a Delaware limited liability company, all the equity interests in which are owned beneficially and of record by PRK1, through which PRK1 owns all the Hold Properties owned directly or indirectly by PRK1 (other than the Hold Properties owned directly or indirectly by PPRP or Sale LLC as set forth on Schedule 3.3).

"Holdco2": PK II Holdco LLC, a Delaware limited liability company, all the equity interests in which are owned beneficially and of record by PRK2, through which PRK2 owns all the Hold Properties owned directly or indirectly by PRK2 (other than the Hold Properties owned directly or indirectly by PPRP or Sale LLC as set forth on Schedule 3.3).

"Holdco3": PK III Holdco LLC, a Delaware limited liability company, all the equity interests in which are owned beneficially and of record by PRK3, through which PRK3 owns all the Hold Properties owned directly or indirectly by PRK3 (other than the Hold Properties owned directly or indirectly by PPRP or Sale LLC as set forth on Schedule 3.3).

"Hold Property": a property identified on Schedule 3.3 as a Hold Property.

"HS Loan Party": each Loan Party other than Kimco.

"HS Pledge and Security Agreement": an agreement substantially in the form of Exhibit C hereto, pursuant to which each First Tier Company shall grant to the Administrative Agent for the benefit of the Secured Parties a Lien on inter alia, (a) the equity interests of the applicable Holdco of which such First Tier Company holds 100% of the equity interests, (b) the equity interests in Sale LLC held by such First Tier Company and (c) the equity interests in PPRP held by such First Tier Company.

"Identified Property": as of any time, Properties acquired by Kimco during the most recent Test Period.

"Income REIT": Kimco Income Operating Partnership, L.P., a Delaware limited partnership.

"Indebtedness": of any Person at any date, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services (other than current trade liabilities incurred in the ordinary course of business and payable in accordance with customary practices), to the extent such obligations constitute indebtedness for the purposes of GAAP, (c) any other indebtedness of such Person which is evidenced by a note, bond, debenture or similar instrument, (d) all obligations of such Person under Financing Leases, (e) all obligations of such Person in respect of acceptances issued or created for the account of such Person, (f) all Guarantee Obligations of such Person, (g) reimbursement obligations for letters of credit and other contingent liabilities, (h) all liabilities secured by any Lien on any property owned by such Person even though such Person has not assumed or otherwise become liable for the payment thereof, and (i) the net obligations (contingent or otherwise) of such Person at such date under interest rate hedging agreements.

"Insolvency": with respect to any Multiemployer Plan, the condition that such Plan is insolvent within the meaning of Section 4245 of ERISA.

"Insolvent": pertaining to a condition of Insolvency.

"Intellectual Property": as defined in Section 3.3.

"Interest Payment Date": (a) as to any ABR Loan, the last day of each calendar month to occur while such ABR Loan is outstanding and the Termination Date, (b) as to any Eurocurrency Loan, the last day of the Interest Period with respect thereto and, in the case of a Eurocurrency Loan with an Interest Period of more than three (3) months' duration, each day prior to the last day of such Interest Period that occurs at intervals of three (3) months' duration after the first day of such Interest Period, and (c) as to any Money Market Loan, the last day of the Money Market Rate Period applicable thereto.

"Interest Period": with respect to any Eurocurrency Loan:

(a) initially, the period commencing on the borrowing or conversion date, as the case may be, with respect to such Eurocurrency Loan and ending one (1), two (2), three (3) or six (6) months thereafter, as selected by the Borrower in the notice of borrowing or notice of conversion, as the case may be, given with respect thereto; and

(b) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Eurocurrency Loan and ending one (1), two (2), three (3) or six (6) months thereafter, as selected by the Borrower by irrevocable notice to the Administrative Agent not less than three Business Days prior to the last day of the then current Interest Period with respect thereto;

provided that all of the foregoing provisions relating to Interest Periods are subject to the following:

- (1) if any Interest Period pertaining to a Eurocurrency Loan would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;
- (2) any Interest Period pertaining to a Eurocurrency Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month; and
- (3) in no event shall any Interest Period end on a day subsequent to the Termination Date.

"Investment Entity": as to any Person, a corporation, limited liability company, partnership or other entity in which Kimco has a direct or indirect interest, but which is not a Subsidiary.

"JPMCB": JPMorgan Chase Bank, N.A.

"J.P. Morgan": J.P. Morgan Securities Inc.

"Kimco": as defined in the introductory paragraph hereof.

"Kimco Guarantee": the Guarantee by Kimco arising under Section 12.10 hereof.

"Lenders": as defined in the introductory paragraph hereof.

"Lien": any mortgage, pledge, hypothecation, assignment (including any collateral assignment but excluding any assignment of an asset made in lieu of a sale thereof where the assignor is paid the fair market value of such asset by the assignee and the assignee assumes all of the rights and obligations attributable to ownership of such asset), deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement and any Financing Lease having substantially the same economic effect as any of the foregoing).

"Loan": each loan made by a Lender on the Borrowing Date as the same may be continued or converted pursuant to this Agreement (whether a Eurocurrency Loan, an ABR Loan, or a Money Market Loan).

"Loan Documents": this Agreement, the Notes, each HS Pledge and Security Agreement and any instrument or agreement waiving, amending, or supplementing any Loan Document.

"Loan Parties": The Borrower, Kimco and each First Tier Company.

"Major Acquisitions": with respect to any applicable period, one or more acquisitions by Kimco or one of its Subsidiaries during such period of the Capital Stock and/or assets of another Person that (a) are otherwise permitted by the Existing Revolving Credit Agreement and (b) involve the payment by Kimco or such Subsidiary of

consideration (whether in the form of cash or non-cash consideration) in excess of \$500,000,000 in the aggregate for all such acquisitions during such period.

"**Majority Lenders**": at any time (a) prior to the making of the Loans on the Borrowing Date, Lenders holding more than 50% of the total Commitments, and (b) thereafter, Lenders holding more than 50% of the aggregate principal amount of Loans outstanding at such time.

"**Material Adverse Effect**": a material adverse effect on (a) the business, operations, property, condition (financial or otherwise) or prospects of Kimco and its Subsidiaries taken as a whole, (b) the ability of Kimco to perform its obligations under the Loan Documents or (c) the validity or enforceability of this Agreement or any of the other material Loan Documents or the rights or remedies of the Administrative Agent or the Lenders hereunder or under any other Loan Document.

"**Materials of Environmental Concern**": any gasoline or petroleum (including crude oil or any fraction thereof) or petroleum products or any hazardous or toxic substances, materials or wastes, defined or regulated as such in or under any Environmental Law, including asbestos, polychlorinated biphenyls and urea-formaldehyde insulation.

"**Maturity Date**": (a) the date that is one year after the date of this Agreement, or (b) if the term of this Agreement is extended pursuant to Section 12.8, the Extended Maturity Date; provided that references hereunder to the Maturity Date shall be to the Maturity Date specified in clause (a) unless and until extended in accordance with Section 12.8.

"**Merger**": as defined in the Merger Agreement.

"**Merger Agreement**": the Agreement and Plan of Merger dated as of July 9, 2006, among Kimco, KRC Acquisition Inc., a Maryland corporation and indirect Subsidiary of Kimco, KRC CT Acquisition Limited Partnership, a Delaware limited partnership, KRC PC Acquisition Limited Partnership, a Delaware limited partnership, Pan Pacific Retail Properties, Inc., a Maryland corporation, CT Operating Partnership, L.P., a California limited partnership, and Western/Pinecreek L.P., a Delaware limited partnership, as in effect on such date (or as it may be amended from time to time in a manner not materially adverse to the Lenders, including an amendment to remove the requirement that the "Partnership Mergers" (as such term is defined in such agreement on the date hereof) be consummated).

"**Money Market Loans**": Loans denominated in Dollars the rate of interest applicable to which is based upon the Money Market Rate.

"**Money Market Rate**": with respect to any proposed Money Market Loan, the quoted rate per annum obtained by the Administrative Agent with respect thereto, and accepted by each Lender, in its sole discretion, no later than 10:00 A.M., New York City time, on the Borrowing Date (if borrowed on such a basis on the Borrowing Occasion), or in the case of a conversion to a Money Market Rate Loan, the date of such conversion.

"**Money Market Rate Period**": with respect to any Money Market Loan, the period requested by the Borrower in connection therewith (which period shall in no event be longer than 29 days or end after the Termination Date).

"**Money Market Tranche**": the collective reference to Money Market Loans having the same Borrowing Date (if borrowed on the Borrowing Occasion) or, in the case of a conversion to or continuation of a Money Market Rate Loan, the same date of conversion or continuation, and in either case the same Money Market Rate Period.

"**Moody's**": Moody's Investors Service, Inc.



"Multiemployer Plan": a Plan which is a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"NAREIT": The National Association of Real Estate Investment Trusts.

"Net Cash Proceeds": with respect to any Prepayment Event, (a) the cash proceeds received by or for the account of any HS Loan Party or PPRP or any Subsidiary of any thereof, in respect of such event, including (i) any cash received in respect of any non-cash proceeds (including as a result of any monetization of non-cash proceeds), but only as and when received, (ii) in the case of a casualty constituting a Prepayment Event, insurance proceeds received, and (iii) in the case of a condemnation or similar event constituting a Prepayment Event, condemnation awards and similar payments received, net of (b) the sum of (A) all reasonable fees, discounts, premiums, commissions or other out-of-pocket expenses of the applicable HS Loan Party or PPRP or applicable Subsidiary thereof (including any legal, title or recording tax expenses and similar holdbacks or deductions customarily deducted in the determination of net cash proceeds) paid or payable (if reserved for such purpose) to third parties in connection with such Prepayment Event, (B) in the case of a disposition of any Scheduled Property, the amount of all Indebtedness of any applicable HS Loan Party or PPRP or the applicable Subsidiary thereof related to such Scheduled Property (whether or not secured by such Scheduled Property or by any interest therein) required to be paid in connection with such disposition by the applicable HS Loan Party or PPRP or applicable Subsidiary thereof, (C) in the case of a financing or refinancing of any Indebtedness secured by a Scheduled Property or by any interest therein, the amount of all existing Indebtedness of the Borrower, any Guarantor, PPRP or any Subsidiary of any thereof secured by such Scheduled Property or by any interest therein that is paid in connection with such financing or refinancing, together with any premiums, fees, or other expenses incurred in connection therewith, (D) any amount paid or payable to the holder of any direct or indirect minority interest in such Scheduled Property (which shall be set forth on Schedule 3.3, in the case of minority interests existing on the Borrowing Date), (E) the amount of all taxes paid (or reasonably estimated to be payable) as a result of such Prepayment Event, (F) any amounts taken as a reserve by the applicable HS Loan Party or PPRP or applicable Subsidiary thereof in accordance with GAAP against any liabilities associated with the Scheduled Property (or interest therein) disposed of in such transaction and retained by the applicable HS Loan Party or PPRP or applicable Subsidiary thereof after such disposition, including pension, employee benefit, environmental or against contractual indemnification obligations, or (G) in the case of financing ("New Mortgage Financing") with respect to a Hold Property for which commercial mortgage backed security financing was not obtained in connection with the Merger, the proceeds of such New Mortgage Financing to the extent of equity capital that had been provided by Prudential and/or Kimco in order to acquire such Hold Property, up to the "Loan Amount" for such Hold Property as shown on Schedule 3.3.

"Noncontrolled Entity": any of the following Unconsolidated Entities: (a) the Income REIT, Kimco Retail Opportunity Portfolio, LLC, or "Rio Can/Canadian Ventures", (b) any entity in which the only investment by Kimco or any Affiliate thereof consists of preferred stock or securities of another entity having characteristics analogous to those of preferred stock, or (c) any entity as to which Kimco (together with its Affiliates) does not have the power to direct the acquisition, financing, disposition and other major decisions regarding property owned by such entity.

"Non-Excluded Taxes": as defined in Section 2.10(a).

"Non-Recourse Indebtedness": Indebtedness the documentation with respect to which expressly provides that (a) the lender(s) thereunder (and any agent for such lender(s)) may not seek a money judgment against the Person issuing such Indebtedness or (b) recourse for payment in respect of such Indebtedness is limited to those assets or Capital Stock of the Person issuing such Indebtedness which secure such Indebtedness (except in the case of customary indemnities or customary potential recourse carve-outs contained in such documentation, provided that if a claim is made in connection with such indemnities or potential recourse carve-outs, such claim shall not constitute Non-Recourse Indebtedness for the purposes of this Agreement); provided that, notwithstanding the foregoing, any Indebtedness which would otherwise constitute Recourse Indebtedness (or which would not constitute Non-Recourse Indebtedness hereunder), shall be included as Non-Recourse Indebtedness for all purposes hereunder if and to the extent such Indebtedness is not recourse (either contractually or by operation of law) to Kimco (except in the case of customary indemnities or customary potential recourse carve-outs contained in the applicable documentation, provided that if a claim is made in connection with such indemnities or potential recourse carve-outs, such claim shall not constitute Non-Recourse Indebtedness for the purposes of this Agreement).

"Non-U.S. Lender": as defined in Section 2.10(b).

"Notes": as defined in Section 2.1(b).

"Obligated Property Owner": as defined in the definition of the term "Unencumbered Properties".

"Obligations": all payment obligations of every nature of the Borrower from time to time owing to any Lender or the Administrative Agent, under or in connection with this Agreement or any other Loan Document, in each case whether primary, secondary, direct, indirect, contingent, fixed or otherwise, including interest accruing at the rate provided in the applicable Loan Document on or after the commencement of any bankruptcy or insolvency proceeding, whether or not allowed or allowable.

"Original Maturity Date": the date that is one (1) year after the date of this Agreement.

"Ownership Percentage": (a) in respect of a Wholly Owned Subsidiary, 100%, and (b) in respect of (i) any other Consolidated Entity (other than a Wholly Owned Subsidiary) or (ii) an Unconsolidated Entity, Kimco's direct and indirect percentage interest in such entity determined in accordance with GAAP.

"Participant": as defined in Section 12.6(c).

"PBGC": the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA.

"Permitted Encumbrances": (a) Liens imposed by law for taxes (x) that are not yet due and delinquent, or (y) where (A) the validity or amount thereof is being contested in good faith by appropriate proceedings, (B) the Person responsible for such taxes is Kimco or a Wholly Owned Subsidiary and has set aside on its books adequate reserves with respect thereto in accordance with GAAP, and (C) the failure to make payment pending such contest could not reasonably be expected to have a Material Adverse Effect, (b) carriers', warehousemen's, mechanics', materialmen's, repairmen's and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than 30 days, except where (i) the validity or amount thereof is being contested in good faith by appropriate proceedings, (ii) the Person responsible for the charges so secured is Kimco or a Wholly Owned Subsidiary and has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (iii) the failure to make payment pending such contest could not reasonably be expected to have a Material Adverse Effect, (c) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations, (d) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business, and (e) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of Kimco or of any Wholly Owned Subsidiary that has any direct or indirect interest in any Unencumbered Property; provided that the term "Permitted Encumbrances" shall not include any Lien securing Indebtedness.

"Permitted Liens": (a) Liens imposed by law for taxes (x) that are not yet due and delinquent, or (y) where (A) the validity or amount thereof is being contested in good faith by appropriate proceedings, (B) the Person responsible for such taxes has set aside on its books adequate reserves with respect thereto in accordance with GAAP, and (C) the failure to make payment pending such contest could not reasonably be expected to have a material adverse effect on any HS Loan Party, (b) carriers', warehousemen's, mechanics', materialmen's, repairmen's and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than 30 days, except where (i) the validity or amount thereof is being contested in good faith by appropriate proceedings, (ii) the Person responsible for the charges so secured has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (iii) the failure to make payment pending such contest could not reasonably be expected to have a material adverse effect on any HS Loan Party, (c) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations, (d) deposits to secure the performance of bids, trade contracts, leases,

statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business, and (e) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of any HS Loan Party; provided that the term "Permitted Liens" shall not include any Lien securing Indebtedness.

"Person": an individual, partnership, limited liability company, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

"PRK1": as defined in the introductory paragraph hereof.

"PRK2": as defined in the introductory paragraph hereof.

"PRK3": as defined in the introductory paragraph hereof.

"Plan": at a particular time, any employee benefit plan which is covered by ERISA and in respect of which Kimco or a Commonly Controlled Entity is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Plan Assets": as defined in Section 3(42) of ERISA including under regulations referred to therein.

"Plan Asset Regulation": Department of Labor Regulation Section 2510.3-101, 29 C.F.R. § 2510.3-101, and any successor regulation or regulations.

"PPRP": Pan Pacific Retail Properties, Inc., a Maryland corporation.

"Prepayment Event": (i) any sale, transfer or other disposition (including any other transaction however denominated having comparable effect) of any Sale Property, (ii) the incurrence of any Indebtedness secured by a Lien (other than a Permitted Lien) on any Sale Property, (iii) any casualty or taking under power of eminent domain or by condemnation or similar proceeding of any Sale Property unless the owner of the affected Sale Property shall be proceeding diligently and in good faith to repair, restore or replace the affected Sale Property; provided, however, that the total and complete casualty or taking of a Sale Property shall in any event constitute a Prepayment Event, (iv) the sale or other disposition (including any other transaction however denominated having comparable effect), or issuance, to a Person other than a Loan Party, PPRP, or a Wholly Owned Subsidiary of any thereof, of any equity interests in the Borrower, the Holdcos, PPRP, or any Subsidiary of any thereof, (v) any sale, transfer or other disposition (including any other transaction however denominated having comparable effect) of any Hold Property, (vi) the incurrence of any Indebtedness secured by a Lien (other than a Permitted Lien) on any Hold Property, and (vii) any casualty or taking under power of eminent domain or by condemnation or similar proceeding of any Hold Property unless the owner of the affected Hold Property shall be proceeding diligently and in good faith to repair, restore or replace the affected Hold Property; provided, however, that the total and complete casualty or taking of a Hold Property shall in any event constitute a Prepayment Event.

"Prime Rate": as defined in the definition of the term "ABR".

"Property": real property owned by Kimco or any of the Entities, or in which Kimco, any of the Consolidated Entities, or any of the Unconsolidated Entities has a leasehold interest.

"Property Gross Revenues": with respect to any Property, for any period, all gross income, revenues and consideration, of whatever form or nature, received by or paid to or for the account or benefit of the Person owning such Property, in each instance during such period, in connection with the ownership, operation, leasing and occupancy of such Property, including the following: (a) amounts received under leases, including base rent, escalation, overage, additional, participation, percentage and similar rentals, late charges and interest payments

and amounts received on account of maintenance or service charges, real estate taxes, assessments, utilities, air conditioning and heating, insurance premiums and other administrative, management, operating, leasing and maintenance expenses for such property, but excluding until earned security deposits, prepaid rents and other refundable receipts, (b) rents and receipts from licenses, concessions, vending machines and similar items, (c) parking fees and rentals, (d) other fees, charges or payments not denominated as rental of office, retail, storage, parking or other space in such Property, and (e) payments received as consideration, in whole or in part, for the cancellation, modification, extension or renewal of leases; but in any event excluding the proceeds of any financing or asset sales in respect of all or any portion of such Property.

"Property NOI": with respect to any Property, for any period, an amount equal to the excess, if any, of (a) Property Gross Revenues in respect of such Property for such period over (b) Property Operating Expenses in respect of such Property for such period.

"Property Operating Expenses": with respect to any Property, for any period, the sum of all expenses incurred during such period with respect to the ownership, operation, leasing and occupancy of such Property, including the following: (a) real estate taxes; (b) special assessments or similar charges paid during such period; (c) personal property taxes; (d) costs of utilities, air conditioning and heating; (e) maintenance and repair costs of a non-capital nature; (f) operating expenses and fees; (g) wages and salaries of on-site employees engaged in the operation and management of such Property, including employer's social security taxes and other taxes, insurance benefits and the like, levied on or with respect to such wages or salaries; (h) premiums payable for insurance carried on or with respect to such Property; (i) advertising and promotion costs; (j) rental expense; and (k) in the case of any Property owned or operated by an Investment Entity, any obligation of Kimco or any of its Subsidiaries (contingent or otherwise) to contribute funds to such Investment Entity. The following shall be excluded from Property Operating Expenses: (1) foreign, U.S., state and local income taxes, franchise taxes or other taxes based on income, (2) depreciation, amortization and any other non-cash deduction for income tax purposes, (3) interest expenses of the Person owning such Property, (4) property management fees payable to Kimco or its Affiliates, and (5) any expenditures made for capital improvements and the cost of leasing commissions.

"Prudential": The Prudential Insurance Company of America.

"Qualified Jurisdiction": at any time of determination, any jurisdiction in which Kimco or any of its Subsidiaries is doing business at such time the government of which jurisdiction is internationally recognized at such time, including by the United States Government.

"Recourse Indebtedness": any Indebtedness of any Person, (A) to the extent that Kimco is liable for direct claims for payment of such debt, or (B) to the extent that the payment of such debt is guaranteed by Kimco or that Kimco otherwise stands as a surety or accommodation party for such debt, or (C) as to which a Lien securing such debt has been placed against any assets of Kimco (excluding from this clause (C) Non-Recourse Indebtedness of Kimco). (Any such Indebtedness shall not be treated as Recourse Indebtedness solely because of customary potential recourse carveouts contained in documentation, provided that if a claim is made in connection with such potential recourse carve-outs, such claim shall constitute Recourse Indebtedness for the purposes of this Agreement). For the avoidance of doubt, Guarantee Obligations shall not constitute Recourse Indebtedness in an amount greater than the amount provided in the last proviso to the definition of Guaranteed Obligations.

"Register": as defined in Section 12.6(b)(iv).

"Regulation U": Regulation U of the Board as in effect from time to time.

"Relevant Properties": as defined in Section 3.11(b).

"REOC": a "real estate operating company" as defined in the Plan Asset Regulation.

"REOC Update Certificate": in respect of a First Tier Company, a certificate of a Responsible Officer of such First Tier Company stating that such First Tier Company has consulted with Mayer Brown LLP or other recognized ERISA counsel reasonably acceptable to the Administrative Agent in connection with the

preparation of such certificate, which certificate shall state that such First Tier Company (a) is a REOC as of the date of such certificate, (b) has met the requirements of paragraph (e)(1) of the Plan Asset Regulation within the Annual Valuation Period in which the date of such certificate falls, (c) has complied with Section (e)(2) of the Plan Asset Regulation through the date of such certificate, (d) will be a REOC (assuming compliance with section (e)(2) of the Plan Asset Regulation), as the case may be, at least until the end of its next Annual Valuation Period (assuming in either case no change in applicable law after the date of such certificate), and (e) making reference to the Annual Valuation Period of such First Tier Company; provided that to the extent that compliance with Section (e)(2) of the Plan Asset Regulation requires that any subsidiary of any Person is itself an operating company (including a REOC), such certificate shall state facts in sufficient detail to demonstrate satisfaction of such requirement.

"REOC Update Opinion": in respect of a First Tier Company, a written opinion (addressed to the Administrative Agent and the Lenders) of Mayer Brown LLP or other recognized ERISA counsel reasonably acceptable to the Administrative Agent, in form, scope, and substance reasonably acceptable to the Administrative Agent, to the effect that none of the assets of such First Tier Company constitute Plan Assets because such First Tier Company is a REOC, and that such First Tier Company will be a REOC (assuming compliance with Section (e)(2) of the Plan Asset Regulation) at least until the end of its next Annual Valuation Period (assuming in either case no change in applicable law after the date of such opinion) and making reference to the Annual Valuation Period of such First Tier Company.

"Reorganization": with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

"Reportable Event": any of the events set forth in Section 4043(b) of ERISA, other than those events as to which the thirty day notice period is waived under Sections .13, .14, .16, .18, .19 or .20 of PBGC Reg. § 2615.

"Required Lenders": at any time, (a) prior to the making of the Loans on the Borrowing Occasion, Lenders holding at least 66-2/3% of the total Commitments and (b) thereafter, Lenders holding at least 66-2/3% of the aggregate principal amount of Loans outstanding at such time.

"Requirement of Law": as to any Person, the Certificate of Incorporation and By-Laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Responsible Officer": with respect to any Person, any executive officer or financial officer of such Person or any other individual that the board of directors of such Person shall designate and any other officer or similar official thereof responsible for the administration of the obligations of such Person.

"Sale LLC": as defined in the introductory paragraph hereof.

"Sale Property" a property identified on Schedule 3.3 as a Sale Property.

"Scheduled Property" each Sale Property and each Hold Property.

"S&P": Standard & Poor's Ratings Services.

"Secured Party": each of Administrative Agent and the Lenders and their successors and assigns.

"Single Employer Plan": any Plan which is covered by Title IV of ERISA, but which is not a Multiemployer Plan.

"Solvent": as to any Person, that, as of any date of determination, (a) the amount of the present fair saleable value of the assets of such Person will, as of such date, exceed the amount of all liabilities of such Person, contingent or otherwise, as of such date, as determined in accordance with applicable U.S. federal and state laws (or

analogous applicable foreign laws) governing determinations of the insolvency of debtors, (b) the present fair saleable value of the assets of such Person will, as of such date, be greater than the amount that will be required to pay the liability of such Person on its existing or anticipated debts as such debts become absolute and matured, and (c) such Person will not have as of such date, an unreasonably small amount of capital with which to conduct its business.

"**Status**": as to Kimco, the existence of Level I Status or Level II Status, as the case may be.

As used in this definition:

"**Level I Status**" exists at any date if, at such date, Kimco has a long-term senior unsecured debt rating of A- or better by S&P and A3 or better by Moody's; and

"**Level II Status**" exists at any date if, at such date, Level I Status does not exist;

**provided** that (i) in the event of a "split" rating, the Applicable Margin shall be based upon the higher of the two ratings, (ii) Kimco may, at its option, obtain a debt rating from a third nationally-recognized rating agency, in which case the Applicable Margin shall be based on the lower of the two highest ratings, at least one of which must be Moody's or S&P, and (iii) if S&P and/or Moody's shall cease to issue ratings of debt securities of real estate investment trusts generally, then the Administrative Agent and the Loan Parties shall negotiate in good faith to agree upon a substitute rating agency or agencies (and to correlate the system of ratings of such substitute rating agency with that of the rating agency for which it is substituting) and (a) until such substitute rating agency or agencies are agreed upon, Status shall be determined on the basis of the rating assigned by the other rating agency (or, if both S&P and Moody's shall have so ceased to issue such ratings, on the basis of the Status in effect immediately prior thereto) and (b) after such substitute rating agency or agencies are agreed upon, Status shall be determined on the basis of the rating assigned by the other rating agency and such substitute rating agency or the two substitute rating agencies, as the case may be.

"**Subsidiary**": as to any Person, a corporation, limited liability company, partnership or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, limited liability company, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise qualified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a direct or indirect Subsidiary or Subsidiaries of Kimco. Notwithstanding the foregoing, for all purposes hereunder, each of Sale LLC, each Subsidiary of Sale LLC, PPRP, and each Subsidiary of PPRP shall be treated as a Subsidiary of each First Tier Company.

"**Swap Agreement**": any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; **provided** that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of Kimco or any Affiliate thereof shall be a Swap Agreement.

"**Termination Date**": the date that is the earlier to occur of (a) the Maturity Date and (b) the date on which the Loans shall become due and payable hereunder by acceleration.

"**Test Period**": a period of two (2) consecutive fiscal quarters of Kimco.

"**Total Adjusted EBITDA**": for any Test Period, Total EBITDA for such period **minus** (without duplication) (a) replacement reserves of \$0.15 per square foot of gross leasable area per annum, pro-rated for the applicable period, (b) non-cash revenue for such period attributable to straight-lining of rents, (c) EBITDA for such period attributable to Unconsolidated Entities, (d) income for such period from mezzanine and mortgage loan

receivables, (e) dividend and interest income from marketable securities, (f) EBITDA for such period attributable to Identified Properties, and (g) Kimco's and its Affiliates' management fee income and other income (excluding all items referred to in any other clause of this definition) for such period not attributable to Properties to the extent that such items referred to in this clause (g), in the aggregate, exceed 15% of Total EBITDA.

"Total Debt Service": in respect of any Test Period, interest expense plus scheduled principal debt amortization for Kimco and the Consolidated Entities on the aggregate principal amount of their respective Indebtedness (provided that (a) there shall be excluded optional prepayments and balloon payments due at maturity, and (b) in the case of any Indebtedness that amortizes in annual installments, there shall be included in the aggregate 50% of the amount of such annual installments payable during such Test Period and 50% of the amount of such annual installments payable during the two immediately succeeding fiscal quarters), plus preferred stock dividends paid during such Test Period.

"Total EBITDA": for any period, Adjusted Net Income of Kimco and the Consolidated Entities before income taxes, interest, depreciation, amortization, gains or losses on sales of operating real estate and marketable securities, any provision or benefit for income taxes, noncash impairment charges, and gains or losses on extraordinary items in accordance with GAAP and gains or losses on early extinguishment of debt, plus, without duplication, EBITDA of Unconsolidated Entities.

"Total Indebtedness": as of any date of determination, all Indebtedness of Kimco, of its Wholly Owned Subsidiaries and any other Consolidated Entities, outstanding at such date.

"Total Priority Indebtedness": as of any date of determination, the aggregate of (a) Indebtedness of Kimco or of any of the Consolidated Entities outstanding as of such date, secured by any asset of Kimco or the Consolidated Entities, and (b) all unsecured third party Indebtedness of the Consolidated Entities to Persons other than Kimco or any Consolidated Entity outstanding as of such date except to the extent that such unsecured third party Indebtedness is unconditionally and irrevocably guaranteed by Kimco.

"Total Unsecured Interest Expense": actual interest expense (accrued, paid, or capitalized) on all Unsecured Debt of Kimco, of the Consolidated Entities and of the Unconsolidated Entities (other than of the Noncontrolled Entities).

"Transactions": the execution, delivery and performance by the Loan Parties of the Loan Documents to which they are a party and the consummation of the transactions contemplated thereby, including the borrowing hereunder.

"Transferee": as defined in Section 12.7.

"Type": as to any Loan, its nature as an ABR Loan, a Eurocurrency Loan or a Money Market Loan.

"Unconsolidated Entity": as of any date of determination, a corporation, partnership, limited liability company, trust, joint venture, or other business entity in which Kimco, directly or indirectly through ownership of one or more intermediary entities, owns an equity interest but that is not required in accordance with GAAP to be consolidated with Kimco for financial reporting purposes.

"unencumbered": with respect to any asset, as of any date of determination, the circumstance that such asset on such date (a) is not subject to any Liens or claims (including restrictions on transferability or assignability) of any kind (excluding Permitted Encumbrances), (b) is not subject to any agreement (including (i) any agreement governing Indebtedness incurred in order to finance or refinance the acquisition of such asset and (ii) if applicable, the organizational documents of any Entity) which prohibits or restricts in a material manner Kimco or any of the Entities from creating, incurring, assuming or suffering to exist any Lien upon, or conveying, selling, leasing, transferring or otherwise disposing of, any assets or Capital Stock of Kimco or any of the Entities (excluding any agreement which limits generally the amount of secured Indebtedness which may be incurred by Kimco and the Entities) and (c) is not subject to any agreement (including any agreement governing Indebtedness

incurred in order to finance or refinance the acquisition of such asset) which entitles any Person to the benefit of any Lien (other than Permitted Encumbrances) on any assets or Capital Stock of Kimco or any of the Entities, or would entitle any Person to the benefit of any Lien (other than Permitted Encumbrances) on such assets or Capital Stock upon the occurrence of any contingency (other than pursuant to an "equal and ratable" clause contained in any agreement governing Indebtedness).

"Unencumbered Assets NOI": for any period, Unencumbered Property NOI, plus (a) 75% of management fee revenues earned by Kimco and its Wholly Owned Subsidiaries in respect of properties owned by any Noncontrolled Entity, plus (b) the sum of dividend and interest income from unencumbered marketable securities and unencumbered mezzanine and mortgage loan receivables; provided that management fee revenues earned in respect of properties owned by any Noncontrolled Entity, dividend and interest income from unencumbered mezzanine loan receivables and Unencumbered Assets NOI attributable to assets located outside of the United States or to assets owned by Entities not organized in and having principal offices in the United States shall not be taken into account to the extent the sum of all such items exceeds 25% of Unencumbered Assets NOI for the applicable period.

"Unencumbered Properties": (a) Properties wholly owned by Kimco or by a Wholly Owned Subsidiary (or in which Kimco or a Wholly Owned Subsidiary has a leasehold interest to the extent eligible pursuant to clause (b) of the second sentence of the definition of the term "Unencumbered Property NOI"), as to which Kimco has control, which Properties are unencumbered (including freedom from restrictions, whether on the Property itself or the entity holding such Property, on pledging such Property or the stock, limited liability company interests, partnership interests, or other ownership interests of any Person having an ownership interest in such Property as collateral or selling such Property), and (b) other unencumbered Properties as to which Kimco or a Wholly Owned Subsidiary owns (directly or through the ownership of an interest in a Consolidated Entity) a majority of the equity interests or has a leasehold interest, as above, and has the power to direct acquisition, disposition, financing, and other major property decisions (which shall not include Properties owned by or through Noncontrolled Entities); provided that no such Property shall be treated as an Unencumbered Property at any time during which any Person (other than Kimco) having any direct or indirect ownership interest in such Property (a "Property Owner") has any Indebtedness or has any obligation or liability, whether primary, secondary, direct, indirect, fixed, contingent, or otherwise (including as a guarantor or other surety or accommodation party, as the general partner of a partnership that has Recourse Indebtedness, under applicable law, or otherwise) in respect of any Indebtedness (an "Obligated Property Owner"), unless at such time each such Obligated Property Owner is a Wholly Owned Subsidiary of Kimco and a Subsidiary Guarantor (as defined in the Existing Revolving Credit Agreement) pursuant to an effective Subsidiary Guarantee (as defined in the Existing Revolving Credit Agreement).

"Unencumbered Property NOI": for any period, Property NOI for such period of Unencumbered Properties owned by Kimco or a Wholly Owned Subsidiary and the percentage equal to Kimco's Ownership Percentage interest in the applicable Property of Property NOI for such period of other Unencumbered Properties, in each case net of (x) management fees of 3% of revenues and (y) replacement reserves of \$0.15 per square foot per annum (pro-rated for the applicable Test Period) of gross leasable area, from Unencumbered Properties. For the purpose of determining Unencumbered Property NOI, (a) no property owned by any Noncontrolled Entity shall be included and (b) leasehold positions will be eligible if (i) with respect to the lease term, either (x) more than 25 years remains in such lease term or (y) such lease term is renewable in the sole discretion of Kimco for one or more successive periods aggregating (together with the remaining current lease term) more than 25 years so long as, in the case of this clause (y), periodic rent increases shall be at levels comparable to those that are customarily applicable to leases having initial terms in excess of 25 years, and (ii) such leasehold position is mortgageable and the terms of the lease include customary secured lender protections (including that (A) the lessor shall notify any holder of a security interest in such leasehold interest of the occurrence of any default by the lessee under such lease and shall afford such holder the right to cure such default, and (B) in the event that such lease is terminated, such holder shall have the option to enter into a new lease having terms substantially identical to those contained in the terminated lease).

"United States" means the United States of America, including the States and the District of Columbia, but excluding its territories and possessions.



"Unrestricted Cash and Cash Equivalents": as of any date of determination, the sum of (a) the Dollar Equivalent of the aggregate amount of Unrestricted cash then held by Kimco or any of the Consolidated Entities and (b) the Dollar Equivalent of the aggregate amount of Unrestricted Cash Equivalents (valued at the lower of cost and fair market value) then held by Kimco or any of the Consolidated Entities. As used in this definition, "Unrestricted" means, with respect to any asset, the circumstance that such asset is not subject to any Liens or claims of any kind in favor of any Person.

"Unsecured Debt": all Indebtedness which is not secured by a Lien on any income, Capital Stock, property or asset; provided that Unsecured Debt shall not include any Indebtedness included in the calculation of Total Priority Indebtedness.

"Wachovia Bank" means Wachovia Bank, National Association.

"Wholly Owned Subsidiary": of any Person, any entity all of the capital stock of which and any and all equivalent ownership interests of which (other than directors' qualifying shares required by law) are owned by such Person directly or indirectly through one or more Wholly Owned Subsidiaries; provided that unless such Person is otherwise specified, such Person shall be Kimco.

SECTION 1.2      Other Definitional Provisions; Interpretation.

(a) Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in any other Loan Document or any certificate or other document made or delivered pursuant hereto or thereto.

(b) Without limiting Section 1.3, as used herein and in any other Loan Document, and any certificate or other document made or delivered pursuant hereto or thereto, accounting terms relating to Kimco and its Subsidiaries not defined in Section 1.1 and accounting terms partly defined in Section 1.1, to the extent not defined, shall have the respective meanings given to them under GAAP.

(c) The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Article, Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(d) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(e) Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms.

(f) The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

(g) The word "will" shall be construed to have the same meaning and effect as the word "shall".

(h) Unless the context requires otherwise (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, waived, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, and (iii) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

SECTION 1.3      Accounting Terms; GAAP.

Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if Kimco notifies the Administrative Agent that Kimco requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies Kimco that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

ARTICLE II

THE LOANS

SECTION 2.1      Loans.

(a)      Term Loan Commitments.

(i)      Subject to the terms and conditions hereof, each Lender severally agrees to make a term loan to the Borrower, in dollars, on a single occasion (the "Borrowing Occasion") on the Borrowing Date, in an aggregate principal amount not to exceed its Commitment; provided that no Loans shall be made if the Commitments shall have terminated. Amounts prepaid or repaid in respect of Loans may not be reborrowed.

(ii)      Each Loan shall be made on the Borrowing Occasion as part of a Borrowing consisting of Loans made by the Lenders in accordance with their respective Applicable Percentages. The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; provided that the Commitments are several and no Lender shall be responsible under this Agreement for any other Lender's failure to make Loans as required.

(iii)      Subject to Section 2.7 and Section 2.9, the Borrowing made on the Borrowing Occasion shall be comprised entirely of Eurocurrency Loans, ABR Loans, or Money Market Loans or a combination thereof, as determined by the Borrower and notified to the Administrative Agent in accordance with Section 2.1(d). No Loan, including any Loan into which another Loan shall have been converted or continued under Section 2.3 shall be a Eurocurrency Loan after the day that is one (1) month prior to the Termination Date. Each Lender at its option may make (or convert into or continue) any Eurocurrency Loan by causing any domestic or foreign branch or Affiliate of such Lender to make (or convert into or continue) such Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement; provided, further, that each applicable Lender shall at all times comply with the requirements of this Agreement in respect thereto, including Section 2.11, and no Lender shall make any such election if and to the extent the same would cause the Borrower to increase its payment obligations hereunder.

(b)      Notes. The Loans made by each Lender shall be evidenced by a promissory note executed and delivered by the Borrower at the request of such Lender, substantially in the form of Exhibit B-1, with appropriate insertions as to payee and date (a "Note"), payable to the order of such Lender in a principal amount equal to the aggregate unpaid principal amount of all Loans made by such Lender. Each Lender is hereby authorized to record, as applicable, the date, Type and amount of each Loan made by such Lender, each continuation thereof, each conversion of all or a portion thereof to another Type, the date and amount of each payment or prepayment of principal thereof and, in the case of Eurocurrency Loans, the length of each Interest Period with respect thereto, and, in the case of Money Market Loans, the Money Market Rate Period with respect thereto, on the schedule (including any continuation of such schedule) annexed to and constituting a part of its Note, and any such recordation shall constitute prima facie evidence of the accuracy of the information so

recorded; provided that the failure by any Lender to make any such recordation or any error in such recordation shall not affect the obligations of the Borrower under this Agreement or the Notes.

(c) Termination Date. The Borrower shall repay all then outstanding Loans on the Termination Date.

(d) Procedure for Borrowing Loans on the Borrowing Date. The Borrower shall give the Administrative Agent irrevocable notice (which notice must be received by the Administrative Agent prior to 10:00 A.M., New York City time, (i) three (3) Business Days prior to the Borrowing Date, as to any part of the requested Loans which are to be initially Eurocurrency Loans, (ii) two (2) Business Days prior to the Borrowing Date, as to any part of the requested Loans which are to be initially Money Market Loans, or (iii) one (1) Business Day prior to the Borrowing Date, otherwise), specifying (A) the aggregate amount to be borrowed, (B) the Borrowing Date and, in the case of each Money Market Loan, the requested Money Market Rate Period, (C) whether the Borrowing is to be of Eurocurrency Loans, ABR Loans, Money Market Loans or a combination thereof, and (D) if the Borrowing is to be entirely or partly of Eurocurrency Loans, the respective amounts of each such Eurocurrency Loan and the respective lengths of the initial Interest Periods therefor. The Borrowings on the Borrowing Occasion shall be in an amount equal to (i) in the case of ABR Loans, \$500,000 or a whole multiple of \$100,000 in excess thereof and (ii) in the case of Eurocurrency Loans or Money Market Loans, \$1,000,000 or a whole multiple of \$100,000 in excess thereof, in each case subject to Section 2.1(e). Upon receipt of such notice from the Borrower, the Administrative Agent shall promptly notify each Lender thereof. Each Lender will make the amount of its pro rata share of such Borrowing available to the Administrative Agent for the account of the Borrower at the office of the Administrative Agent specified in Section 12.2 prior to 1:00 P.M., New York City time (or in the case of Money Market Loans having a Money Market Rate Period of six (6) days or less from the Borrowing Date, 3:00 P.M., New York City time), on the Borrowing Date in funds immediately available to the Administrative Agent. Such Borrowing will then be made available to the Borrower by the Administrative Agent crediting the account of the Borrower on the books of such office with the aggregate of the amounts made available to the Administrative Agent by the Lenders and in like funds as received by the Administrative Agent. In no event may the number of Money Market Loans requested to be made on the Borrowing Occasion exceed two (2).

(e) Principal Amounts. Notwithstanding anything to the contrary in this Agreement, (i) the borrowings, and all prepayments, conversions and continuations of Eurocurrency Loans hereunder and all selections of Interest Periods hereunder shall be in such amounts and be made pursuant to such elections so that, after giving effect thereto, (A) the aggregate principal amount of the Loans comprising each Eurocurrency Tranche shall be equal to \$1,000,000 or a whole multiple of \$100,000 in excess thereof, and (B) there shall be no more than ten (10) Eurocurrency Tranches outstanding at any one time, and (ii) the borrowings, and all prepayments, conversions and continuations of Money Market Rate Loans hereunder and all selections of Money Market Rate Periods hereunder shall be in such amounts and be made pursuant to such elections so that, after giving effect thereto, (A) the aggregate principal amount of each Money Market Rate Loan shall be equal to \$1,000,000 or a whole multiple of \$100,000 in excess thereof, and (B) there shall be no more than ten (10) Money Market Rate Loans outstanding at any one time; provided that at no time shall the sum of the number of Eurocurrency Tranches outstanding at any one time and the number of Money Market Rate Loans outstanding at any one time exceed fifteen (15).

(f) Termination of Commitments. Unless earlier terminated hereunder, the Commitments shall automatically and permanently terminate upon the earlier to occur of (i) the making of the Loans on the Borrowing Occasion (whether or not the Loans made on the Borrowing Occasion total the full amount of the Commitments) and (ii) the termination of the Commitment Period.

## SECTION 2.2      Prepayments.

(a) Optional. The Borrower may at any time and from time to time prepay the Loans (subject, in the case of Eurocurrency Loans and Money Market Loans to compliance with the terms of Section 2.1(e) and Section 2.11), in whole or in part, without premium or penalty, upon at least one (1) Business Days' irrevocable notice to the Administrative Agent, specifying the date and amount of prepayment and whether the

prepayment is of Eurocurrency Loans, ABR Loans, Money Market Loans or a combination thereof, and, if of a combination thereof, the amount allocable to each. Upon receipt of any notice of prepayment, the Administrative Agent shall promptly notify each Lender thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein, together with any amounts payable pursuant to Section 2.11. Subject to Section 2.1(e), partial prepayments shall be in an aggregate principal amount of \$100,000 or a whole multiple of \$100,000 in excess thereof.

(b) Mandatory. The Borrower shall, within three Business Days after the occurrence of a Prepayment Event, prepay Loans in an aggregate amount equal to (i) in the case of a Prepayment Event arising under clause (i), (ii), (iii) or (iv) of the definition thereof, 100% of the Net Cash Proceeds in respect of such Prepayment Event, and (ii) in the case of a Prepayment Event arising under clause (v), (vi) or (vii) of the definition thereof, the applicable FTG Percentage (based on the ownership of the applicable Hold Properties that are the subject of such Prepayment Event) of the Net Cash Proceeds in respect of such Prepayment Event.

(c) Amounts prepaid pursuant to this Section 2.2 shall be applied first to reduce outstanding ABR Loans. Any amounts remaining after application in accordance with the preceding sentence shall be applied to such Eurocurrency Loans or Money Market Loans as the Borrower shall direct, such prepayments to be subject to Section 2.11.

(d) All prepayments shall be accompanied by all interest accrued hereunder on the amount prepaid through the date of prepayment.

SECTION 2.3      Conversion and Continuation Options.

(a) The Borrower may elect from time to time to convert Eurocurrency Loans and Money Market Loans to ABR Loans, by giving the Administrative Agent at least two (2) Business Days' prior irrevocable notice of such election, provided that any such conversion of Eurocurrency Loans may only be made on the last day of an Interest Period with respect thereto, and any such conversion of Money Market Loans may only be made on the last date of the Money Market Rate Period with respect thereto. The Borrower may elect from time to time to convert Eurocurrency Loans to Money Market Loans by giving the Administrative Agent at least two (2) Business Days' prior irrevocable notice of such election, or to convert Money Market Loans to Eurodollar Loans, by giving the Administrative Agent at least three (3) Business Days' prior irrevocable notice of such election, provided that any such conversion of Eurocurrency Loans may only be made on the last day of an Interest Period with respect thereto, and any such conversion of Money Market Loans may only be made on the last date of the Money Market Rate Period with respect thereto. The Borrower may elect from time to time to convert ABR Loans to Eurocurrency Loans, by giving the Administrative Agent at least (3) Business Days' prior irrevocable notice of such election, or to convert ABR Loans to Money Market Loans by giving the Administrative Agent at least two (2) Business Days' prior irrevocable notice of such election. Any such notice of conversion to Eurocurrency Loans shall specify the length of the initial Interest Period or Interest Periods therefor. Any such notice of conversion to Money Market Loans shall specify the initial Money Market Rate Period or Money Market Rate Periods therefor. Upon receipt of any such notice, the Administrative Agent shall promptly notify each affected Lender thereof. All or any part of the outstanding Eurocurrency Loans, Money Market Loans, and ABR Loans may be converted as provided herein, provided that (i) no Loan may be converted into a Eurocurrency Loan or a Money Market Loan when any Event of Default has occurred and is continuing and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion that such a conversion is not appropriate, (ii) any such conversion may only be made if, after giving effect thereto, Section 2.1(e) would not be contravened, and (iii) no Loan may be converted into a Eurocurrency Loan after the date that is one (1) month prior to the Termination Date. If the Borrower shall fail to give any required notice as described above in this paragraph or if such conversion is not permitted pursuant to the preceding proviso, such Loans (other than Eurocurrency Loans or Money Market Loans that are continued in accordance with Section 2.3(b)) shall be automatically converted to ABR Loans on the last day of such then expiring Interest Period or Money Market Rate Period, as applicable.

(b) Any Eurocurrency Loans or Money Market Loans may be continued as such upon the expiration of the then current Interest Period or Money Market Rate Period with respect thereto by the

Borrower giving irrevocable notice to the Administrative Agent, in accordance with the applicable provisions of the term "Interest Period" set forth in Section 1.1, of the length of the next Interest Period or Money Market Rate Period to be applicable to such Loans, provided that no Eurocurrency Loan or Money Market Rate Loan may be continued as such (i) when any Event of Default has occurred and is continuing and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion that such a continuation is not appropriate, (ii) if, after giving effect thereto, Section 2.1(e) would be contravened, or (iii) after the date that is one month prior to the Termination Date, and provided, further, that if the Borrower shall fail to give any required notice as described above in this paragraph or if such continuation is not permitted pursuant to the preceding proviso such Loans shall be automatically converted to ABR Loans on the last day of such then expiring Interest Period or Money Market Rate Period, as applicable. Upon receipt of any notice pursuant to this Section 2.3(b), the Administrative Agent shall promptly notify each Lender thereof.

SECTION 2.4      Interest Rates and Payment Dates.

- (a) Each Eurocurrency Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the Eurocurrency Rate determined for such day plus the Applicable Margin.
- (b) Each ABR Loan shall bear interest at a rate per annum equal to the ABR plus the Applicable Margin.
- (c) Each Money Market Loan shall bear interest at a rate per annum equal to the Money Market Rate applicable thereto plus the Applicable Margin.
- (d) If all or a portion of (i) the principal amount of any Loan, (ii) any interest payable thereon or (iii) any fee or other amount payable hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate per annum which is (x) in the case of overdue principal, the rate that would otherwise be applicable thereto pursuant to the foregoing provisions of this Section 2.4 plus 2% or (y) in the case of any overdue interest, fee or other amount, the rate described in Section 2.4(b) plus 2%, in each case from the date of such non-payment to the date on which such amount is paid in full (as well after as before judgment).
- (e) Interest shall be payable in arrears on each Interest Payment Date, provided that (i) interest accruing pursuant to Section 2.4(d) shall be payable from time to time on demand, and (ii) in the event of any repayment or prepayment of any Loan, accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment.

SECTION 2.5      Computation of Interest.

- (a) Interest (other than interest calculated on the basis of the Prime Rate) shall be calculated on the basis of a 360-day year for the actual days elapsed. Interest calculated on the basis of the ABR shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed. The Administrative Agent shall as soon as practicable notify the Borrower and the Lenders of each determination of a Eurocurrency Rate or Money Market Rate. Any change in the interest rate on a Loan resulting from a change in the ABR shall become effective as of the opening of business on the day on which such change becomes effective. The Administrative Agent shall as soon as practicable notify the Borrower and the Lenders of the effective date and the amount of each such change in interest rate.
- (b) Each determination of an interest rate by the Administrative Agent pursuant to any provision of this Agreement shall be conclusive and binding on the Borrower and the Lenders in the absence of manifest error. The Administrative Agent shall, at the request of the Borrowers, deliver to the Borrower a statement showing the quotations used by the Administrative Agent in determining any interest rate with respect to any Eurocurrency Loan.

SECTION 2.6      Inability to Determine Interest Rate.

If prior to the first day of any Interest Period:

(a) the Administrative Agent shall have determined (which determination shall be conclusive and binding upon the Borrower) that, by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining the Eurocurrency Rate for such Interest Period; or

(b) the Administrative Agent shall have received notice from the Required Lenders that the Eurocurrency Rate determined or to be determined for such Interest Period will not adequately and fairly reflect the cost to such Lender(s) (as conclusively certified by such Lender(s) of making or maintaining their affected Loans during such Interest Period;

the Administrative Agent shall give telecopy or telephonic notice thereof to the Borrower and the Lenders as soon as practicable thereafter. If such notice is given, (i) any Eurocurrency Loans requested to be made on the Borrowing Date shall be made as ABR Loans, (ii) any Loans that were to have been converted on the first day of such Interest Period to Eurocurrency Loans shall be converted to or continued as ABR Loans, and (iii) any outstanding Eurocurrency Loans shall be converted, on the first day of such Interest Period, to ABR Loans. Until such notice has been withdrawn by the Administrative Agent, Eurocurrency Loans shall not be made, and no further Eurocurrency Loans shall be continued as such, nor shall the Borrower have the right to convert any other Loans to Eurocurrency Loans.

SECTION 2.7      Pro Rata Treatment and Payments.

(a) Each Borrowing shall be made (on the Borrowing Occasion), continued, or converted pro rata according to the respective Applicable Percentages of the Lenders. Each payment (including each prepayment) by the Borrower on account of principal of and interest on the Loans shall be made pro rata according to the respective outstanding principal amounts of the Loans then held by the Lenders. If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties. All payments (including prepayments) to be made by the Borrower hereunder and under the Notes, whether on account of principal, interest, fees or otherwise, shall be made without setoff or counterclaim and shall be made prior to 12:00 Noon, New York City time, on the due date thereof to the Administrative Agent, for the account of the applicable Lenders, at the Administrative Agent's office specified in Section 12.2 in immediately available funds. It is understood that, if any payment of principal is made on any day in accordance with the preceding sentence, no interest shall accrue on such day in respect of such principal. The Administrative Agent shall distribute such payments to the applicable Lenders promptly upon receipt in like funds as received. If any payment hereunder (other than payments on Eurocurrency Loans) becomes due and payable on a day other than a Business Day, such payment shall be extended to the next succeeding Business Day, and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension. If any payment on a Eurocurrency Loan becomes due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day (and, with respect to any such payments of principal, interest thereon shall be payable at the then applicable rate during such extension) unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day.

(b) Unless the Administrative Agent shall have been notified in writing by any Lender prior to the Borrowing Date that such Lender will not make the amount that would constitute its share of such Borrowing available to the Administrative Agent, the Administrative Agent may assume that such Lender is making such amount available to the Administrative Agent, and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower a corresponding amount. If such amount is not made

available to the Administrative Agent by the required time of the Borrowing Occasion, such Lender shall pay to the Administrative Agent, on demand, such amount with interest thereon at a rate equal to the daily average Federal Funds Effective Rate for the period until such Lender makes such amount immediately available to the Administrative Agent. A certificate of the Administrative Agent submitted to any Lender with respect to any amounts owing under this Section 2.7(b) shall be conclusive in the absence of manifest error. If such Lender's share of such Borrowing is not made available to the Administrative Agent by such Lender within three (3) Business Days of the Borrowing Date, the Administrative Agent shall also be entitled to recover such amount with interest thereon at the rate per annum applicable to ABR Loans hereunder, on demand, from the Borrower.

SECTION 2.8      Illegality.

Notwithstanding any other provision herein, if the adoption of or any change in any Requirement of Law or in the interpretation or application thereof shall make it unlawful for any Lender to make or maintain Eurocurrency Loans as contemplated by this Agreement, (a) the commitment of such Lender hereunder to make Eurocurrency Loans, to continue Eurocurrency Loans as such, or to convert ABR Loans to Eurocurrency Loans shall forthwith be cancelled, and (b) such Lender's Loans then outstanding as Eurocurrency Loans, if any, shall be converted automatically to ABR Loans on the respective last days of the then current Interest Periods with respect to such Loans or within such earlier period as required by law. If any such conversion of a Eurocurrency Loan occurs on a day which is not the last day of the then current Interest Period with respect thereto, the Borrower shall pay to such Lender such amounts, if any, as may be required pursuant to Section 2.11.

SECTION 2.9      Requirements of Law.

(a) If the adoption of or any change in any Requirement of Law or in the interpretation or application thereof or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority made subsequent to the Effective Date:

(i) shall subject any Lender to any tax of any kind whatsoever with respect to this Agreement, any Note, or any Eurocurrency Loan or Money Market Loan, made by it, or change the basis of taxation of payments to such Lender in respect thereof (except in each case for Non-Excluded Taxes covered by Section 2.10 and changes in the rate of tax on the overall net income of such Lender);

(ii) shall impose, modify or hold applicable any reserve (except to the extent that such reserve is specifically subject to Section 2.9(c)), special deposit, compulsory loan or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, loans or other extensions of credit by, or any other acquisition of funds by, any relevant office of such Lender which is not otherwise included in the determination of the Eurocurrency Rate or the Money Market Rate; or

(iii) shall impose on such Lender any other condition;

and the result of any of the foregoing is to increase the cost to such Lender, by an amount which such Lender deems to be material, of making, converting into, continuing or maintaining Eurocurrency Loans or Money Market Loans, or to reduce any amount receivable hereunder in respect thereof, then, in any such case, (x) the Borrower shall promptly pay such Lender, upon its demand, any additional amounts necessary to compensate such Lender for such increased cost or reduced amount receivable, and (y) the Borrower agrees to pay such Lender, upon its demand, any additional amounts necessary to compensate such Lender for such increased cost or reduced amount receivable with respect to this Agreement or the Commitments generally and not solely with respect to any particular Borrower's Loans. If any Lender becomes entitled to claim any additional amounts pursuant to this Section 2.9(a), it shall promptly notify the Borrower, through the Administrative Agent, of the event by reason of which it has become so entitled, provided that such amounts shall be no greater than amounts that such Lender is generally charging other borrowers similarly situated to the Borrower.

(b) If any Lender shall have determined that the application of any Requirement of Law regarding capital adequacy or compliance by such Lender or any corporation controlling such Lender with any request or directive regarding capital adequacy (whether or not having the force of law) from any Governmental

Authority does or shall have the effect of reducing the rate of return on such Lender's or such corporation's capital as a consequence of its obligations hereunder to a level below that which such Lender or such corporation could have achieved but for such application or compliance (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy and such Lender's treatment of its Commitments for internal purposes as of the date on which it became a party hereto) by an amount deemed by such Lender to be material, then from time to time, after submission by such Lender to the Borrower (with a copy to the Administrative Agent) of a written request therefor (setting forth in reasonable detail the basis for such request), (i) the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender, or such corporation, for such reduction, and (ii) the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender or such corporation, as the case may be, for such reduction with respect to this Agreement or the Commitments.

(c) The Borrower agrees to pay to each Lender which requests compensation under this Section 2.9(c) (by notice to the Borrower), on the last day of each Interest Period with respect to any Eurocurrency Loan of such Lender, so long as such Lender shall be required to maintain reserves against "Eurocurrency liabilities" under Regulation D of the Board (or, so long as such Lender may be required by the Board or by any other Governmental Authority to maintain reserves against any other category of liabilities which includes deposits by reference to which the interest rate on Eurocurrency Loans is determined as provided in this Agreement or against any category of extensions of credit or other assets of such Lender which includes any Eurocurrency Loans), an additional amount (determined by such Lender and notified to the Borrower) representing such Lender's calculation or, if an accurate calculation is impracticable, reasonable estimate (using such reasonable means of allocation as such Lender shall determine) of the actual costs, if any, incurred by such Lender during such Interest Period, as a result of the applicability of the foregoing reserves to such Eurocurrency Loans, which amount in any event shall not exceed the product of the following for each day of such Interest Period:

- (i) the principal amount of the Eurocurrency Loans made by such Lender to which such Interest Period relates and outstanding on such day; and
- (ii) the difference between (x) a fraction the numerator of which is the Eurocurrency Rate (expressed as a decimal) applicable to such Eurocurrency Loan, and the denominator of which is one (1) minus the maximum rate (expressed as a decimal) at which such reserve requirements are imposed by the Board or other Governmental Authority on such date minus (y) such numerator; and
- (iii) a fraction the numerator of which is one (1) and the denominator of which is 360.

Any Lender which gives notice under this Section 2.9(c) shall promptly withdraw such notice (by written notice of withdrawal given to the Administrative Agent and the Borrower) in the event such Lender is no longer required to maintain such reserves or the circumstances giving rise to such notice shall otherwise cease to exist.

(d) A certificate as to any additional amounts payable pursuant to this Section 2.9 submitted by any Lender, through the Administrative Agent, to the Borrower shall be conclusive in the absence of manifest error. The agreements in this Section 2.9 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder (the date on which all of the foregoing shall have occurred, the "Final Date"), until the first anniversary of the Final Date. Notwithstanding anything contained in this Section 2.9, the Borrower shall not be obligated to pay any greater amounts than such Lender(s) is (are) generally charging other borrowers similarly situated to the Borrower.

SECTION 2.10      Taxes.

(a) All payments made by the Borrower under this Agreement and the Notes shall be made free and clear of, and without deduction or withholding for or on account of, any present or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority, excluding net income taxes



and franchise taxes (imposed in lieu of net income taxes) imposed on the Administrative Agent or any Lender as a result of a present or former connection between the Administrative Agent or such Lender and the jurisdiction of the Governmental Authority imposing such tax or any political subdivision or taxing authority thereof or therein (other than any such connection arising solely from the Administrative Agent or such Lender having executed, delivered or performed its obligations or received a payment under, or enforced, this Agreement or the Notes). If any such non-excluded taxes, levies, imposts, duties, charges, fees, deductions or withholdings ("Non-Excluded Taxes") are required to be withheld from any amounts payable to the Administrative Agent or any Lender hereunder or under the Notes, the amounts so payable to the Administrative Agent or such Lender shall be increased to the extent necessary to yield to the Administrative Agent or such Lender (after payment of all Non-Excluded Taxes) interest or any such other amounts payable hereunder at the rates or in the amounts specified in this Agreement and the Notes; provided that the Borrower shall not be required to increase any such amounts payable to any Non-U.S. Lender if such Lender fails to comply with the requirements of Section 2.10(b). Whenever any Non-Excluded Taxes are payable by the Borrower, as promptly as possible thereafter the Borrower shall send to the Administrative Agent for its own account or for the account of such Lender, as the case may be, a certified copy of an original official receipt received by the Borrower showing payment thereof. If the Borrower fails to pay any Non-Excluded Taxes when due to the appropriate taxing authority or fails to remit to the Administrative Agent the required receipts or other required documentary evidence, the Borrower shall indemnify the Administrative Agent and the Lenders for any incremental taxes, interest or penalties that may become payable by the Administrative Agent or any Lender as a result of any such failure. The agreements in this Section 2.10(a) shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

(b) Each Lender (or Transferee) that is not a citizen or resident of the United States of America, a corporation, partnership or other entity created or organized in or under the laws of the United States of America or any state thereof, or any estate or trust that is subject to federal income taxation regardless of the source of its income (a "Non-U.S. Lender") shall deliver (on or prior to the Borrowing Date in the case of any such Person that is a Lender as of the Borrowing Date) to the Borrower and the Administrative Agent (or, in the case of a Participant, to the Lender from which the related participation shall have been purchased) two copies of either U.S. Internal Revenue Service Form W-8BEN or Form W-8ECI, or, in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", a Form W-8BEN, or any subsequent versions thereof or successors thereto (and, if such Non-U.S. Lender delivers a Form W-8BEN, an annual certificate representing under penalty of perjury that such Non-U.S. Lender is not a "bank" for purposes of Section 881(c) of the Code, is not a 10-percent shareholder (within the meaning of Section 871(h)(3)(B) of the Code) of the Borrower and is not a controlled foreign corporation related to the Borrower (within the meaning of Section 864(d) (4) of the Code)), properly completed and duly executed by such Non-U.S. Lender claiming complete exemption from, or a reduced rate of, U.S. federal withholding tax on all payments by the Borrower under this Agreement and the other Loan Documents. Such forms shall be delivered by each Non-U.S. Lender on or before the date it becomes a party to this Agreement (or, in the case of any Participant, on or before the date such Participant purchases the related participation). In addition, (i) each Non-U.S. Lender shall deliver such forms promptly upon the obsolescence or invalidity of any form previously delivered by such Non-U.S. Lender and (ii) each Non-U.S. Lender shall deliver any and all other documentation reasonably requested by the Borrower from time to time so as to provide a complete (or the greatest extent possible) exemption from U.S. federal withholding tax and any other jurisdiction's withholding tax on any and all payments under this Agreement and the other Loan Documents. Each Non-U.S. Lender shall promptly notify the Borrower at any time it determines that it is no longer in a position to provide any previously delivered certificate to the Borrower (or any other form of certification adopted by the U.S. taxing authorities for such purpose). Notwithstanding any other provision of this Section 2.10(b), a Non-U.S. Lender shall not be required to deliver any form pursuant to this Section 2.10(b) that such Non-U.S. Lender is not legally able to deliver.

(c) Each Lender (or Transferee) that is not a Non-U.S. Lender (a "U.S. Lender") shall deliver (on or prior to the Borrowing Date in the case of any such Person that is a Lender as of the Borrowing Date) to the Borrower and the Administrative Agent (or, in the case of a Participant, to the Lender from which the related participation shall have been purchased) two copies of U.S. Internal Revenue Service Form W-9 or any subsequent versions thereof or successors thereto, properly completed and duly executed by such U.S. Lender. Such form shall be delivered by each U.S. Lender on or before the date it becomes a party to this

Agreement (or, in the case of any Participant, on or before the date such Participant purchases the related participation). In addition, (i) each U.S. Lender shall deliver such form promptly upon the obsolescence or invalidity of any form previously delivered by such U.S. Lender and (ii) each U.S. Lender shall deliver any and all other documentation reasonably requested by the Borrower from time to time so as to provide a complete (or the greatest extent possible) exemption from U.S. federal withholding tax and any other jurisdiction's withholding tax on any and all payments under this Agreement and the other Loan Documents. Notwithstanding any other provision of this Section 2.10(c), a U.S. Lender shall not be required to deliver any form pursuant to this Section 2.10(c) that such U.S. Lender is not legally able to deliver.

SECTION 2.11 Indemnity.

The Borrower agrees to indemnify each Lender and to hold each Lender harmless from any loss or expense (including post-judgment expenses) which such Lender may sustain or incur as a consequence of (a) default by the Borrower in making the borrowing of any Eurocurrency Loans or Money Market Loans, or in the conversion into or continuation of Eurocurrency Loans or Money Market Loans after the Borrower has given a notice requesting or accepting the same in accordance with the provisions of this Agreement, (b) default by the Borrower in making any prepayment after the Borrower has given a notice thereof in accordance with the provisions of this Agreement, or (c) the making of a prepayment or conversion of Eurocurrency Loans or Money Market Loans on a day which is not the last day of an Interest Period or a Money Market Rate Period, as the case may be, with respect thereto. Such indemnification may, at the option of any Lender, include an amount equal to the excess, if any, of (i) the amount of interest which would have accrued on the amount so prepaid or converted, or not so borrowed, converted or continued, for the period from the date of such prepayment or of such failure to borrow, convert or continue to the last day of the relevant Interest Period or the relevant Money Market Rate Period (or proposed Interest Period or proposed Money Market Rate Period, as the case may be), in each case at the applicable rate of interest for such Loans provided for herein (excluding, however, the Applicable Margin) over (ii) the amount of interest (as reasonably determined by such Lender) which would have accrued to such Lender on such amount by placing such amount on deposit for a comparable period with leading banks in the interbank Eurocurrency market or other relevant market. This covenant shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder, until the first anniversary of the Final Date.

SECTION 2.12 Change of Lending Office.

Each Lender and each Transferee agrees that, upon the occurrence of any event giving rise to the operation of Section 2.8, 2.9 or 2.10 with respect to such Lender or Transferee, it will, if requested by the Borrower, use reasonable efforts (subject to overall policy considerations of such Lender or Transferee) to designate another lending office for Loans affected by such event with the object of avoiding the consequences of such event; provided that such designation is made on terms that, in the sole judgment of such Lender or Transferee, cause such Lender or Transferee and its lending office(s) to suffer no economic, legal or regulatory disadvantage, and provided, further, that nothing in this Section 2.12 shall affect or postpone any of the obligations of the Borrower or the rights of any Lender or Transferee pursuant to Sections 2.8, 2.9 and 2.10.

SECTION 2.13 Replacement of Lenders under Certain Circumstances.

The Borrower shall be permitted to replace any Lender that (a) requests reimbursement for amounts owing pursuant to Section 2.9 or 2.10, (b) is affected in the manner described in Section 2.8 and as a result thereof any of the actions described in Section 2.8 is required to be taken, or (c) defaults in its obligations to make a Loan hereunder with a replacement bank or other financial institution; provided that (i) such replacement does not conflict with any Requirement of Law, (ii) no Event of Default shall have occurred and be continuing at the time of such replacement, (iii) the Borrower shall repay (or the replacement bank or institution shall purchase, at par) all Loans and other amounts owing to such replaced Lender prior to the date of replacement, (iv) the Borrower shall be liable to such replaced Lender under Section 2.11 if any Eurocurrency Loan or Money Market Loan owing to such replaced Lender shall be prepaid (or purchased) other than on the last day of the Interest Period, or the Money Market Rate Period, as the case may be, relating thereto, (v) the replacement bank or institution, if not already a Lender, and the terms and conditions of such replacement, shall be satisfactory to the Administrative Agent, (vi) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 12.6

(provided that the Borrower shall be obligated to pay the processing and recordation fee referred to therein), (vii) the replaced Lender shall be released from its obligations under this Agreement, (viii) until such time as such replacement shall be consummated, the Borrower shall pay all additional amounts (if any) required pursuant to Section 2.9 or 2.10, as the case may be, and (ix) any such replacement shall not be deemed to be a waiver of any rights which the Borrower, the Administrative Agent or any other Lender shall have against the replaced Lender if it defaulted in its obligation to make a Loan hereunder.

**SECTION 2.14      Obligations of Loan Parties Not Contractually Subordinated.**

The Loans and the obligations hereunder of the Loan Parties shall not be contractually subordinated to any other obligations of a Loan Party.

**ARTICLE III**

**REPRESENTATIONS AND WARRANTIES OF HS LOAN PARTIES**

To induce the Administrative Agent and the Lenders to enter into this Agreement, and to make the Loans, it is hereby represented and warranted as of the Borrowing Occasion by the specified HS Loan Party, with respect to itself (and its Subsidiaries) only and not with respect to any other HS Loan Party (or the Subsidiaries thereof), to the Administrative Agent and each Lender as follows:

**SECTION 3.1      Existence, Compliance With Law, Power, Authorization, Enforceability.**

- (a) Such HS Loan Party (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (ii) has the limited liability company (or corporate, limited partnership, or other applicable entity) power and authority, and the legal right, to own and operate its property, to lease the property it operates as lessee and to conduct the business in which it is currently engaged, (iii) is duly qualified as a foreign limited liability company (or corporation, limited partnership, or other applicable entity) and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification, except to the extent the failure to be so qualified and in good standing could not, in the aggregate, reasonably be expected to have a Material Adverse Effect, and (iv) is in compliance with all Requirements of Law except to the extent that the failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.
- (b) Such HS Loan Party has the corporate (or limited partnership or limited liability company or other form of organization, as applicable) power and authority, and the legal right, to make, deliver and perform each Loan Document to which it is a party and, in the case of the Borrower, to borrow hereunder, and has taken all necessary corporate (or limited partnership or limited liability company or other form of organization, as applicable) action to authorize the execution, delivery and performance of each Loan Document to which it is a party and, in the case of the Borrower, the borrowing of the Loans hereunder, on the terms and conditions of this Agreement. No consent or authorization of, filing with or other act by or in respect of, any Governmental Authority or any other Person is required (except such as have been obtained and are in full force and effect) in connection with the borrowing of the Loans hereunder or the execution, delivery, performance, validity or enforceability of any Loan Document. Each Loan Document to which such HS Loan Party is a party has been duly executed and delivered on its behalf. Each Loan Document to which such HS Loan Party is a party constitutes its legal, valid and binding obligation enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).
- SECTION 3.2      No Legal Bar, Approvals, Material Litigation, No Default.**
- (a) The execution, delivery and performance of the Loan Documents and the Borrowings hereunder and the use of the proceeds thereof will not violate any Requirement of Law or any

Contractual Obligation of such HS Loan Party and will not result in, or require, the creation or imposition of any Lien on any of its properties or revenues pursuant to any such Requirement of Law or Contractual Obligation (other than Liens in favor of the Secured Parties under the Loan Documents).

(b) No litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of such HS Loan Party, threatened by or against it or any of its Subsidiaries or against any of its or their respective properties or revenues (a) with respect to this Agreement, any of the other Loan Documents or any of the transactions contemplated hereby, or (b) which could reasonably be expected to have a Material Adverse Effect.

(c) Neither such HS Loan Party nor any of its Subsidiaries is in default under or with respect to any of its Contractual Obligations in any respect which could reasonably be expected to have a Material Adverse Effect.

**SECTION 3.3      Ownership of Property, Intellectual Property.**

(a) Each of such HS Loan Party and its Subsidiaries has good record title in fee simple to, or a valid leasehold interest in, all of its material real property, and good title to all of its other material property.

(b) Without limiting the foregoing, it is hereby represented and warranted: (i) by Sale LLC, that Sale LLC owns, directly or indirectly, all the Scheduled Properties indicated on Schedule 3.3 as owned by it, (ii) by each First Tier Company, that PPRP owns, directly or indirectly, all the Scheduled Properties indicated on Schedule 3.3 as owned by PPRP, (iii) by PRK1, that (A) Prudential, acting on behalf of Account 1, owns directly or indirectly 85% of the equity interests of PRK1, (B) that Kimco owns directly or indirectly 15% of the equity interests of PRK1, (C) that PRK1 owns beneficially and of record 46.2921% of the equity interests in each of Sale LLC and PPRP, (D) that PRK1 owns beneficially and of record all the equity interests in Holdco1, and (E) that Holdco1 owns, directly and indirectly, all of the Scheduled Properties indicated on Schedule 3.3 as owned by Holdco1, (iv) by PRK2, that (A) Prudential, acting on behalf of Account 2, owns directly or indirectly 85% of the equity interests of PRK2, (B) that Kimco owns directly or indirectly 15% of the equity interests of PRK2, (C) that PRK2 owns beneficially and of record 45.5763% of the equity interests in each of Sale LLC and PPRP, (D) that PRK2 owns beneficially and of record all the equity interests in Holdco2, and (E) that Holdco2 owns, directly and indirectly, all of the Scheduled Properties indicated on Schedule 3.3 as owned by Holdco2, (v) by PRK3, that (A) Prudential, acting on behalf of Account 3, owns directly or indirectly 85% of the equity interests of PRK3, (B) that Kimco owns directly or indirectly 15% of the equity interests of PRK3, (C) that PRK3 owns beneficially and of record 8.1316% of the equity interests in each of Sale LLC and PPRP, (D) that PRK3 owns beneficially and of record all the equity interests in Holdco3, and (E) that Holdco3 owns, directly and indirectly, all of the Scheduled Properties indicated on Schedule 3.3 as owned by Holdco3, (vi) by each First Tier Company, that the Hold Properties owned directly and indirectly by Holdco1, Holdco2, Holdco3, Sale LLC and PPRP represent approximately 34.8254%, 32.7123%, 8.1316%, 10.7331% and 13.5977%, respectively (and 100% in the aggregate), of the Attributed Value of all the Hold Properties, and (vii) by each HS Loan Party, that the Sale Properties owned directly and indirectly by Sale LLC and by PPRP represent approximately 94.92%, and 5.08%, respectively (and 100% in the aggregate), of the Attributed Value of all the Sale Properties. The percentages set forth in Section 3.3(b)(iii)(C), Section 3.3(b)(iv)(C) and Section 3.3(b)(v)(C) above do not reflect any interests of the First Tier Companies in any Hold Properties held by Sale LLC through CTOP (as defined in the Merger Agreement), which are allocated to such First Tier Companies as set forth on Schedule 3.3.

(c) Such HS Loan Party and each of its Subsidiaries owns, or is licensed to use, all trademarks, tradenames, copyrights, technology, know-how and processes ("Intellectual Property") necessary for the conduct of its business as currently conducted except for those the failure to own or license which could not reasonably be expected to have a Material Adverse Effect. No claim has been asserted and is pending by any Person challenging or questioning the use of any Intellectual Property or the validity or effectiveness of any Intellectual Property, nor does such HS Loan Party know of any valid basis for any such claim. The use of such Intellectual Property by such HS Loan Party and its Subsidiaries does not infringe on the rights of any Person.

except for such claims and infringements that, in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

**SECTION 3.4**      No Burdensome Restrictions.

No Requirement of Law or Contractual Obligation applicable to or binding on such HS Loan Party or any of its Subsidiaries could reasonably be expected to have a Material Adverse Effect.

**SECTION 3.5**      Taxes, Federal Regulations.

(a) Each of such HS Loan Party and its Subsidiaries has filed or caused to be filed all tax returns which, to its knowledge, are required to be filed after the Borrowing Date and has paid all taxes shown to be due and payable on said returns or on any assessments made against it or any of its property and all other taxes, fees or other charges imposed on it or any of its property by any Governmental Authority (other than any taxes, fees, or other charges the amount or validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of such HS Loan Party or the books of its Subsidiaries, as the case may be); no tax Lien has been filed, and, to the knowledge of such HS Loan Party, no claim is being asserted, with respect to any such tax, fee or other charge.

(b) The Borrower represents and warrants that no part of the proceeds of any Loan will be used for "purchasing" or "carrying" any "margin stock" within the respective meanings of each of the quoted terms under Regulation U of the Board as now and from time to time hereafter in effect or for any purpose which violates the provisions of the Regulations of the Board.

**SECTION 3.6**      ERISA.

(a) Such HS Loan Party does not maintain or contribute to any Plan.

(b) Each First Tier Company hereby represents and warrants that it is a REOC.

**SECTION 3.7**      Investment Company Act; Other Regulations.

(a) The Borrower represents and warrants that it is not an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

(b) The Borrower represents and warrants that it is not subject to regulation under any Federal or State statute or regulation which limits its ability to incur Indebtedness.

**SECTION 3.8**      Collateral, Guarantees.

(a) Each First Tier Company represents and warrants that the HS Pledge and Security Agreement executed and delivered by such First Tier Company, and the financing statements filed (or, in the case of financing statements delivered to the Administrative Agent for filing, upon the filing thereof) create, as security for the obligations of such First Tier Company under its FTC Guarantee, valid and enforceable, perfected first priority security interests in and Liens, in favor of the Administrative Agent as agent for the benefit of the Secured Parties, on (i) all the equity interests held by such First Tier Company in Holdco1, Holdco2, and Holdco3, as the case may be, (ii) all the equity interests held by such First Tier Company in Sale LLC, (iii) all the equity interests held by such First Tier Company in PPRP, and (iv) all other property in which a security interest is purported to be granted in such HS Pledge and Security Agreement or other agreements in which a Lien can be granted and perfected under the Uniform Commercial Code, subject to no other Liens, except as enforceability may be limited by applicable insolvency, bankruptcy or other laws affecting creditors' rights generally, or general principles of equity, whether such enforceability is considered in a proceeding in equity or at law. Such security interests in and Liens upon such

property are the sole and exclusive Liens on the property subject thereto and shall be superior to and prior to the rights of all third parties in such property.

(b) Each First Tier Company represents and warrants that the FTC Guarantee of such First Tier Company is in full force and effect and has not been repudiated or disaffirmed by such First Tier Company.

SECTION 3.9 Purpose.

The Borrower represents and warrants that the proceeds of the Loans will be used solely to refinance outstanding indebtedness under the Existing Term Loan Facility on the Borrowing Date, and the other transactions related thereto.

SECTION 3.10 Environmental Matters.

Such HS Loan Party represents and warrants that the following statements are true and correct as to any Scheduled Properties in which it has any direct or indirect ownership interest (as to each HS Loan Party, for such purpose, the "Applicable Properties"); except to the extent that the facts and circumstances giving rise to any such failure to be so true and correct, in the aggregate, could not reasonably be expected to have a Material Adverse Effect: (a) to its best knowledge, the Applicable Properties do not contain, and have not previously contained, any Materials of Environmental Concern in amounts or concentrations which constitute or constituted a violation of, or could reasonably give rise to liability under, Environmental Laws, (b) to its best knowledge, the Applicable Properties and all operations at the Applicable Properties are in compliance, and have in the last two years been in compliance, with all applicable Environmental Laws, and there is no contamination at, under or about the Applicable Properties, or violation of any Environmental Law with respect to the Applicable Properties, (c) neither it nor any of its Subsidiaries has received any notice of violation, alleged violation, non-compliance, liability or potential liability regarding environmental matters or compliance with Environmental Laws with regard to any of the Applicable Properties, nor does it have knowledge or reason to believe that any such notice will be received or is being threatened, (d) to its best knowledge, Materials of Environmental Concern have not been transported or disposed of from the Applicable Properties in violation of, or in a manner or to a location which could reasonably give rise to liability under, Environmental Laws, nor have any Materials of Environmental Concern been generated, treated, stored or disposed of at, on or under any of the Applicable Properties in violation of, or in a manner that could give rise to liability under, any applicable Environmental Laws, (e) no judicial proceeding or governmental or administrative action is pending, or, to its knowledge, threatened, under any Environmental Law to which it or any of its Subsidiaries is or, to its knowledge, will be named as a party with respect to the Applicable Properties, nor are there any consent decrees or other decrees, consent orders, administrative orders or other orders, or other administrative or judicial requirements outstanding under any Environmental Law with respect to the Applicable Properties, (f) to its best knowledge, there has been no release or threat of release of Materials of Environmental Concern at or from the Applicable Properties, or arising from or related to the operations of such HS Loan Party and its Subsidiaries in connection with the Applicable Properties in violation of or in amounts or in a manner that could give rise to liability under Environmental Laws.

SECTION 3.11 Insurance, Condition of Properties.

(a) Such HS Loan Party or its Subsidiaries maintains with insurance companies rated at least A- by A.M. Best & Co., with premiums at all times currently paid, insurance upon fixed assets and inventories, including public liability insurance, fire and all other risks insured against by extended coverage, fidelity bond coverage, business interruption insurance, and all insurance required by law, all in form and amounts required by law and customary to the respective natures of their businesses and properties, except in cases where failure to maintain such insurance will not have or potentially have a Material Adverse Effect.

(b) Such HS Loan Party represents and warrants that the following statements are true and correct, except to the extent that the facts and circumstances giving rise to any such failure to be so true and correct, in the aggregate, could not reasonably be expected to have a Material Adverse Effect, as to any Scheduled Properties in which it has any direct or indirect ownership interest (as to such HS Loan Party, for such purpose, the "Relevant Properties"): (i) all of the improvements located on the Relevant Properties and the

use of said improvements comply and shall continue to comply in all respects with all applicable zoning resolutions, building codes, subdivision and other similar applicable laws, rules and regulations and are covered by existing valid certificates of occupancy and all other certificates and permits required by applicable laws, rules, regulations and ordinances or in connection with the use, occupancy and operation thereof, (ii) no material portion of any of the Relevant Properties, nor any improvements located on said Relevant Properties that are material to the operation, use or value thereof, have been damaged in any respect as a result of any fire, explosion, accident, flood or other casualty, (iii) no condemnation or eminent domain proceeding has been commenced or to its knowledge is about to be commenced against any portion of any of the Relevant Properties, or any improvements located thereon that are material to the operation, use or value of said Relevant Properties except as set forth and described in Schedule 3.1.1, (iv) no notices of violation of any federal, state or local law or ordinance or order or requirement have been issued with respect to any Relevant Properties.

SECTION 3.12      Solvency.

Such HS Loan Party is Solvent after giving effect to the borrowings of Sale LLC, to the FTC Guarantee of each First Tier Company, and to each HS Pledge and Security Agreement. No event described in paragraph (f) of Article X has occurred in respect of any HS Loan Party.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF KIMCO

To induce the Administrative Agent and the Lenders to enter into this Agreement, and to make the Loans, Kimco hereby represents and warrants as of the Borrowing Occasion to the Administrative Agent and each Lender as follows:

SECTION 4.1      Financial Condition.

(a) The consolidated balance sheet of Kimco and its subsidiaries as at December 31, 2007 and the related consolidated statements of income and of cash flows for the respective fiscal years ended on such dates, reported on by PricewaterhouseCoopers, LLP, copies of which have heretofore been furnished to the Lenders, are complete and correct and present fairly the consolidated financial condition of Kimco and its subsidiaries as at such dates, as applicable and the consolidated results of their operations and their consolidated cash flows for the applicable fiscal year then ended. The unaudited consolidated balance sheet of Kimco and its subsidiaries as at June 30, 2008 and the related unaudited consolidated statements of income and of cash flows for the three-month period ended on such date, certified by a Responsible Officer of Kimco, copies of which have heretofore been furnished to the Lenders, are complete and correct and present fairly the consolidated financial condition of Kimco and its subsidiaries as at such date, and the consolidated results of their operations and their consolidated cash flows for the three-month period then ended (subject to normal year-end audit adjustments). All such financial statements, including the related schedules and notes thereto, have been prepared in accordance with GAAP applied consistently throughout the periods involved. Except as set forth on Schedule 4.1, neither Kimco nor any of the Consolidated Entities has, at the Effective Date, any material Indebtedness, Guarantee Obligation, contingent liability or liability for taxes, or any unusual forward or long-term commitment, including any interest rate or foreign currency swap or exchange transaction, which is not reflected in the foregoing statements or in the notes thereto, other than Indebtedness and Guarantee Obligations incurred in connection with the Transactions.

(b) The credit rating of Kimco's unsecured debt is not less than BBB-/Baa3.

SECTION 4.2      No Change.

Since December 31, 2007, there has been no development or event nor any prospective development or event, which has had or could reasonably be expected to have a Material Adverse Effect.

SECTION 4.3      Corporate Existence, Compliance with Law.

Kimco (a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) has the corporate power and authority, and the legal right, to own and operate its property, to lease the property it operates as lessee and to conduct the business in which it is currently engaged, (c) is duly qualified as a foreign corporation and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification, except to the extent the failure to be so qualified and in good standing could not, in the aggregate, reasonably be expected to have a Material Adverse Effect, and (d) is in compliance with all Requirements of Law except to the extent that the failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

SECTION 4.4      Power, Authorization, Enforceable Obligations.

Kimco has the corporate power and authority, and the legal right, to make, deliver and perform each Loan Document to which it is a party and has taken all necessary corporate action to authorize the execution, delivery and performance of each Loan Document to which it is a party on the terms and conditions of this Agreement. No consent or authorization of, filing with or other act by or in respect of, any Governmental Authority or any other Person is required in respect of Kimco (except such as have been obtained and are in full force and effect) in connection with the borrowing of the Loans hereunder or with the execution, delivery, performance, validity or enforceability of any Loan Document. Each Loan Document to which Kimco is a party has been duly executed and delivered by Kimco and constitutes a legal, valid and binding obligation of Kimco enforceable against Kimco in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

SECTION 4.5      No Legal Bar, Approvals.

The execution, delivery and performance by Kimco of the Loan Documents to which it is a party and the Borrowings hereunder and the use of the proceeds thereof will not violate any Requirement of Law applicable to Kimco or any Contractual Obligation of Kimco and will not result in, or require, the creation or imposition of any Lien on any of Kimco's properties or revenues pursuant to any such Requirement of Law or Contractual Obligation (other than Liens in favor of the Secured Parties under the Loan Documents).

SECTION 4.6      Kimco Guarantee.

The Kimco Guarantee is in full force and effect and has not been repudiated or disaffirmed by Kimco.

SECTION 4.7      Benefit of Loans.

Kimco is in the business of acquiring, owning, developing and operating shopping centers and of providing the required services and other facilities for those integrated operations, and expects to derive benefits, directly or indirectly, in return for undertaking its obligations under this Agreement and the other Loan Documents.

SECTION 4.8      Solvency.

Before and after giving effect to the Transactions, including the Kimco Guarantee, Kimco is Solvent. No event described in paragraph (f) of Article X has occurred in respect of Kimco.



SECTION 4.9      [Reserved].

SECTION 4.10      Full Disclosure.

Each of the following representations and warranties is true and correct (in respect of the Acquired Companies, the Scheduled Properties and information furnished by or on behalf of the Acquired Companies, such representations and warranties being to the best of Kimco's knowledge):

(a) all written information of a factual nature (other than projections and information of a general economic nature) (the "Information") concerning Kimco, the Acquired Companies, the Transactions and any other transactions contemplated hereby prepared by or on behalf of Kimco or any of its representatives or by or on behalf of the Acquired Companies or any of its representatives made available to any of the Lenders by Kimco or any of its representatives or by the Acquired Companies or any of its representatives in connection with the Transactions or the other transactions contemplated hereby, when taken as a whole, was true and correct in all material respects when so made available, and did not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made.

(b) the projections prepared by or on behalf of Kimco or any of its representatives or by or on behalf of the Acquired Companies or any of its representatives made available to any of the Lenders by or on behalf of Kimco or any of its representatives or the Acquired Companies or its representatives in connection with the Transactions or the other transactions contemplated hereby (the "Projections") were prepared in good faith based upon assumptions believed by Kimco to be reasonable at the time when made and at the time when such Projections were furnished to such Lender (it being understood that any such Projections are subject to significant uncertainties and contingencies, many of which are beyond the control of Kimco or the Acquired Companies, and that no assurance can be given that such Projections will be realized).

ARTICLE V

CONDITIONS

SECTION 5.1      Conditions to Effectiveness, Effective Date.

The effectiveness of this Agreement and the availability of the loans hereunder, is subject to the satisfaction of the following conditions (or the waiver of such conditions in accordance with Section 12.1):

(a) Loan Documents. The Administrative Agent shall have received (i) from each party hereto, either a counterpart of this Agreement signed on behalf of such party, or written evidence satisfactory to the Administrative Agent (which may include teletype transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement and (ii) from each First Tier Company, either a counterpart of the HS Pledge and Security Agreement signed on behalf of such party, or written evidence satisfactory to the Administrative Agent (which may include teletype transmission of a signed signature page thereof) that such party has signed a counterpart of the HS Pledge and Security Agreement.

(b) Organizational Documents, Etc. The Administrative Agent shall have received such documents and certificates as the Administrative Agent or its counsel may reasonably request relating to the organization, existence and good standing of the Borrower and the Guarantors and the authorization of the Borrower and the Guarantors in respect of the transactions contemplated by this Agreement or the other Loan Documents, all in form and substance reasonably satisfactory to the Administrative Agent, certified to be true, correct and complete by a Responsible Officer as of the Effective Date.

(c) Notes. The Administrative Agent shall have received from the Borrower a signed Note for the account of each Lender that notified the Administrative Agent of its request for Notes.

(d) Closing Certificates. The Administrative Agent shall have received a certificate from a Responsible Officer of Kimco dated the Effective Date, confirming compliance with the conditions specified in this Section 5.1.

(e) Existing Term Loan Facility. The Administrative Agent shall have received evidence that substantially simultaneously herewith all outstanding obligations under the Existing Term Loan Facility shall be paid in full and the Existing Term Loan Agreement shall be terminated.

The Administrative Agent shall notify Kimco and the Borrower of the Effective Date, and such notice shall be conclusive and binding.

#### SECTION 5.2 Conditions to the Borrowing.

The agreement of each Lender to make any Loan is subject to the satisfaction of the following conditions precedent:

(a) Governmental Approvals. All governmental approvals necessary to effect the Transactions shall have been obtained.

(b) No Adverse Change. Since December 31, 2007, there has been no development or event nor any prospective development or event, which has had or could reasonably be expected to have a Material Adverse Effect.

(c) Legal Opinions. The Administrative Agent shall have received, with a counterpart for the Administrative Agent and each Lender, (i) the executed legal opinion of Wachtell, Lipton, Rosen & Katz, special counsel to the Loan Parties, substantially in the form of Exhibit D-1, and (ii) the executed legal opinion of Mayer Brown LLP, special ERISA counsel, substantially in the form of Exhibit D-2. Each Loan Party hereby requests such counsel to deliver such opinion.

(d) No Default. On the Borrowing Date: (i) no Event of Default shall have occurred and be continuing under and as defined in (A) the Existing Revolving Credit Agreement, (B) Kimco's September 1, 1993 bond indenture, (C) Kimco's existing CS250,000,000 Canadian revolving credit facility, or (D) Kimco North Trust III's existing Canadian indenture (each such credit facility or indenture as from time to time modified, waived or supplemented) which in any such case relates to payments of amounts due or compliance with the financial covenants under such credit facility or under such indenture and (ii) there shall not have been any acceleration of, or payment default under, recourse indebtedness of Kimco for borrowed money in an aggregate amount exceeding \$100,000,000.

(e) Representations and Warranties. On the Borrowing Date, each of the representations and warranties made by the Loan Parties in this Agreement shall be true and correct in all material respects on and as of such date as if made on and as of such date except for representations and warranties expressly stated to relate to a specific earlier date, in which case such representations and warranties were true and correct in all material respects as of such earlier date.

(f) Costs and Expenses. The Administrative Agent shall have received payment (which may be proceeds of the Loans under this Agreement) for the account of the applicable payee of all fees and other amounts due and payable under or in connection with this Agreement or the Fee Letter, and, to the extent invoiced, reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid under the Loan Documents or under the Fee Letter (including the reasonable fees and disbursements invoiced through such date of JPMCB's special counsel), on or prior to the Borrowing Date.

(g) Closing Certificates. The Administrative Agent shall have received (i) a certificate from a Responsible Officer of Kimco dated the Borrowing Date, confirming compliance with the conditions specified in this Section 5.2, and (ii) a certificate (each, an "AVP Certificate") from a Responsible Officer of

each First Tier Company dated the Borrowing Date and certifying that for purposes of paragraph (d)(5) of the Plan Asset Regulation (A) the "initial valuation date" of such First Tier Company was October 30, 2006, and (B) the "annual valuation period" of such First Tier Company is established as the 90-day period beginning on each anniversary date of the foregoing initial valuation date.

The Borrowing hereunder on the Borrowing Occasion shall constitute a representation and warranty, as of the date of such Borrowing, by each Loan Party, that the conditions contained in Section 5.2 have been satisfied.

#### ARTICLE VI

##### AFFIRMATIVE COVENANTS OF KIMCO

So long as the Commitments remain in effect or any Loan remains outstanding and unpaid, or any other amount is owing to any Lender or the Administrative Agent hereunder, it is hereby agreed as follows:

###### SECTION 6.1 Financial Statements.

(a) Kimco shall furnish to the Administrative Agent (with sufficient copies for each Lender): (i) as soon as available, but in any event within 90 days after the end of each fiscal year of Kimco, a copy of the consolidated balance sheet of Kimco and its subsidiaries as at the end of such year and the related consolidated statements of income and retained earnings and of cash flows of Kimco and its subsidiaries for such year, setting forth in each case in comparative form the figures as of the end of and for the previous year, reported on without a "going concern" or like qualification or exception, or qualification arising out of the scope of the audit, by PricewaterhouseCoopers, LLP or other independent certified public accountants of nationally recognized standing; and (ii) as soon as available, but in any event not later than 45 days after the end of each of the first three (3) quarterly periods of each fiscal year of Kimco, the unaudited consolidated balance sheet of Kimco and its subsidiaries as at the end of such quarter and the related unaudited consolidated statements of income and retained earnings and of cash flows of Kimco and its subsidiaries for such quarter and the portion of the fiscal year through the end of such quarter, setting forth in each case in comparative form the figures for the corresponding date or period, as the case may be, in the previous year, certified by a Responsible Officer of Kimco as being fairly stated in all material respects (subject to normal year-end audit adjustments).

(b) Kimco shall furnish or cause to be furnished to the Administrative Agent (with sufficient copies for each Lender), in the form delivered to Prudential, copies of the quarterly and annual balance sheets and consolidated statements of operations for the Borrower and its Subsidiaries and for each First Tier Company and its Subsidiaries. Delivery of (i) such quarterly balance sheets and consolidated statements of operations shall be made not later than 45 days after the end of each of the first three (3) quarterly periods of each fiscal year of each of the Borrower or each First Tier Company, as applicable, and (ii) such annual balance sheets and consolidated statements of operations shall be made not later than 90 days after the end of the fiscal year of each of the Borrower or each First Tier Company, as applicable.

(c) All such financial statements shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP applied consistently throughout the periods reflected therein and with prior periods (except as approved by such accountants or officer, as the case may be, if applicable, and in any event disclosed therein).

The Administrative Agent shall make available to the Lenders (which the Administrative Agent may effect by electronic posting) the materials furnished to it pursuant to this Section.

###### SECTION 6.2 Certificates: Other Information.

There shall be furnished to the Administrative Agent (with sufficient copies for each Lender (in the case of clauses (a) and (b) below) or each relevant Lender (in the case of clause (c) below)):

(a) concurrently with the delivery of the financial statements referred to in Sections 6.1(a) and 6.1(b), a compliance certificate of a Responsible Officer of Kimco substantially in the form of Exhibit E;

(b) within ten (10) days after the same are sent, copies of all financial statements and reports which Kimco sends to its stockholders, and within ten (10) days after the same are filed, copies of all financial statements, reports or other documents which Kimco may make to, or file with, the Securities and Exchange Commission or any successor or analogous Governmental Authority; and

(c) promptly, upon request of the Administrative Agent, a list of all Entities, and such additional financial information, information with respect to any Property and other information as any Lender may from time to time reasonably request (through the Administrative Agent).

The Administrative Agent shall make available to the Lenders (which the Administrative Agent may effect by electronic posting) the materials furnished to it pursuant to this Section.

SECTION 6.3      Payment of Obligations.

Kimco shall pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its obligations of whatever nature, except (a) where the amount or validity thereof is currently being contested in good faith by appropriate proceedings and reserves in conformity with GAAP with respect thereto have been provided on the books of Kimco or (b) (i) Non-Recourse Indebtedness and (ii) other obligations which aggregate not more than \$100,000,000, in each case to the extent that Kimco has determined in good faith that it is in its best interests not to pay or contest such Non-Recourse Indebtedness or such other obligations, as the case may be.

SECTION 6.4      Maintenance of Existence, etc.

(a) Kimco shall preserve, renew and keep in full force and effect its corporate existence and take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of its business.

(b) Kimco shall comply with all Contractual Obligations and Requirements of Law except to the extent that failure to comply therewith could not, in the aggregate, be reasonably expected to have a Material Adverse Effect.

SECTION 6.5      Inspection of Property; Books and Records; Discussions.

Kimco shall keep proper books of records and account in which full, true and correct entries in conformity with GAAP and all Requirements of Law shall be made of all dealings and transactions in relation to its business and activities; and permit representatives of any Lender to visit and inspect any of its properties and examine and make abstracts from any of its books and records at any reasonable time and as often as may reasonably be desired and to discuss the business, operations, properties and financial and other condition of Kimco and its Subsidiaries with officers and employees of Kimco and its Subsidiaries and with its independent certified public accountants.

SECTION 6.6      Notices.

Kimco shall promptly give notice to the Administrative Agent and each Lender of:

- (a) the occurrence of any Default or Event of Default related to Kimco of which it has knowledge;

(b) any (i) default or event of default under any Contractual Obligation of Kimco or any of its Subsidiaries or (ii) litigation, investigation or proceeding which may exist at any time between Kimco or any of its Subsidiaries and any Governmental Authority, which in either case, if not cured or if adversely determined, as the case may be, could reasonably be expected to have a Material Adverse Effect;

(c) any litigation or administrative or other proceeding affecting Kimco or any of its Subsidiaries in which the amount involved is \$100,000,000 or more and not covered by insurance or in which material injunctive or similar relief is sought, or the occurrence in respect of any material Subsidiary of any case, proceeding, event, or circumstance of the nature set forth in paragraph (f) of Article VIII; and

(d) any development or event which has had or could reasonably be expected to have a Material Adverse Effect.

Each notice pursuant to this Section 6.6 shall be accompanied by a statement of a Responsible Officer of Kimco setting forth details of the occurrence referred to therein and stating what action Kimco proposes to take with respect thereto.

The Administrative Agent shall promptly forward to the Lenders (which the Administrative Agent may effect by electronic posting) any written notice hereunder furnished to it pursuant to this Section.

SECTION 6.7 Further Assurances.

Kimco will execute any and all further documents, financing statements, agreements and instruments, and take all further action (including, without limitation, filing Uniform Commercial Code and other financing statements and the establishment of and deposit of Collateral into custody accounts) that may be required under applicable law, or that the Required Lenders, the Administrative Agent or Wachovia Bank may reasonably request, in order to effectuate the transactions contemplated by the Loan Documents and in order to grant, preserve, protect and perfect the validity and first priority of the security interests created or intended to be created by the Loan Documents. Kimco shall deliver or cause to be delivered to the Lenders all such instruments and documents (including legal opinions and lien searches) as the Required Lenders shall reasonably request to evidence compliance with this Section 6.7 and the perfection and priority status of each such security interest and Lien.

ARTICLE VII

AFFIRMATIVE COVENANTS OF THE HS LOAN PARTIES

So long as the Commitments remain in effect or any Loan remains outstanding and unpaid, or any other amount is owing to any Lender or the Administrative Agent hereunder, it is hereby agreed as follows:

SECTION 7.1 Certificates; Other Information.

The HS Loan Parties shall furnish or cause to be furnished to the Administrative Agent (with sufficient copies for each Lender):

(a) promptly, upon request of the Administrative Agent, such additional financial information, information with respect to any Property and other information as any Lender may from time to time reasonably request (through the Administrative Agent); and

(b) together with (i) the occurrence of each Prepayment Event, a notice of such occurrence, identifying the relevant Scheduled Property or Person and the nature of such Prepayment Event, (ii) each prepayment of Net Cash Proceeds, or the determination in respect of any Prepayment Event that there are no Net Cash Proceeds or no current Net Cash Proceeds, a certificate of a Responsible Officer of the Borrower or of the applicable First Tier Company or Companies setting forth the details of the relevant Prepayment Event in

reasonable detail and showing the calculation of the amount of Net Cash Proceeds to be prepaid in respect thereof or an explanation for the absence of Net Cash Proceeds or current Net Cash Proceeds.

The Administrative Agent shall make available to the Lenders (which the Administrative Agent may effect by electronic posting) the materials furnished to it pursuant to this Section.

SECTION 7.2      Payment of Obligations.

Each HS Loan Party shall pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its obligations of whatever nature, except (a) where the amount or validity thereof is currently being contested in good faith by appropriate proceedings and reserves in conformity with GAAP with respect thereto have been provided on the books of such HS Loan Party or (b) (i) Non-Recourse Indebtedness and (ii) other obligations which aggregate not more than \$25,000,000, in each case to the extent that such HS Loan Party has determined in good faith that it is in its best interests not to pay or contest such Non-Recourse Indebtedness or such other obligations, as the case may be.

SECTION 7.3      Maintenance of Existence, etc.

(a) Each HS Loan Party shall preserve, renew and keep in full force and effect its corporate existence and take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of its business except as otherwise permitted pursuant to Section 9.9.

(b) Each HS Loan Party shall comply with all Contractual Obligations and Requirements of Law except to the extent that failure to comply therewith could not, in the aggregate, be reasonably expected to have a Material Adverse Effect.

SECTION 7.4      Maintenance of Property; Insurance.

Each HS Loan Party shall keep all property useful and necessary in its business in good working order and condition; maintain insurance with financially sound and reputable insurance companies rated at least A- by A.M. Best & Co. on all of its property in at least such amounts and against at least such risks (but including in any event public liability, product liability and business interruption) as are usually insured against in the same general area by companies engaged in the same or a similar business; and furnish to the Administrative Agent, upon written request, full information as to the insurance carried.

SECTION 7.5      Inspection of Property; Books and Records; Discussions.

Each HS Loan Party shall keep proper books of records and account in which full, true and correct entries in conformity with GAAP and all Requirements of Law shall be made of all dealings and transactions in relation to its business and activities; and permit representatives of any Lender (upon reasonable notice and during normal business hours) to visit and inspect any of its properties and examine and make abstracts from any of its books and records at any reasonable time and as often as may reasonably be desired and to discuss the business, operations, properties and financial and other condition of such HS Loan Party and its Subsidiaries with officers and employees of such HS Loan Party and its Subsidiaries and with its independent certified public accountants.

SECTION 7.6      Notices.

The HS Loan Parties shall promptly furnish or cause to be furnished to the Administrative Agent and each Lender notice of:

(a) the occurrence of any Default or Event of Default of which any HS Loan Party has knowledge;

(b) any (i) default or event of default under any Contractual Obligation of any HS Loan Party or any of its Subsidiaries or (ii) litigation, investigation or proceeding which may exist at any time

between any HS Loan Party or any of its Subsidiaries and any Governmental Authority, which in either case, if not cured or if adversely determined, as the case may be, could reasonably be expected to have a Material Adverse Effect;

(c) any litigation or administrative or other proceeding affecting any HS Loan Party or any of its Subsidiaries, in which the amount involved is \$25,000,000 or more and not covered by insurance or in which material injunctive or similar relief is sought, or the occurrence in respect of any HS Loan Party or any of its Subsidiaries of any case, proceeding, event, or circumstance of the nature set forth in paragraph (f) of Article X; and

(d) any development or event which has had or could reasonably be expected to have a Material Adverse Effect.

Each notice pursuant to this Section 7.6 shall be accompanied by a statement of a Responsible Officer of the HS Loan Party giving such notice, setting forth details of the occurrence referred to therein and stating what action such HS Loan Party proposes to take with respect thereto.

The Administrative Agent shall promptly forward to the Lenders (which the Administrative Agent may effect by electronic posting) any written notice hereunder furnished to it pursuant to this Section.

#### SECTION 7.7      Environmental Laws.

Each HS Loan Party shall:

(a) Comply with, and use its best efforts to ensure compliance by all tenants and subtenants, if any, with, all applicable Environmental Laws and obtain and comply with and maintain, and use its best efforts to ensure that all tenants and subtenants obtain and comply with and maintain, any and all licenses, approvals, notifications, registrations or permits required by applicable Environmental Laws, except to the extent that failure to do so could not be reasonably expected to have a Material Adverse Effect.

(b) Conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions required under Environmental Laws and promptly comply in all material respects with all lawful orders and directives of all Governmental Authorities regarding Environmental Laws, except to the extent that (i) the same are being contested in good faith by appropriate proceedings and the pendency of such proceedings could not be reasonably expected to have a Material Adverse Effect or (ii) such HS Loan Party has determined in good faith that contesting the same is not in the best interests of such HS Loan Party and its Subsidiaries and the failure to contest the same could not be reasonably expected to have a Material Adverse Effect.

(c) Defend, indemnify and hold harmless the Administrative Agent and each Lender, and their respective employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses (whether arising pre-judgment or post-judgment) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way relating to the violation of, noncompliance with or liability under any Environmental Laws applicable to the operations of such HS Loan Party, its Subsidiaries or the Properties, or the real estate properties owned directly or indirectly by such HS Loan Party, or any orders, requirements or demands of Governmental Authorities related thereto, including attorney's and consultant's fees, investigation and laboratory fees, response costs, court costs and litigation expenses, except to the extent that any of the foregoing arise out of the gross negligence or willful misconduct of the party seeking indemnification therefor. Notwithstanding anything to the contrary in this Agreement, this indemnity shall continue in full force and effect regardless of the termination of this Agreement.

SECTION 7.8      Compliance with Laws.

Each HS Loan Party will, and will cause each of its subsidiaries to, comply with all applicable laws, ordinances, rules, regulations and requirements of Governmental Authorities (including ERISA, Environmental Laws and all zoning and building codes with respect to Real Estate Assets), except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 7.9      ERISA-Related Update.

At least thirty (30) days prior to the last day of the then current Annual Valuation Period (as such term is defined in the Plan Asset Regulation) for each First Tier Company, such First Tier Company shall deliver to the Administrative Agent a REOC Update Opinion, or a REOC Update Certificate, in either case dated as of a date at least thirty (30) days prior to the last day of such Annual Valuation Period but not earlier than the first day thereof.

SECTION 7.10      Further Assurances.

The HS Loan Parties will, and will cause their Subsidiaries to, execute any and all further documents, financing statements, agreements and instruments, and take all further action (including, without limitation, filing Uniform Commercial Code and other financing statements and the establishment of and deposit of Collateral into custody accounts) that may be required under applicable law, or that the Required Lenders, the Administrative Agent or Wachovia Bank may reasonably request, in order to effectuate the transactions contemplated by the Loan Documents and in order to grant, preserve, protect and perfect the validity and first priority of the security interests created or intended to be created by the Loan Documents and the HS Loan Parties shall deliver or cause to be delivered to the Lenders all such instruments and documents (including legal opinions and lien searches) as the Required Lenders shall reasonably request to evidence compliance in accordance with this Section 7.10 and the perfection and priority status of each Lien in the Collateral.

ARTICLE VIII

NEGATIVE COVENANTS OF KIMCO

So long as the Commitments remain in effect or any Loan remains outstanding and unpaid, or any other amount is owing to any Lender or the Administrative Agent hereunder, Kimco hereby agrees that:

SECTION 8.1      Financial Covenants.

Kimco shall not directly or indirectly:

- (a) Total Indebtedness Ratio. Permit, at the last day of any Test Period, the ratio of (i) Total Indebtedness as of such day to (ii) Gross Asset Value as of such day to exceed 0.60 to 1.00 (or 0.65 to 1.00 for a period not to exceed 270 consecutive days in the event that during the applicable period Kimco or one of the Consolidated Entities has incurred Indebtedness in connection with Major Acquisitions).
- (b) Total Priority Indebtedness Ratio. Permit, at the last day of any Test Period, the ratio of (i) Total Priority Indebtedness as of such day to (ii) Gross Asset Value as of such day to exceed 0.35 to 1.00.
- (c) [reserved].
- (d) [reserved].



(e) Unsecured Interest Expense Ratio. Permit, for any Test Period, the ratio of (i) Unencumbered Assets NOI for such period to (ii) Total Unsecured Interest Expense for such period to be less than 1.75 to 1.00.

(f) Fixed Charge Coverage Ratio. Permit, for any Test Period, the ratio of Total Adjusted EBITDA for such period to Total Debt Service for such period to be less than 1.50 to 1.00. Solely for the purpose of calculating the ratio in this clause (f), Total Adjusted EBITDA (i) shall include cash flow distributions (other than distributions in respect of capital transactions) from Noncontrolled Entities ("Noncontrolled Entity Operating Cash Flow"), provided that Noncontrolled Entity Operating Cash Flow distributed during the most recent twelve-month period in respect of any Noncontrolled Entity shall be included, without duplication, only to the extent of 50% of the amount of such distributions made in such twelve-month period, and (ii) shall be increased by the amounts excluded pursuant to clauses (d), (e) and (f) of the definition of the term "Total Adjusted EBITDA".

Solely for the purposes of this Section 8.1: direct or indirect reference to EBITDA, NOI, Indebtedness and debt service (and items thereof, when applicable) with respect to the Entities, when included, shall be included only to the extent of the Ownership Percentage therein, except as otherwise specifically provided.

#### ARTICLE IX

##### NEGATIVE COVENANTS OF THE HS LOAN PARTIES

So long as the Commitments remain in effect or any Loan remains outstanding and unpaid, or any other amount is owing to any Lender or the Administrative Agent hereunder, it is hereby agreed that:

###### SECTION 9.1      Limitation on Transactions with Affiliates.

Neither any HS Loan Party nor any of its Subsidiaries shall, directly or indirectly, enter into any transaction, including any purchase, sale, lease or exchange of property or the rendering of any service, with any Affiliate other than a Property Management Agreement and a Leasing Agreement, each dated on or about October 31, 2006 with Kimco or its Affiliates unless (a) no Default or Event of Default would occur as a result thereof and (b) such transaction is (i) in the ordinary course of the business of the HS Loan Party that is a party thereto and (ii) upon fair and reasonable terms no less favorable to the HS Loan Party that is a party thereto or is affected thereby than would be obtained in a comparable arm's length transaction with a Person that is not an Affiliate.

###### SECTION 9.2      Limitation on Changes in Fiscal Year.

No HS Loan Party shall cause or permit its fiscal year to end on a day other than December 31, unless otherwise required by any applicable law, rule or regulation.

###### SECTION 9.3      Limitation on Lines of Business; Issuance of Commercial Paper; Swap Agreements.

No HS Loan Party nor any of its Subsidiaries shall, directly or indirectly:

- (a) Engage in activities other than real estate business and real estate related business activities;
- (b) Issue any commercial paper; or.
- (c) Enter into any Swap Agreement, except Swap Agreements entered into in the ordinary course of business (not for purposes of speculation) to hedge or mitigate risks, including those related to interest rates or currency exchange rates, to which such HS Loan Party or such Subsidiary is exposed in the conduct of its business or the management of its liabilities.

Nothing contained in this paragraph shall be construed to permit any transaction that is prohibited under Section 9.4 or Section 9.5.

**SECTION 9.4**      Limitation on Indebtedness.

No HS Loan Party, nor any entity through which any HS Loan Party holds (directly or indirectly) any interest in any Scheduled Property, shall have any Indebtedness for borrowed money other than (a) obligations under the Loan Documents, (b) Indebtedness in existence on the Effective Date, as set forth in Schedule 3.3, (c) Indebtedness incurred after the Effective Date that refinances, refunds or replaces Indebtedness described in the preceding clauses (a) or (b) (including Indebtedness for any related premiums, fees or other expenses incurred in connection with such refinancing, refunding or replacement Indebtedness), provided that all prepayments required under Section 2.2 in connection therewith shall be made within the time required by such Section, (d) Indebtedness that refinances equity capital provided by Prudential and/or Kimco with respect to a Hold Property for which commercial mortgage backed securities financing was not obtained in connection with the Merger, provided that all prepayments required under Section 2.2 in connection therewith shall be made within the time required by such Section, and (e) additional secured financing, provided that (i) the Liens granted in respect thereof shall comply with Section 9.5 hereof and (ii) all prepayments required under Section 2.2 in connection therewith shall be made within the time required by such Section.

**SECTION 9.5**      Limitation on Liens.

(a) Equity Interests. No HS Loan Party shall grant or create (or permit any Subsidiary of such HS Loan Party to grant or create), or suffer the existence of (i) any Liens on any Collateral other than the Liens arising under the Loan Documents, whether junior, equal or superior in priority to the Liens created by the Loan Documents, or (ii) any Liens on any equity interest held directly or indirectly by any HS Loan Party, which equity interest represents a direct or indirect ownership interest in any Scheduled Property.

(b) Scheduled Property. No HS Loan Party shall grant or create (or permit any Subsidiary of such HS Loan Party to grant or create), or suffer the existence of, any Liens on any Scheduled Property, except for Permitted Liens and mortgage Liens securing Indebtedness permitted under Section 9.4; provided that in the case of Liens securing the Indebtedness described in Section 9.4(e) the loan to value ratio applicable to each Property subject to any such Lien securing any such Indebtedness shall be at least 50%, provided, further, that all prepayments required under Section 2.2 in connection with any transaction referred to in this clause (b) shall be made within the time required by such Section.

**SECTION 9.6**      Plans.

(a) No HS Loan Party shall maintain or contribute to any Plan at any time.

(b) No First Tier Company shall change the annual valuation period referred to in its AVP Certificate without the prior written consent of the Administrative Agent.

**SECTION 9.7**      Margin Stock, Use of Facility.

The Borrower will not, directly or indirectly, use the proceeds of any Loan in a manner that will violate or be inconsistent with Regulation T, U, or X of the Board.

**SECTION 9.8**      Ownership of Property.

The HS Loan Parties shall not permit at any time the facts as represented in Section 3.3(b) to change in any material respect without the consent of the Administrative Agent, which shall not be unreasonably withheld, delayed or conditioned in the event of any proposed change which does not adversely affect the interests of the Lenders.

SECTION 9.9      Limitation on Certain Fundamental Changes.

Neither any HS Loan Party nor any of its Subsidiaries shall, directly or indirectly: enter into any merger, consolidation or amalgamation unless such transaction does not involve all or a substantial portion of the property, business or assets owned or leased by such HS Loan Party and its Subsidiaries determined on a consolidated basis with respect to such HS Loan Party and its Subsidiaries taken as a whole; provided that PPRP may be dissolved or liquidated (and engage in any merger or consolidation in connection therewith) so long as the proceeds of such dissolution or liquidation are distributed to a Loan Party or a Subsidiary of an HS Loan Party.

SECTION 9.10      Limitation on Restricted Payments.

If there has occurred and is continuing or if there would thereby occur any Default or Event of Default, neither any HS Loan Party nor any of its Subsidiaries shall, directly or indirectly, declare or pay any dividend on, or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of, any shares of any class of Capital Stock of such HS Loan Party or Subsidiary or any warrants or options to purchase any such Capital Stock, whether now or hereafter outstanding, or make any other distribution in respect thereof, or enter into any transaction that has a substantially similar effect to any of the foregoing, either directly or indirectly, whether in cash or property or in obligations of such HS Loan Party or any Subsidiary; provided that at no time may there be any dividend or distribution by any HS Loan Party of any asset constituting non-cash proceeds of a Prepayment Event.

ARTICLE X

EVENTS OF DEFAULT

If any of the following events shall occur and be continuing:

(a) The Borrower shall fail to pay any principal of any Loan when due in accordance with the terms thereof or hereof; or the Borrower shall fail to pay any interest on any Loan or any other amount payable hereunder within five (5) Business Days after any such interest or other amount becomes due in accordance with the terms thereof or hereof; or

(b) Any representation or warranty made or deemed made by any Loan Party herein or in any other Loan Document or which is contained in any certificate, document or financial or other statement furnished by it at any time under or in connection with this Agreement or any other Loan Document shall prove to have been incorrect in any material respect on or as of the date made or deemed made or furnished; or

(c) There shall be any default in the observance or performance of any agreement contained in Section 7.6 (a), Section 7.9, Section 8.1 or Article IX; or

(d) Any Loan Party shall default in the observance or performance of any other agreement contained in this Agreement or any other Loan Document (other than as provided in paragraphs (a) through (c) of this Article), and such default shall continue unremedied for a period of 30 days after notice from the Administrative Agent or the Required Lenders; or

(e) Any HS Loan Party or any Subsidiary of any HS Loan Party shall (i) default in making any payment of any principal of any Indebtedness (including any Guarantee Obligation, but excluding (x) any obligations of such HS Loan Party hereunder (which shall be governed by clause (a) above) and (y) any Non-Recourse Indebtedness) on the scheduled or original due date with respect thereto; or (ii) default in making any payment of any interest on any such Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created; or (iii) default in the observance or performance of any other agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or beneficiary of

such Indebtedness (or a trustee or agent on behalf of such holder or beneficiary) to cause, with the giving of notice if required, such Indebtedness to become due prior to its stated maturity or (in the case of any such Indebtedness constituting a Guarantee Obligation) to become payable: provided that a default, event or condition described in clause (i), (ii) or (iii) of this paragraph (e) shall not at any time constitute an Event of Default under this Agreement unless, at such time, one or more defaults, events or conditions of the type described in clauses (i), (ii) and (iii) of this paragraph (e) shall have occurred and be continuing with respect to Indebtedness the outstanding principal amount of which exceeds in the aggregate \$25,000,000; or

(f) (i) Any Loan Party shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or such Loan Party shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against any Loan Party any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of 60 days; or (iii) there shall be commenced against any Loan Party any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv) any Loan Party shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) any Loan Party shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

(g) One or more judgments or decrees shall be entered against any HS Loan Party or any Subsidiary of any HS Loan Party involving in the aggregate a liability (not paid or fully covered by insurance) of \$25,000,000 or more (excluding Non-Recourse Indebtedness), and all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within 60 days from the entry thereof; or

(h) There shall be a material adverse change in the financial condition of Kimco and its Subsidiaries taken as a whole; or

(i) At any time any HS Loan Party or any Subsidiary of any HS Loan Party shall be required to take any actions in respect of environmental remediation and/or environmental compliance, the aggregate expenses, fines, penalties or other charges with respect to which are recourse to such Loan Party and, in the judgment of the Required Lenders, could reasonably be expected to exceed \$50,000,000 over the amount of available insurance; provided that any such remediation or compliance shall not be taken into consideration for the purposes of determining whether an Event of Default has occurred pursuant to this paragraph (i) if (i) such remediation or compliance is being contested by such HS Loan Party or the applicable Subsidiary in good faith by appropriate proceedings or (ii) such remediation or compliance is satisfactorily completed within 90 days from the date on which such HS Loan Party or the applicable Subsidiary receives notice that such remediation or compliance is required, unless such remediation or compliance cannot reasonably be completed within such 90 day period in which case such time period shall be extended for a period of time reasonably necessary to perform such compliance or remediation using diligent efforts (not to exceed 180 days if the continuance of such remediation or compliance beyond such 180 day period, in the judgment of the Required Lenders, could reasonably be expected to have a Material Adverse Effect); or

(j) Kimco shall default in making any payment under the Kimco Guarantee, or shall repudiate or disaffirm the Kimco Guarantee, or the Kimco Guarantee shall for any reason not be in full force and effect; or

(k) Kimco shall be in payment default under, or there shall otherwise have been an acceleration of, any Recourse Indebtedness of Kimco and/or any Subsidiaries thereof in an aggregate amount exceeding \$100,000,000; or

(l) Any Loan Document shall for any reason not be in full force and effect in any material respect as to any HS Loan Party, or shall not provide to the Administrative Agent the Liens and the material rights, priorities, powers and privileges purported to be created thereby or the legality, validity or enforceability of any thereof shall be contested or repudiated by any Loan Party; or

(m) Any First Tier Company shall default in making any payment under the FTC Guarantee, or shall repudiate or disaffirm the FTC Guarantee, or the FTC Guarantee shall for any reason not be in full force and effect as to any First Tier Company;

then, and in any such event, (A) if such event is an Event of Default specified in paragraph (f) above, automatically the Commitments shall immediately terminate and the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement and the Notes shall immediately become due and payable, and (B) if such event is any other Event of Default, either or both of the following actions may be taken: (i) the Administrative Agent may, or upon the request of the Majority Lenders the Administrative Agent shall, by notice to Kimco, declare the Commitments to be terminated forthwith, whereupon the Commitments shall immediately terminate; and (ii) the Administrative Agent may, or upon the request of the Majority Lenders the Administrative Agent shall, by notice to Kimco, declare the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement and the Notes to be due and payable forthwith, whereupon the same shall immediately become due and payable; provided, however, that with respect to each of the immediately preceding clauses (A) and (B) if the Event of Default relates to or is attributable to only a particular First Tier Company, then the amount that shall or may be due and payable shall be limited to an amount equal to the product of (i) the total amount that would be due and payable in the absence of this proviso, multiplied by (ii) the FTG Percentage of such First Tier Company at such time as determined under Section 12.9(i).

Except as expressly provided above in this Article, presentment, demand, protest and all other notices of any kind are hereby expressly waived.

#### ARTICLE XI

#### THE AGENTS

##### SECTION 11.1      The Agents.

For purposes of this Section 11.1 and Section 12.6, the term "Related Parties" shall mean, with respect to any specified Person, (i) any Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with such specified Person, and (ii) the respective directors, officers, employees, agents and advisors of such specified Person and of any other Person referred to in the preceding clause (i).

(a) Each of the Lenders hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms of this Agreement and the other Loan Documents, together with such actions and powers as are reasonably incidental thereto.

(b) The bank serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and such bank and each Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with such bank (an "Administrative Agent Affiliate") may accept deposits from, lend money to and generally engage in any kind of business with any Loan Party or any Subsidiary or other Affiliate thereof as if it were not the Administrative Agent hereunder.

(c) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein. Without limiting the generality of the foregoing, (i) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing, (ii) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby that the Administrative Agent is required to exercise in writing as directed by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided herein), and (iii) except as expressly set forth herein, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to Kimco or any of its Subsidiaries that is communicated to or obtained by the bank serving as Administrative Agent or any of its Administrative Agent Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided herein) or in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default or Event of Default other than nonpayment of principal or interest unless and until written notice thereof is given to the Administrative Agent by Kimco or a Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or under any other Loan Document or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or in any other Loan Document, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document, or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article V or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

(d) The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

(e) The Administrative Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

(f) Subject to the appointment and acceptance of a successor Administrative Agent as provided in this paragraph, the Administrative Agent may resign at any time by notifying the Lenders and Kimco. By the Required Lenders' giving at least thirty (30) Business Days prior written notice to the Administrative Agent and Kimco, the Administrative Agent may be removed, by action of the Required Lenders (excluding the bank serving as Administrative Agent (the "Agent Bank")), (i) at any time for gross negligence or willful misconduct, as determined by the Required Lenders (excluding for such determination the Agent Bank), or (ii) in the event that the Agent Bank, in its capacity as a Lender, shall have assigned all of its outstanding Commitments or Loans to another bank, financial institution or other entity pursuant to Section 12.6, and at the end of such thirty (30) Business Day period the Agent Bank shall be deemed discharged from its duties and obligations as Administrative Agent hereunder and under any other Loan Documents. Upon any such resignation or removal, the Required Lenders shall have the right, in consultation with Kimco, to appoint a successor. In the case of resignation by the Administrative Agent, if no successor shall have been so appointed

by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent which shall be a bank with an office in New York, New York, or a Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with any such bank. Upon the acceptance of its appointment as Administrative Agent hereunder by a successor to a retired Administrative Agent, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under any other Loan Documents. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor or unless otherwise agreed between the Borrower and such successor. After the Administrative Agent's resignation or removal hereunder, the provisions of this Article, including Section 11.2, shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as Administrative Agent.

(g) Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document, any related agreement or any document furnished hereunder or thereunder.

SECTION 11.2 Indemnification.

The Lenders agree to indemnify the Administrative Agent in its capacity as such (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so), ratably according to their respective Applicable Percentages of the Commitments in effect on the date on which indemnification is sought under this Section 11.2 (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with their Applicable Percentages immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time (including at any time following the payment of the Loans and regardless of whether pre-judgment or post-judgment) be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements to the extent resulting solely from the Administrative Agent's gross negligence or willful misconduct as determined by a court of competent jurisdiction. The agreements in this Section 11.2 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

SECTION 11.3 Certain Agents, Arrangers, and Bookrunners.

Each of the Co-Syndication Agents, Co-Documentation Agents, Bookrunners and Joint Lead Arrangers referred to on the cover of this Agreement in its capacity as such shall have no rights, duties or responsibilities hereunder, nor any fiduciary relationship with any party hereto, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or otherwise exist against the Co-Syndication Agents, Co-Documentation Agents, Bookrunners, or Joint Lead Arrangers in their respective capacities as such.

ARTICLE XII

MISCELLANEOUS

SECTION 12.1      Amendments and Waivers.

Neither this Agreement nor any other Loan Document, nor any terms hereof or thereof, may be amended, supplemented or modified except in accordance with the provisions of this Section 12.1. The Majority Lenders may, or, with the written consent of the Majority Lenders, the Administrative Agent may, from time to time, (a) enter into with the relevant Loan Parties written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or the other Loan Documents or changing in any manner the rights of the Lenders or of the Loan Parties hereunder or thereunder or (b) waive, on such terms and conditions as the Majority Lenders or the Administrative Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Loan Documents or any Default or Event of Default and its consequences; provided that no such waiver and no such amendment, supplement or modification shall (i) reduce the amount or extend the scheduled date of maturity of any Loan or Note, or reduce the stated rate of any interest or fee payable hereunder or extend the scheduled date of any payment thereof or increase or reduce (except for reductions in accordance with Section 2.1(f)) the amount or extend the expiration date of any Lender's Commitment, in each case without the consent of each Lender directly affected thereby, or (ii) amend, modify or waive any provision of this Section 12.1 or change Section 2.7(a) or Section 12.12(a) in either case in a manner that would alter the pro rata sharing of payments required thereby, reduce the percentage specified in the definitions of Required Lenders or Majority Lenders, consent to the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement and the other Loan Documents, amend the definition of "Applicable Percentage", amend the proviso to the definition of the term "Unencumbered Properties", release any Guarantee, amend, modify or waive any Guarantee in any material respect, release any Collateral (provided that in connection with a disposition of Scheduled Properties permitted hereunder that is structured in a manner involving the transfer of equity interests constituting Collateral, as to which there shall have been prepaid all amounts required to be prepaid under Section 2.2(b), the Administrative Agent may release Collateral to the extent that the Collateral so released relates solely to the Scheduled Properties so disposed of), or amend, modify, or waive any provision of any Loan Document which, by its terms, requires the consent, approval or satisfaction of all Lenders, in each case without the written consent of all the Lenders, or (iii) amend, modify or waive any provision of Article XI or otherwise affect the rights or duties of the Administrative Agent without the written consent of the then Administrative Agent. Any such waiver and any such amendment, supplement or modification shall apply equally to each of the Lenders and shall be binding upon the Borrower, the other Loan Parties, the Lenders, the Administrative Agent and all future holders of the Notes. In the case of any waiver, the Borrower, the other Loan Parties, the Lenders and the Administrative Agent shall be restored to their former position and rights hereunder and under any outstanding Notes and any other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing to the extent therein specified; but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

SECTION 12.2      Notices.

All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by telecopy), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand, or three Business Days after being deposited in the mail, postage prepaid, or, in the case of telecopy notice, when received, addressed as follows in the case of the Loan Parties and the Administrative Agent, and as notified to the Administrative Agent pursuant to an administrative questionnaire in the case of the other parties hereto, or to such other address as may be hereafter notified by the respective parties hereto and any future holders of the Notes:



Any Loan Party: Kimco Realty Corporation

3333 New Hyde Park Road, Suite 100  
New Hyde Park, New York 11042  
Attention: Glenn G. Cohen  
Telecopy: (516) 869-2572

The Administrative Agent:

JPMorgan Chase Bank, N.A.  
277 Park Avenue, 3<sup>rd</sup> Floor  
New York, New York 10072  
Attention: Charles E. Hoagland  
Telecopy: (646) 534-0574

with a copy to:

JPMorgan Chase Bank, N.A.  
270 Park Avenue, 15<sup>th</sup> Floor  
New York, New York 10017-2070  
Attention: Elena Gillcrist  
Telecopy: (212) 270-3513

and (except for  
borrowing requests,  
interest elections, and  
requests pursuant to  
Sections 12.8 or 12.9) to:

JPMorgan Chase Bank, N.A.

270 Park Avenue  
New York, NY 10017  
Attention: Jacqueline F. Stein, Esq.  
Vice President & Senior Associate Counsel  
Telecopy: (212) 270-2873

provided that any notice, request or demand to or upon the Administrative Agent or the Lenders pursuant to Section 2.1, 2.2, or 2.3 shall not be effective until received.

**SECTION 12.3      No Waiver, Cumulative Remedies.**

No failure to exercise and no delay in exercising, on the part of the Administrative Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

**SECTION 12.4      Survival of Representations and Warranties.**

All representations and warranties made hereunder, in the other Loan Documents and in any document, certificate or statement delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery of this Agreement and the other Loan Documents and the making of the Loans hereunder, except as may be expressly stated therein.

**SECTION 12.5      Payment of Expenses and Taxes; Indemnity.**

The Borrower agrees (a) to pay or reimburse the Administrative Agent for all its reasonable out-of-pocket costs and expenses incurred in connection with the development, preparation and execution of, and any amendment, supplement or modification to, this Agreement and the other Loan Documents, and any other documents prepared in connection herewith or therewith, and the consummation and administration of the

transactions contemplated hereby and thereby, including the fees and disbursements of counsel to the Administrative Agent; (b) to pay or reimburse each Lender and the Administrative Agent for all its costs and expenses (including post-judgment costs and expenses) incurred in connection with the enforcement or preservation of any rights under this Agreement, the other Loan Documents, and any such other documents, including the fees and disbursements of counsel to the Administrative Agent, and the several Lenders; (c) to pay, and indemnify and hold harmless each Lender and the Administrative Agent (and their respective affiliates, officers, directors, employees, advisors and agents) from and against, any and all recording and filing fees and any and all liabilities with respect to, or resulting from any delay in paying, stamp, excise and other taxes, if any, which may be payable or determined to be payable in connection with the execution and delivery of, or consummation or administration of any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, the other Loan Documents, and any such other documents; and (d) to pay, and indemnify and hold harmless each Lender and the Administrative Agent (and their respective affiliates, officers, directors, employees, advisors and agents) from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (and regardless of whether pre-judgment or post-judgment) with respect to the execution, delivery, enforcement, performance and administration of this Agreement, the other Loan Documents, and any such other documents, including any of the foregoing relating to the violation of, noncompliance with or liability under, any Environmental Law applicable to the operations of any Loan Party, any of its Subsidiaries or any of the Scheduled Properties (all the foregoing in this clause (d), collectively, the "indemnified liabilities"), provided that such Loan Party shall have no obligation hereunder to any indemnitee with respect to indemnified liabilities arising from the gross negligence or willful misconduct of such Indemnitee or its Affiliates as determined by a court of competent jurisdiction. The agreements in this Section 12.5 shall survive the termination of this Agreement, and the payment of the Loans and all other amounts payable hereunder.

SECTION 12.6                      Successors and Assigns.

For purposes of this Section 12.6 the term "Related Parties" shall have the meaning given thereto in Section 11.1 hereof.

- (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) none of the Loan Parties may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by any Loan Party without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in paragraph (c) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement or any other Loan Document.
- (b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement and under the other Loan Documents (including all or a portion of its Commitment, or the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:
  - (A) the Borrower, provided that no consent of the Borrower shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund (as defined below), or, if an Event of Default has occurred and is continuing, any other assignee; and
  - (B) the Administrative Agent, provided that no consent of the Administrative Agent shall be required for an assignment of any Commitment or Loan to an assignee that is a Lender or an Affiliate or Approved Fund of a Lender with a Commitment or Loan immediately prior to giving effect to such assignment.
- (ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate or Approved Fund of a Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of the Commitment or Loan of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption (as defined below) with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 unless the Borrower and the Administrative Agent otherwise consent, provided that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement and the other Loan Documents;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption substantially in the form of Exhibit A or in any other form approved by the Administrative Agent (an "Assignment and Assumption"), together with a processing and recordation fee of \$4,000 (which, except as provided in Section 2.13, shall not be payable by the Borrower); and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in the form approved by the Administrative Agent (an "Administrative Questionnaire").

For the purposes of this Section 12.6, the term "Approved Fund" has the following meaning:

"Approved Fund" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.9, 2.10, 2.11 and 12.5). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 12.6 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, or the principal amount of the Loans, owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in this paragraph (b) and any written consent to such assignment required by this paragraph (b), the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.7(b) or 11.2, the Administrative Agent shall have no obligation to accept such Assignment and

Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) (2) Any Lender may, without the consent of the Borrower or the Administrative Agent, sell participations to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations in respect of its Commitment, under this Agreement and under the other Loan Documents (including all or a portion of its Commitment or the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (C) the Borrower, the other Loan Parties, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and the other Loan Documents. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and the other Loan Documents and to approve any amendment, modification or waiver of any provision of this Agreement or any other Loan Document; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the proviso to Section 12.1 that affects such Participant. Subject to paragraph (c)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.9, 2.10 and 2.11 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 12.12(b) as though it were a Lender, provided such Participant agrees to be subject to Section 12.12(a) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.9 or 2.10 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with Kimco's prior written consent. A Participant that would be a Non-U.S. Lender if it were a Lender shall not be entitled to the benefits of Section 2.10(a) unless Kimco is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 2.10(b) as though it were a Lender.

(d) Any Lender may at any time pledge or assign a security interest in, all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

SECTION 12.7      Disclosure.

Subject to Section 12.20, the Borrower authorizes each Lender to disclose to any Participant or assignee (each, a "Transferee") and any prospective Transferee any and all financial information in such Lender's possession concerning the Borrower and its Affiliates which has been delivered to such Lender by or on behalf of the Borrower pursuant to this Agreement or which has been delivered to such Lender by or on behalf of the Borrower in connection with such Lender's credit evaluation of the Borrower and its Affiliates prior to becoming a party to this Agreement.

SECTION 12.8      Extension of Maturity Date.

By notice to the Administrative Agent not earlier than 90 days nor later than 30 days before the Original Maturity Date, the Borrower may extend the Maturity Date to the date that is one year after the Original Maturity Date (the "Extended Maturity Date"); provided that (a) the Borrower shall have paid to the Administrative Agent for the account of the Lenders on the Original Maturity Date a nonrefundable extension fee in an amount equal to 0.20% (20 basis points) of the aggregate outstanding principal amount of the Loans as of the Original Maturity Date, and (b) the following conditions shall be satisfied:

(i) Each of the representations and warranties made by the Loan Parties in or pursuant to the Loan Documents shall be true and correct in all material respects on and as of the Original Maturity Date as if made on and as of such date except for representations and warranties expressly stated to relate to a specific earlier date, in which case such representations and warranties were true and correct in all material respects as of such earlier date;

(ii) (A) No Default or Event of Default shall have occurred and be continuing on the date of such notice or as of the Original Maturity Date, and (B) Kimco would be in compliance with each financial covenant set forth in paragraphs (a) through (f) of Section 8.1 if the ratio or amount referred to therein were to be calculated as of the Original Maturity Date (provided that for the purposes of determining such compliance, Gross Asset Value shall be determined for the most recent Test Period as to which a compliance certificate has been delivered pursuant to Section 6.2(a)); and

(iii) The Borrower shall have prepaid the Loans in an aggregate amount since the Borrowing Date of at least an amount equal to the lesser of (A) \$165,000,000 and (B) if the aggregate principal amount of the Loans on the Borrowing Date (the "Initial Loan Amount") is less than \$650,000,000, the product of the Initial Loan Amount times 0.25.

The request for an extension under this Section 12.8 shall constitute a representation and warranty by the Borrower as of the date of such request and as of the Original Maturity Date that the conditions contained in this Section 12.8 have been satisfied, and shall be accompanied by a certificate of a Responsible Officer of the Borrower to such effect. The Administrative Agent shall promptly notify the Lenders of any such extension.

#### SECTION 12.9      FTC Guarantee.

(a) Guarantee by First Tier Companies. In order to induce the Administrative Agent and the Lenders to execute and deliver this Agreement and to make or maintain the Loans hereunder, and in consideration thereof, the First Tier Companies (in their capacities as the guarantors under this Section 12.9, the "FTC Guarantors") hereby unconditionally and irrevocably, jointly and severally, guarantee, as primary obligors and not merely as sureties, to the Administrative Agent, for the ratable benefit of the Secured Parties, up to their respective FTG Percentages thereof, the prompt and complete payment by the Borrower when due (whether at stated maturity, by acceleration or otherwise) of the Obligations, and each FTC Guarantor further agrees to pay any and all reasonable expenses (including, without limitation, all reasonable fees, charges and disbursements of counsel) which may be paid or incurred by the Administrative Agent or any Lender in enforcing any of their rights against such FTC Guarantor under the Guarantee contained in this Section 12.9; provided that the amount payable at any time by any particular FTC Guarantor shall be limited to the amount determined under Section 12.9(i) hereof. The Guarantee contained in this Section 12.9, subject to Section 12.9(d), shall remain in full force and effect, as limited in amount hereunder, until the Obligations are paid in full in cash and the Commitments are terminated. Each FTC Guarantor agrees that whenever, at any time, or from time to time, it shall make any payment to the Administrative Agent or any Lender on account of its liability under this Section 12.9, it will notify the Administrative Agent or such Lender in writing that such payment is made under the Guarantee contained in this Section 12.9 for such purpose, provided that failure to provide such notice shall not alter or affect the amount of such FTC Guarantor's liability hereunder or its FTG Percentage. No payment or payments made by the Borrower or any other Person or received or collected by the Administrative Agent or any Lender from the Borrower or any other Person by virtue of any action or proceeding or any setoff or appropriation or application, at any time or from time to time, in reduction of or in payment of the Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of any FTC Guarantor under this Section 12.9, which, notwithstanding any such payment or payments, shall remain liable for the unpaid and outstanding Obligations, up to its FTG Percentage thereof, until, subject to Section 12.9(d), the Obligations are paid in full in cash and the Commitments are terminated.

(b) Amendments, etc. With Respect to the Applicable Obligations. Each FTC Guarantor shall remain obligated under this Section 12.9 notwithstanding that (i) without any reservation of rights against any FTC Guarantor, and (ii) without notice to or further assent by any FTC Guarantor, (x) any demand for

payment of any of the Obligations made by the Administrative Agent or any Lender may be rescinded, (y) any of the Obligations may be continued, increased in amount, or otherwise modified, and the applicable Obligations, or the liability of any other party upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Administrative Agent or any Lender, and (z) this Agreement and any other documents executed and delivered in connection herewith may be amended, modified, supplemented or terminated, in whole or in part, as the Lenders (or the requisite Lenders, as the case may be) may deem advisable from time to time, and any collateral security, guarantee or right of offset at any time held by the Administrative Agent or any Lender for the payment of the applicable Obligations may be sold, exchanged, waived, surrendered or released. None of the Administrative Agent or any Lender shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Obligations or for the Guarantee contained in this Section 12.9 or any property subject thereto.

(c) Guarantee Absolute and Unconditional. Each FTC Guarantor waives any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by the Administrative Agent or any Lender upon the Guarantee contained in this Section 12.9 or acceptance of the Guarantee contained in this Section 12.9; the Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon the Guarantee contained in this Section 12.9, and all dealings between any FTC Guarantor, on the one hand, and the Administrative Agent and the Lenders, on the other, shall likewise be conclusively presumed to have been had or consummated in reliance upon the Guarantee contained in this Section 12.9. The Administrative Agent and any Lender will, to the extent permitted by applicable law, request payment of any applicable Obligation from the Borrower before making any claim against the FTC Guarantors under this Section 12.9, but will have no further obligation to proceed against the Borrower or to defer for any period a claim against any FTC Guarantor hereunder. Except as expressly provided in the preceding sentence, each FTC Guarantor waives diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon any FTC Guarantor or the Borrower with respect to the Obligations. The Guarantee contained in this Section 12.9 shall be construed as a continuing, absolute and unconditional guarantee of payment without regard to (a) the validity or enforceability of this Agreement or any other Loan Document, any of the Obligations or any collateral security therefor or Guarantee or right of offset with respect thereto at any time or from time to time held by the Administrative Agent or any Lender, (b) the legality under applicable laws of repayment by the Borrower of any Obligations or the adoption of any applicable laws purporting to render any Obligations null and void, (c) any change in the structure or tax characterization of the Borrower, or any transaction (including any merger or consolidation) to which it may be a party (in each case whether or not permitted under the Loan Documents), (d) any defense, setoff or counterclaim (other than a defense of payment) which may at any time be available to or be asserted by any FTC Guarantor or the Borrower against the Administrative Agent or any Lender, or (e) any other circumstance whatsoever (with or without notice to or knowledge of any FTC Guarantor or the Borrower) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Borrower for any Obligations, or of any FTC Guarantor under the Guarantee contained in this Section 12.9, in bankruptcy or in any other instance. When the Administrative Agent or any Lender is pursuing its rights and remedies under this Section 12.9 against any FTC Guarantor, the Administrative Agent or such Lender may, but shall be under no obligation to, pursue such rights and remedies as it may have against the Borrower or any other Person or against any collateral security or Guarantee for the Obligations or any right of offset with respect thereto, and any failure by the Administrative Agent or any Lender to pursue such other rights or remedies or to collect any payments from the Borrower or any such other Person or to realize upon any such collateral security or Guarantee or to exercise any such right of offset, or any release of the Borrower or any such other Person or of any such collateral security, Guarantee or right of offset, shall not relieve any FTC Guarantor of any liability under this Section 12.9, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the Administrative Agent and the Lenders against any FTC Guarantor.

(d) Reinstatement. The Guarantee contained in this Section 12.9 shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the Administrative Agent or any Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or upon or as a

result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any substantial part of its Property, or otherwise, all as though such payments had not been made.

(e) Payments. Each FTC Guarantor hereby agrees that any payments in respect of the Obligations pursuant to this Section 12.9 will be paid without setoff or counterclaim in Dollars at the office of the Administrative Agent specified for payment under this Agreement.

(f) Independent Obligations. The obligations of each FTC Guarantor under the Guarantee contained in this Section 12.9 are independent of the obligations of the Borrower, and a separate action or actions may be brought and prosecuted against any FTC Guarantor whether or not the Borrower is joined in any such action or actions. Any payment by the Borrower or other circumstance which operates to toll any statute of limitations as to the Borrower shall operate to toll the statute of limitations as to each FTC Guarantor.

(g) Defenses of FTC Guarantor. To the fullest extent permitted by applicable law, each FTC Guarantor waives any defense based on or arising out of any defense of any Loan Party or the unenforceability of the Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Loan Party, other than the final and indefeasible payment in full in cash of the Obligations. To the fullest extent permitted by applicable law, the Administrative Agent and the other Secured Parties may, at their election, foreclose on any security held by one or more of them by one or more judicial or nonjudicial sales, accept an assignment of any such security in lieu of foreclosure, compromise, extend or otherwise adjust any part of the Obligations, make any other accommodation with any Loan Party or any other guarantor or exercise any other right or remedy available to them against any Loan Party or any other guarantor, without affecting or impairing in any way the liability of any FTC Guarantor hereunder except to the extent the Obligations have been fully paid in cash. Pursuant to applicable law, each FTC Guarantor waives any defense arising out of any such election even though such election operates, pursuant to applicable law, to impair or to extinguish any right of reimbursement or subrogation or other right or remedy of any FTC Guarantor against any Loan Party or any other guarantor, as the case may be, or any security, or would otherwise exonerate any FTC Guarantor.

(h) Agreement to Pay; Subordination. In furtherance of the foregoing and not in limitation of any other right that the Administrative Agent or any other Secured Party has at law or in equity against the FTC Guarantors by virtue hereof, upon the failure of any Loan Party to pay any Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice of prepayment or otherwise, each FTC Guarantor hereby promises to and will forthwith pay, or cause to be paid, to the Administrative Agent or such other Secured Party as designated thereby in cash the amount of such unpaid Obligations, up to its FTG Percentage thereof. Upon payment by any FTC Guarantor of any sums to the Administrative Agent or any Secured Party as provided above, all rights of such FTC Guarantor against any Loan Party arising as a result thereof by way of right of subrogation, contribution, reimbursement, indemnity or otherwise shall in all respects be subordinate and junior in right of payment to the prior indefeasible payment in full in cash of all the Obligations. If any amount shall erroneously be paid to any FTC Guarantor on account of such subrogation, contribution, reimbursement, indemnity or similar right or any such indebtedness of any Loan Party, such amount shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Administrative Agent to be credited against the payment of the Obligations, whether matured or unmatured, in accordance with the terms of the Loan Documents.

(i) Limitations. The maximum liability of each FTC Guarantor under this Section 12.9 (and accordingly the liability of such FTC Guarantor that is secured by Collateral in which such FTC Guarantor has granted a security interest securing its obligations hereunder) shall be limited as provided in paragraph (a). For purposes of this Agreement, the "FTG Percentage" of each FTC Guarantor shall be the percentage set forth opposite the name of such FTC Guarantor on Schedule 12.9; provided, that if there is an Event of Default which affects only a particular First Tier Company (a "Defaulting FTC") so that, pursuant to the proviso at the end of the penultimate paragraph of Article X, only a portion of the Obligations become due and payable, and such portion is paid by the Borrower or Kimco, thereafter the FTG Percentage of each First Tier Company other than the Defaulting FTC shall be adjusted to be equal to the percentage equivalent of a fraction, the numerator of

which is the FTG Percentage of such First Tier Company immediately prior to such default, and the denominator of which is the sum of the FTG Percentages immediately prior to such default of all of the First Tier Companies other than the Defaulting FTC.

**SECTION 12.10**      **KIMCO Guarantee**

(a)      **Guarantee by Kimco.** In order to induce the Administrative Agent and the Lenders to execute and deliver this Agreement and to make or maintain the Loans hereunder, and in consideration thereof, Kimco (in its capacity as the guarantor under this Section 12.10, the "**Investor Guarantor**") hereby unconditionally and irrevocably guarantees, as primary obligor and not merely as surety, to the Administrative Agent, for the ratable benefit of the Secured Parties, the prompt and complete payment by the Borrower when due (whether at stated maturity, by acceleration or otherwise) of the Obligations, and the Investor Guarantor further agrees to pay any and all reasonable expenses (including, without limitation, all reasonable fees, charges and disbursements of counsel) which may be paid or incurred by the Administrative Agent or any Lender in enforcing any of their rights under the Guarantee contained in this Section 12.10. The Guarantee contained in this Section 12.10, subject to Section 12.10(d), shall remain in full force and effect until the Obligations are paid in full in cash and the Commitments are terminated. The Investor Guarantor agrees that whenever, at any time, or from time to time, it shall make any payment to the Administrative Agent or any Lender on account of its liability under this Section 12.10, it will notify the Administrative Agent or such Lender in writing that such payment is made under the Guarantee contained in this Section 12.10 for such purpose. No payment or payments made by the Borrower or any other Person or received or collected by the Administrative Agent or any Lender from the Borrower or any other Person by virtue of any action or proceeding or any setoff or appropriation or application, at any time or from time to time, in reduction of or in payment of the Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of the Investor Guarantor under this Section 12.10, which, notwithstanding any such payment or payments, shall remain liable for the unpaid and outstanding Obligations until, subject to Section 12.10(d), the Obligations are paid in full in cash and the Commitments are terminated.

(b)      **Amendments, etc. With Respect to the Applicable Obligations.** The Investor Guarantor shall remain obligated under this Section 12.10 notwithstanding that (i) without any reservation of rights against the Investor Guarantor, and (ii) without notice to or further assent by the Investor Guarantor, (x) any demand for payment of any of the Obligations made by the Administrative Agent or any Lender may be rescinded, (y) any of the Obligations may be continued, increased in amount, or otherwise modified, and the applicable Obligations, or the liability of any other party upon or for any part thereof, or any collateral security or guarantee thereof or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Administrative Agent or any Lender, and (z) this Agreement and any other documents executed and delivered in connection herewith may be amended, modified, supplemented or terminated, in whole or in part, as the Lenders (or the requisite Lenders, as the case may be) may deem advisable from time to time, and any collateral security, guarantee or right of offset at any time held by the Administrative Agent or any Lender for the payment of the applicable Obligations may be sold, exchanged, waived, surrendered or released. None of the Administrative Agent or any Lender shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Obligations or for the Guarantee contained in this Section 12.10 or any property subject thereto.

(c)      **Guarantee Absolute and Unconditional.** The Investor Guarantor waives any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by the Administrative Agent or any Lender upon the Guarantee contained in this Section 12.10 or acceptance of the Guarantee contained in this Section 12.10; the Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon the Guarantee contained in this Section 12.10, and all dealings between the Investor Guarantor, on the one hand, and the Administrative Agent and the Lenders, on the other, shall likewise be conclusively presumed to have been had or consummated in reliance upon the Guarantee contained in this Section 12.10. The Administrative Agent and any Lender will, to the extent permitted by applicable law, request payment of any applicable Obligation from the Borrower before making any claim against the Investor Guarantor under this Section 12.10.



but will have no further obligation to proceed against the Borrower or to defer for any period a claim against the Investor Guarantor hereunder. Except as expressly provided in the preceding sentence, the Investor Guarantor waives diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon the Investor Guarantor or the Borrower with respect to the Obligations. The Guarantee contained in this Section 12.10 shall be construed as a continuing, absolute and unconditional guarantee of payment without regard to (a) the validity or enforceability of this Agreement or any other Loan Document, any of the Obligations or any collateral security therefor or Guarantee or right of offset with respect thereto at any time or from time to time held by the Administrative Agent or any Lender, (b) the legality under applicable laws of repayment by the Borrower of any Obligations or the adoption of any applicable laws purporting to render any Obligations null and void, (c) any change in the structure or tax characterization of the Borrower, or any transaction (including any merger or consolidation) to which it may be a party (in each case whether or not permitted under the Loan Documents), (d) any defense, setoff or counterclaim (other than a defense of payment) which may at any time be available to or be asserted by the Investor Guarantor or the Borrower against the Administrative Agent or any Lender, or (e) any other circumstance whatsoever (with or without notice to or knowledge of the Investor Guarantor or the Borrower) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Borrower for any Obligations, or of the Investor Guarantor under the Guarantee contained in this Section 12.10, in bankruptcy or in any other instance. When the Administrative Agent or any Lender is pursuing its rights and remedies under this Section 12.10 against the Investor Guarantor, the Administrative Agent or such Lender may, but shall be under no obligation to, pursue such rights and remedies as it may have against the Borrower or any other Person or against any collateral security or Guarantee for the Obligations or any right of offset with respect thereto, and any failure by the Administrative Agent or any Lender to pursue such other rights or remedies or to collect any payments from the Borrower or any such other Person or to realize upon any such collateral security or Guarantee or to exercise any such right of offset, or any release of the Borrower or any such other Person or of any such collateral security, Guarantee or right of offset, shall not relieve the Investor Guarantor of any liability under this Section 12.10, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the Administrative Agent and the Lenders against the Investor Guarantor.

(d) Reinstatement. The Guarantee contained in this Section 12.10 shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the Administrative Agent or any Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any substantial part of its Property, or otherwise, all as though such payments had not been made.

(e) Payments. The Investor Guarantor hereby agrees that any payments in respect of the Obligations pursuant to this Section 12.10 will be paid without setoff or counterclaim, in Dollars at the office of the Administrative Agent specified for payment under this Agreement.

(f) Independent Obligations. The obligations of the Investor Guarantor under the Guarantee contained in this Section 12.10 are independent of the obligations of the Borrower, and a separate action or actions may be brought and prosecuted against the Investor Guarantor whether or not the Borrower is joined in any such action or actions. Any payment by the Borrower or other circumstance which operates to toll any statute of limitations as to the Borrower shall operate to toll the statute of limitations as to the Investor Guarantor.

(g) Defenses of Investor Guarantor. To the fullest extent permitted by applicable law, the Investor Guarantor waives any defense based on or arising out of any defense of any Loan Party or the unenforceability of the Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Loan Party, other than the final and indefeasible payment in full in cash of the Obligations. To the fullest extent permitted by law, the Administrative Agent and the other Secured Parties may, at their election, foreclose on any security held by one or more of them by one or more judicial or nonjudicial sales, accept an assignment of any such security in lieu of foreclosure, compromise, extend or otherwise adjust any part of the Obligations, make any other accommodation with any Loan Party or any other guarantor or exercise any other right or remedy available to them against any Loan Party or any other guarantor, without affecting or

impairing in any way the liability of the Investor Guarantor hereunder except to the extent the Obligations have been fully paid in cash. Pursuant to applicable law, the Investor Guarantor waives any defense arising out of any such election even though such election operates, pursuant to applicable law, to impair or to extinguish any right of reimbursement or subrogation or other right or remedy of the Investor Guarantor against any Loan Party or any other guarantor, as the case may be, or any security, or would otherwise exonerate the Investor Guarantor.

(b) Agreement to Pay; Subordination. In furtherance of the foregoing and not in limitation of any other right that the Administrative Agent or any other Secured Party has at law or in equity against the Investor Guarantor by virtue hereof, upon the failure of any Loan Party to pay any Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice of prepayment or otherwise, the Investor Guarantor hereby promises to and will forthwith pay, or cause to be paid, to the Administrative Agent or such other Secured Party as designated thereby in cash the amount of such unpaid Obligations. Upon payment by the Investor Guarantor of any sums to the Administrative Agent or any Secured Party as provided above, all rights of the Investor Guarantor against any Loan Party arising as a result thereof by way of right of subrogation, contribution, reimbursement, indemnity or otherwise shall in all respects be subordinate and junior in right of payment to the prior indefeasible payment in full in cash of all the Obligations. If any amount shall erroneously be paid to the Investor Guarantor on account of (i) such subrogation, contribution, reimbursement, indemnity or similar right or (ii) any such indebtedness of any Loan Party, such amount shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Administrative Agent to be credited against the payment of the Obligations, whether matured or unmatured, in accordance with the terms of the Loan Documents.

SECTION 12.11      Reserved.

SECTION 12.12      Adjustments; Set-off.

(a) If any Lender (a "benefited" Lender) shall at any time receive any payment of all or part of its Exposure or interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Article X(f), or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of such other Lender's Exposure or interest thereon, such benefited Lender shall purchase for cash from the other Lenders a participating interest in such portion of each such other Lender's Exposure, or shall provide such other Lenders with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such benefited Lender to share the excess payment or benefits of such collateral or proceeds ratably with each of the Lenders; provided that (i) if all or any portion of such excess payment or benefits is thereafter recovered from such benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than to the Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply).

(b) In addition to any rights and remedies of the Lenders provided by law, each Lender and each of its Affiliates shall have the right, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by applicable law, upon any amount becoming due and payable by the Borrower hereunder or under the Notes (whether at the stated maturity, by acceleration or otherwise), to set off and appropriate and apply against such amount, any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, obligations, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any of its Affiliates or any branch or agency thereof to or for the credit or the account of the Borrower. Each Lender agrees promptly to notify the Borrower and the Administrative Agent after any such setoff and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 12.13      Counterparts.

This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts each of which shall constitute an original, but all of which when taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be lodged with Kimco and the Administrative Agent. Delivery of an executed counterpart of a signature page of this Agreement by any electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 12.14      Severability.

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 12.15      Integration.

This Agreement and the other Loan Documents represent the entire agreement of the Borrower, the Guarantors, the Administrative Agent, and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent or any Lender relative to the subject matter hereof or thereof not expressly set forth or referred to herein or in the other Loan Documents.

SECTION 12.16      GOVERNING LAW.

**THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

SECTION 12.17      Submission to Jurisdiction; Waivers.

Each Loan Party hereby irrevocably and unconditionally:

- (a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the State of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;
- (b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;
- (c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Loan Party at its address set forth in Section 12.2 or at such other address of which the Administrative Agent shall have been notified pursuant thereto;
- (d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding in connection with this Agreement or any other Loan Document any special, exemplary, punitive or consequential damages.

SECTION 12.18 Acknowledgments.

Each Loan Party hereby acknowledges that:

- (a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents;
- (b) neither the Administrative Agent nor any Lender has any fiduciary relationship with or duty to such Loan Party arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between Administrative Agent and the Lenders, on the one hand, and such Loan Party, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and
- (c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders and the Administrative Agent or among the Loan Parties, the Administrative Agent and the Lenders.

SECTION 12.19 WAIVERS OF JURY TRIAL.

EACH LOAN PARTY, THE ADMINISTRATIVE AGENT AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

SECTION 12.20 Confidentiality.

Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder or to which the Administrative Agent or any Lender is a party, (f) subject to an agreement containing provisions substantially the same as those of this Section, a copy of which shall have been provided to Kimco, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement, or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations, (g) with the consent of the Borrower or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Administrative Agent or any Lender on a nonconfidential basis from a source other than the Loan Parties. For the purposes of this Section, "Information" means all information received from the Loan Parties relating to any Loan Party or its business, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis; provided that in the case of information received from any Loan Party after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. Notwithstanding anything herein to the contrary, "Information" shall not include, and each party hereto may disclose to any and all Persons, without limitation of any kind, any information with respect to the U.S. federal income tax treatment and U.S. federal income tax structure of the transactions contemplated hereby and all materials of any kind (including opinions or other tax analyses) that are provided to such party relating to such tax treatment and tax structure.

Each Lender that is subject to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), hereby notifies the Loan Parties that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies the Loan Parties, which information includes the name and address of the Loan Parties and other information that will allow such Lender to identify the Loan Parties in accordance with the Act.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

KIMCO REALTY CORPORATION

By: /s/ Glenn G. Cohen  
Name: Glenn G. Cohen  
Title: Vice President and Treasurer

PK SALE LLC

By: /s/ Glenn G. Cohen  
Name: Glenn G. Cohen  
Title: Authorized Signatory

PRK HOLDINGS I LLC

By: KIMCO PK, LLC, member

By: KIMCO PK INC., managing member

By: /s/ Glenn G. Cohen  
Name: Glenn G. Cohen  
Title: Vice President and Treasurer

PRK HOLDINGS II LLC

By: KIMCO PK, LLC, member

By: KIMCO PK INC., managing member

By: /s/ Glenn G. Cohen  
Name: Glenn G. Cohen  
Title: Vice President and Treasurer

PRK HOLDINGS III LLC

By: KIMCO PK, LLC, member

By: KIMCO PK INC., managing member

By: /s/ Glenn G. Cohen  
Name: Glenn G. Cohen  
Title: Vice President and Treasurer

JPMORGAN CHASE BANK, N.A., as Administrative Agent and  
as a Lender

By: /s/ Donald Shokrian  
Name: Donald Shokrian  
Title: Managing Director



WACHOVIA BANK, NATIONAL ASSOCIATION, as a  
Syndication Agent and as a Lender

By: /s/ Matthew Ricketts  
Name: Matthew Ricketts  
Title: Vice President

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THE BANK OF NOVA SCOTIA, as a Syndication Agent  
and as a Lender

By: /s/ Steven S. Kerr  
Name: Steven S. Kerr  
Title: Managing Director

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WELLS FARGO BANK, NATIONAL ASSOCIATION, as  
a Documentation Agent and as a Lender

By: /s/ William A. Jordan  
Name: William A. Jordan  
Title: Vice President

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ROYAL BANK OF CANADA, as a Documentation  
Agent and as a Lender

By: /s/ Jake Sigmund  
Name: Jake Sigmund  
Title: Authorized Signatory

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REGIONS BANK,  
as a Lender

By: /s/ Lori Chambers  
Name: Lori Chambers  
Title: Vice President

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U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Jeffrey Jacobsen  
Name: Jeffrey Jacobsen  
Title: Senior Vice President

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BANK OF AMERICA, N.A., as a Lender

By: /s/ Eyal Namordi  
Name: Eyal Namordi  
Title: Senior Vice President

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THE ROYAL BANK OF SCOTLAND PLC, as a Lender

By: /s/ Brett Thompson  
Name: Brett Thompson  
Title: Vice President

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CITICORP NORTH AMERICA, INC.,  
as a Lender

By: /s/ Ricardo James  
Name: Ricardo James  
Title: Vice President

---

DEUTSCHE BANK TRUST COMPANY AMERICAS, as a  
Lender

By: /s/ J.T. Johnson Coe  
Name: J.T. Johnson Coe  
Title: Managing Director

By: /s/ Perry Forman  
Name: Perry Forman  
Title: Director

---

MERRILL LYNCH BANK USA,  
as a Lender

By: /s/ Louis Alder  
Name: Louis Alder  
Title: First Vice President

---

MIZUHO CORPORATE BANK (USA), as a Lender

By: /s/ Toru Inoue  
Name: Toru Inoue  
Title: Deputy General Manager

---

THE BANK OF NEW YORK MELLON, as a Lender

By: /s/ David Applebaum  
Name: David Applebaum  
Title: Vice President

---

UBS LOAN FINANCE LLC, as a Lender

By: /s/ Irja R. Otsa  
Name: Irja R. Otsa  
Title: Associate Director

By: /s/ Richard L. Tavrow  
Name: Richard L. Tavrow  
Title: Director

---

CHANG HWA COMMERCIAL BANK, LTD., NEW  
YORK BRANCH, as a Lender

By: /s/ Jim C.Y. Chen  
Name: Jim C.Y. Chen  
Title: VP & General Manager

---

CIBC INC., as a Lender

By: /s/ Joel Gershkon  
Name: Joel Gershkon  
Title: Authorized Signatory

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MEGA INTERNATIONAL COMMERCIAL BANK CO.,  
LTD. NEW YORK BRANCH, as a Lender

By: /s/ Tsang-Pei Hsu  
Name: Tsang-Pei Hsu  
Title: VP & Deputy General Manager

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## Section 14: EX-99.4 (1 BILLION MXP CREDIT AGREEMENT)

EXECUTION VERSION

Exhibit 99.4

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### CREDIT AGREEMENT

dated as of March 3, 2008

among

KRC MEXICO ACQUISITION, LLC,

KIMCO REALTY CORPORATION,

and

SCOTIABANK INVERLAT, S.A., INSTITUCIÓN DE BANCA MÚLTIPLE, GRUPO FINANCIERO SCOTIABANK INVERLAT.

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Exhibit B	Form of Note
Exhibit C	Form of Subsidiary Guarantee
Exhibit D	Form of Compliance Certificate
Exhibit E-1	Form of Borrower Closing Certificate
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Exhibit E-3	Form of Subsidiary Guarantor Closing Certificate

**SCHEDULES**

Schedule 1	Initial Subsidiary Guarantors
Schedule 2.2	Pricing Schedule
Schedule 3.1	Certain Financial Disclosure
Schedule 6.2	Specified Transactions

THIS CREDIT AGREEMENT dated as of the 3<sup>rd</sup> day of March, 2008 (the “Effective Date”), among KRC Mexico Acquisition, LLC, a limited liability company organized and existing under the laws of the State of Delaware, as borrower (the “Borrower”), Kimco Realty Corporation, a corporation organized and existing under the laws of the State of Maryland, as guarantor (“Kimco”) and Scotiabank Inverlat, Sociedad Anónima, Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat as lender (the “Bank”).

**WHEREAS:**

- (A) The Borrower has requested to borrow MXPS1,000,000,000 from the Bank upon and subject to the terms and conditions of this Agreement;
- (B) The Bank has agreed to make available the Loan to the Borrower in consideration of the representations, warranties, covenants and other undertakings hereinafter contained, including the guarantee of Kimco which has been negotiated as a credit enhancement for the Borrower; and
- (C) Kimco owns, directly or indirectly, all of the issued and outstanding Capital Stock of the Borrower and will derive substantial direct and indirect benefit from the making of and/or the availability of the Loan to the Borrower;

**NOW IT IS HEREBY AGREED** as follows:

**ARTICLE I**

**DEFINITIONS**

**SECTION 1.1     Defined Terms**

As used in this Agreement, the following terms shall have the following meanings:

“Acceptable Jurisdiction” means a jurisdiction (other than the United States) acceptable to the Bank in its sole discretion, including, if requested by the Bank in its sole discretion, based on satisfactory advice received by it from local counsel in such jurisdiction with respect to the procedure for enforcement of a U.S. judgment in such jurisdiction, and the collection of such judgment from assets located there.

“Additional Amounts” has the meaning set forth in Section 10.3(b).

“Adjusted Net Income” means for any period, as to Kimco and the Consolidated Entities, Consolidated Net Income; provided, that there shall be excluded the income (or deficit) of any Person other than Kimco accrued prior to the date it becomes a Subsidiary or is merged into or consolidated with Kimco or any of its Subsidiaries.

“Affiliate” means as to any Person, any other Person which, directly or indirectly, is in Control of, is Controlled by, or is under common Control with, such Person.



"Agreement" means this Credit Agreement.

"Alternate Currency" means Peso, EURO, Sterling or Yen and any other currency (other than Dollars) that is freely tradable and exchangeable into Dollars in the London market.

"Applicable Margin" means the "Applicable Margin" (expressed as a specified number of basis points), indicated on, and determined in accordance with, the Pricing Schedule based on Kimco's senior unsecured debt ratings from S&P and Moody's.

"Bank" has the meaning defined in the heading herein.

"Baseline Conditions" means as to any Wholly Owned Subsidiary, in connection with the incurrence by such Subsidiary of any obligations in respect of this Agreement or the Subsidiary Guarantee, that such Subsidiary (a) at the time of determination can truthfully make each of the Baseline Representations and Warranties as to itself in all material respects and (b) if such Subsidiary is not organized under the laws of any state of the United States, (i) shall be organized under the laws of an Acceptable Jurisdiction, and (ii) shall have submitted for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, including for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York, the courts of the United States of America for the South District of New York, and appellate courts from any thereof.

"Baseline Representations and Warranties" means the representations and warranties set forth in Sections 3.3, 3.4, 3.5, 3.7, 3.14, 3.15 and 3.22 hereof.

"Base Rate" means 7.88 % per annum.

"Board" means the Board of Governors of the Federal Reserve System of the United States of America (or any successor).

"Borrower" has the meaning set forth in the introductory paragraph hereof.

"Borrower Account" has the meaning set forth in Section 4.1(i).

"Borrowing Request" has the meaning set forth in Section 2.1(b).

"Business Day" means a day other than a Saturday, Sunday or other day on which commercial banks in Mexico City, Mexico are authorized or required by law to close.

"Calculated Amount" has the meaning set forth in Section 8.3 hereof.

"Capital Stock" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants or options to purchase any of the foregoing.

"Capital Transaction" has the meaning set forth in Section 6.2(a).

"Cash Equivalents" means (a) securities denominated in Dollars or any other currency of any Qualified Jurisdiction (any of the foregoing, "Currency"), in any event issued or directly and fully guaranteed or insured by the United States Government or any other Qualified Jurisdiction, as applicable, or any agency or instrumentality of any of them, having maturities of not more than one year from the date of acquisition, (b) time deposits and certificates of deposit denominated in Currency having maturities of not more than one year from the date of acquisition of any lender under the Existing JP Morgan Credit Agreement (including the Bank) or of any domestic commercial bank the senior long-term unsecured debt of which is rated at least A or the equivalent thereof by S&P or A2 or the equivalent thereof by Moody's and having capital and surplus in excess of USD\$500,000,000 (or the equivalent thereof in any other currency), (c) repurchase obligations with a term of not more than seven (7) days for underlying securities of the types described in clauses (a) and (b) entered into with any bank meeting the qualifications specified in clause (b) above, (d) commercial paper denominated in Currency rated at least A-1 or the equivalent thereof by S&P or P-1 or the equivalent thereof by Moody's and in either case maturing within ninety (90) days after the date of acquisition and (e) investments in money market funds that have assets in excess of USD\$2,000,000,000 (or the equivalent thereof in any other currency), are managed by recognized and responsible institutions and invest all of their assets in (i) obligations of the types referred to in clauses (a), (b), (c) and (d) above and (ii) commercial paper denominated in Currency having at least the rating described in clause (d) above and maturing within 270 days after the date of acquisition.

"Central Bank" means the *Banco de México*.

"Change in Control" means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934, as amended, and the rules of the Securities and Exchange Commission thereunder as in effect on the date hereof) of Capital Stock representing more than thirty-five percent (35%) of the aggregate ordinary voting power represented by the issued and outstanding Capital Stock of Kimco; or (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of Kimco by Persons who were neither (i) nominated by the board of directors of Kimco nor (ii) appointed by directors so nominated; or (c) any direct or indirect transaction of any nature by which Kimco ceases to directly or indirectly own a majority shareholding of, or fails to exercise effective Control over, the Borrower.

"Closing Date" means the date the Loan is funded by the Bank which may not be later than the Commitment Termination Date.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Commitment" means the obligation of the Bank to make a loan to the Borrower in a principal amount up to but not to exceed the Commitment Amount.

"Commitment Amount" means MXPS1,000,000,000.00.

"Commitment Termination Date" means the earlier to occur of (i) three (3) Business Days following the Effective Date and (ii) the termination of the Bank's Commitment in accordance with Section 7.1.

"Commonly Controlled Entity" means an entity, whether or not incorporated, which is under common control with the Borrower or Kimco within the meaning of Section 4001 of ERISA or is part of a group which includes the Borrower or Kimco and which is treated as a single employer under Section 414 of the Code.

"Consolidated Entities" means as of any date of determination, any entities whose financial results are consolidated with those of Kimco in accordance with GAAP.

"Consolidated Net Income" means, for any period, net income (or loss) of Kimco and the Consolidated Entities for such period determined on a consolidated basis in accordance with GAAP.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person (whether through the ability to exercise voting power, by contract or otherwise). "Controlling" and "Controlled" have meanings correlative thereto.

"Currency" has the meaning set forth in the definition of "Cash Equivalents."

"Default" means any of the events specified in Article VII, whether or not any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

"Default Rate" means the Base Rate plus the Applicable Margin plus two percent (2%) per annum.

"Designated Amount" has the meaning set forth in Section 8.3 hereof.

"Dollar" and the symbol "USDS" means the lawful currency of the United States.

"Dollar Equivalent" means, on any date of determination, (a) with respect to any amount in Dollars, such amount, and (b) with respect to any amount in an Alternate Currency, the equivalent in Dollars of such amount, determined by the Bank using the Exchange Rate with respect to such Alternate Currency in effect on such date (and such determination shall be conclusive and binding on the parties hereto in the absence of manifest error).

"EBITDA" means for any Person, the consolidated net income of such Person and its Subsidiaries before income taxes, interest, depreciation, amortization, gains or losses on sales of operating real estate and marketable securities, any provision or benefit for income taxes, noncash impairment charges, and gains or losses on extraordinary items in accordance with GAAP and gains or losses on early extinguishment of debt.

"Effective Date" has the meaning set forth in the introductory paragraph hereto.

"Entity" means, as of any date of determination, any Consolidated Entity or Unconsolidated Entity.

"Environmental Laws" means any and all foreign, Federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, requirements of any Governmental Authority or other Requirements of Law (including common law) regulating, relating to or imposing liability or standards of conduct concerning protection of the environment or the manufacture, storage, remediation, disposal or clean-up of Hazardous Materials, as now or may at any time hereafter be in effect, in each case to the extent the foregoing is applicable to Kimco or any Subsidiary of Kimco, or any of their respective assets or properties.

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

"Event of Default" means any of the events specified in Article VII, provided, that any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

"Exchange Rate" means, on any day, with respect to any Alternate Currency, the rate at which such Alternate Currency may be exchanged into Dollars, as set forth at approximately 11:00 a.m., London time, on such day on the Reuters World Currency Page for such Alternate Currency. In the event that such rate does not appear on any Reuters World Currency Page, the Exchange Rate shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon in writing by the Bank and Kimco, or, in the absence of such agreement, such Exchange Rate shall instead be the arithmetic average of the spot rates of exchange of the Bank and its Affiliates in the market where its Alternate Currency exchange operations in respect of such Alternate Currency are then being conducted, at or about 11:00 a.m., local time, on such date for the purchase of Dollars for delivery on such day; provided that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Bank, after consultation with Kimco, may use any reasonable method it deems appropriate to determine such rate, and such determination shall be conclusive absent manifest error.

"Excluded Taxes" means any tax imposed on or measured by the overall net income, net profits or capital (or any franchise or similar tax imposed in lieu thereof) of the Bank pursuant to the laws of the jurisdiction (or any political subdivision thereof) in which it is organized or the jurisdiction (or any political subdivision thereof) in which the lending office of the Bank is located and any taxes to the extent such taxes are imposed as a direct result of a present, former or future connection between the Bank and the jurisdiction imposing such taxes (or any political subdivision or taxing authority thereof or therein) other than a connection arising solely from the execution, delivery, performance of its obligations, receipt of a payment or enforcement of a right under this Agreement, any related document or the Note.

"Existing JP Morgan Credit Agreement" means the Credit Agreement, dated as of October 25, 2007, among Kimco and certain of its Subsidiaries parties thereto from time to time and JPMorgan Chase Bank, N.A., as administrative agent for the lenders thereunder as such Credit Agreement has or shall be amended.

"Existing Scotiabank Credit Agreement" means the Credit Agreement, dated as of May 9, 2005, among KRC Mexico Acquisition Corporation and KRC Mexico Corporation S. de R.L. de C.V., as borrowers, and the Bank, as lender.

"Front End Fee" has the meaning set forth in Section 2.2(a) hereof.

"GAAP" means the generally accepted accounting principles in the United States.

"Governmental Authority" means any government, state or other political subdivision thereof and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including the Central Bank.

"Gross Asset Value" means as of any relevant date, an amount equal to the sum, without duplication, of (a) Total Adjusted EBITDA, calculated with respect to the most recent Test Period ended on or before such date annualized and capitalized at seven and one half percent (7.50%), plus (b) Unrestricted Cash and Cash Equivalents of Kimco and the Consolidated Entities as of such date, plus (c) the sum of the following items of Kimco and the Consolidated Entities: (i) land and development projects as of such date valued at "cost", and (ii) mezzanine and mortgage loan receivables valued at the lower of cost or market at such date and marketable securities at the value reflected in the consolidated financial statements of Kimco as of such date, plus (d) Kimco's investments in and advances to the Noncontrolled Entities valued at the lower of cost or market as reflected in the consolidated financial statements of Kimco as of such date, provided, that the items described in clauses (c) and (d) (other than mortgage loan receivables valued at the lower of cost or market at such date and marketable securities at the value reflected in the consolidated financial statements of Kimco as of such date) shall not be taken into account to the extent that the amounts thereof exceed, in the aggregate, forty percent (40%) of Gross Asset Value, plus (e) one hundred percent (100%) of the bona fide purchase price of Identified Properties as of such date, and provided further, that not more than twenty-five percent (25%) in the aggregate of items comprising Gross Asset Value shall be attributable to assets located outside of the United States or to assets owned by Entities not organized in and having principal offices in the United States.

"Guarantee Obligation" means as to any Person (the "guaranteeing person"), any obligation (determined without duplication) of (a) the guaranteeing person or (b) another Person (including any bank under any letter of credit) to induce the creation of which the guaranteeing person has issued a reimbursement, counter-indemnity or similar obligation, in either case guaranteeing or in effect guaranteeing any Indebtedness, leases, dividends or other obligations (the "primary obligations") of any other third Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of the guaranteeing person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (1) for the purchase or payment of any such primary obligation or (2) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (iv) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; provided, that the term Guarantee Obligation shall not include

endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee Obligation of any guaranteeing person shall be deemed to be the maximum stated amount of the primary obligation relating to such Guarantee Obligation (or, if less, the maximum stated liability set forth in the instrument embodying such Guarantee Obligation); provided, that in all events (and regardless of the existence of a stated liability amount), the amount of such Guarantee Obligation shall be such guaranteeing person's maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith.

"Guarantor" means, at any particular time, Kimco and each Subsidiary Guarantor that is a party to the Subsidiary Guarantee at such time.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

"Identified Properties" means as of any time, Properties acquired during the most recent Test Period.

"Indebtedness" means, of any specified Person, at any date, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services (other than current trade liabilities incurred in the ordinary course of business and payable in accordance with customary practices), to the extent such obligations constitute indebtedness for the purposes of GAAP, (c) any other indebtedness of such Person which is evidenced by a note, bond, debenture or similar instrument, (d) all obligations of such Person under any financing leases, (e) all obligations of such Person in respect of acceptances issued or created for the account of such Person, (f) all Guarantee Obligations of such Person, (g) reimbursement obligations for letters of credit and other contingent liabilities, (h) all liabilities secured by any Lien on any property owned by such Person even though such Person has not assumed or otherwise become liable for the payment thereof, and (i) the net obligations (contingent or otherwise) of such Person at such date under interest rate hedging agreements.

"Indemnified liabilities" has the meaning set forth in Section 10.2(d).

"Information" has the meaning set forth in Section 10.14.

"Initial Subsidiary Guarantor" means each Person specified in Schedule 1.

"Insolvency" means, with respect to any Multiemployer Plan, the condition that such Plan is insolvent within the meaning of Section 4245 of ERISA.

"Insolvent" means pertaining to a condition of Insolvency.

"Intellectual Property" has the meaning ascribed to it in Section 3.10.

"Interest Payment Date" shall mean (i) April 1, 2008 and the first day of each calendar month thereafter (or the next succeeding Business Day if such day is not a Business Day) and (ii) the Maturity Date.

"Investments" has the meaning set forth in Section 6.2(b).

"Kimco" has the meaning set forth in the introductory paragraph hereof.

"Lien" means any mortgage, pledge, hypothecation, assignment (including any collateral assignment but excluding any assignment of an asset made in lieu of a sale thereof where the assignor is paid the fair market value of such asset by the assignee and the assignee assumes all of the rights and obligations attributable to ownership of such asset), deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement and any financing lease having substantially the same economic effect as any of the foregoing).

"Loan" means the aggregate of the principal amount advanced to the Borrower hereunder, as shall from time to time be outstanding and unpaid, plus the accrued and unpaid interest payable from time to time on such principal amount.

"Loan Documents" means this Agreement, the Note, the Subsidiary Guarantee and any instrument or agreement waiving, amending, or supplementing any Loan Document, in each case approved by the Borrower, Kimco and the Bank (or in the case of the Subsidiary Guarantee by the Subsidiary Guarantors and the Bank).

"Losses" has the meaning set forth in Section 10.2(d).

"Major Acquisitions" means, with respect to any applicable period, one or more acquisitions by Kimco or one of its Subsidiaries during such period of the Capital Stock and/or assets of another Person that (a) are otherwise permitted by this Agreement and the other Loan Documents and (b) involve the payment by Kimco or such Subsidiary of consideration (whether in the form of cash or non-cash consideration) in excess of USD\$500,000,000 (or the equivalent thereof in any other currency) in the aggregate for all such acquisitions during such period.

"Material Adverse Effect" means a material adverse effect on (a) the business, operations, property or financial condition of Kimco and its Subsidiaries taken as a whole, (b) the ability of any Obligor to perform its obligations under the Loan Documents or (c) the validity or enforceability of this Agreement or any other Loan Document or the rights or remedies of the Bank hereunder or thereunder.

"Materials of Environmental Concern" means any gasoline or petroleum (including crude oil or any fraction thereof) or petroleum products or any hazardous or toxic substances, materials or wastes, defined or regulated as such in or under any Environmental Law, including asbestos, polychlorinated biphenyls and urea-formaldehyde insulation.

"Maturity Date" means the date that is the fifth (5<sup>th</sup>) anniversary of the Closing Date (or the next preceding Business Day if such day is not a Business Day).

"Mexico" means the United Mexican States.

"Moody's" means Moody's Investors Service, Inc.

"Multiemployer Plan" means a Plan which is a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Noncontrolled Entity" means any of the following Unconsolidated Entities: (i) any entity in which the only investment by Kimco or any Affiliate thereof consists of preferred stock or securities of another entity having characteristics analogous to those of preferred stock; or (ii) any entity (including, but not limited to, Kimco Income Operating Partnership, L.P., Kimco Retail Opportunity Portfolio, LLC, or "Rio Can/Canadian Ventures") as to which Kimco (together with its Affiliates) does not have the power to direct the acquisition, financing, disposition and other major decisions regarding property owned by such entity.

"Noncontrolled Entity Operating Cash Flow" has the meaning set forth in Section 6.1(d).

"Non-Recourse Indebtedness" means Indebtedness the documentation with respect to which expressly provides that (a) the lender(s) thereunder (and any agent for such lender(s)) may not seek a money judgment against the Person issuing such Indebtedness or (b) recourse for payment in respect of such Indebtedness is limited to those assets or Capital Stock of the Person issuing such Indebtedness which secure such Indebtedness (except in the case of customary indemnities or customary potential recourse carve-outs contained in such documentation, provided, that if a claim is made in connection with such indemnities or potential recourse carve-outs, such claim shall not constitute Non-Recourse Indebtedness for the purposes of this Agreement).

"Note" has the meaning set forth in Section 2.1(d).

"Obligated Property Owner" has the meaning set forth in the definition of "Unencumbered Property."

"Obligations" means with respect to the Borrower, all obligations, liabilities and Indebtedness of every nature of the Borrower from time to time owing to the Bank under or in connection with this Agreement or any other Loan Document, in each case whether primary, secondary, direct, indirect, contingent, fixed or otherwise, including interest accruing at the rate provided in the applicable Loan Document on or after the commencement of any bankruptcy or insolvency proceeding, whether or not allowed or allowable.

"Obligors" means the Borrower, Kimco (in its capacity as guarantor as set forth in Article IX hereof) and each Subsidiary Guarantor (in its capacity as guarantor as set forth in the Subsidiary Guarantee).



"**Other Taxes**" means any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement and/or the Note; provided, however, in no event, shall the definition of Other Taxes be deemed to include any Excluded Taxes.

"**Ownership Percentage**" means (a) in respect of a Wholly Owned Subsidiary, one hundred percent (100%), and (b) in respect of (i) any other Consolidated Entity (other than a Wholly Owned Subsidiary) or (ii) an Unconsolidated Entity, Kimco's direct and indirect percentage interest in such Entity determined in accordance with GAAP.

"**PBGC**" means the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA.

"**Permitted Encumbrances**" means (a) Liens imposed by law for taxes (i) that are not yet due and delinquent, or (ii) where (A) the validity or amount thereof is being contested in good faith by appropriate proceedings, (B) the Person responsible for such taxes is the Borrower, Kimco or a Wholly Owned Subsidiary and such Person has set aside on its books adequate reserves with respect thereto in accordance with GAAP, and (C) the failure to make payment pending such contest could not reasonably be expected to have a Material Adverse Effect, (b) carriers', warehousemen's, mechanics', materialmen's, repairmen's and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than thirty (30) days, except where (i) the validity or amount thereof is being contested in good faith by appropriate proceedings, (ii) the Person responsible for the charges so secured is the Borrower, Kimco or a Wholly Owned Subsidiary and such Person has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (iii) the failure to make payment pending such contest could not reasonably be expected to have a Material Adverse Effect, (c) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations, (d) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business, and (e) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of the Borrower, Kimco or of any Wholly Owned Subsidiary that has any direct or indirect interest in any Unencumbered Property; provided, that the term "Permitted Encumbrances" shall not include any Lien securing Indebtedness.

"**Person**" means an individual, partnership, limited liability company, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

"**Pesos**" and the symbol "**MXPS**" shall mean the lawful currency of Mexico.

"**Pricing Schedule**" means the "**Schedule 2.2**" annexed hereto.

"Plan" means at a particular time, any employee benefit plan which is covered by ERISA and in respect of which the Borrower, Kimco or a Commonly Controlled Entity is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA or with respect to which the Borrower, Kimco or a Commonly Controlled Entity may have any liability.

"Property" means real property owned by Kimco or any of its Subsidiaries or in which Kimco or any of its Subsidiaries has a leasehold interest.

"Property Gross Revenues" means, with respect to any Property, for any period, all gross income, revenues and consideration, of whatever form or nature, received by or paid to or for the account or benefit of the Person owning such Property, in each instance during such period, in connection with the ownership, operation, leasing and occupancy of such Property, including the following: (a) amounts received under leases, including base rent, escalation, overage, additional, participation, percentage and similar rentals, late charges and interest payments and amounts received on account of maintenance or service charges, real estate taxes, assessments, utilities, air conditioning and heating, insurance premiums and other administrative, management, operating, leasing and maintenance expenses for such property, but excluding until earned security deposits, prepaid rents and other refundable receipts, (b) rents and receipts from licenses, concessions, vending machines and similar items, (c) parking fees and rentals, (d) other fees, charges or payments not denominated as rental of office, retail, storage, parking or other space in such Property, and (e) payments received as consideration, in whole or in part, for the cancellation, modification, extension or renewal of leases; but in any event excluding the proceeds of any financing or asset sales in respect of all or any portion of such Property.

"Property NOI" means with respect to any Property, for any period, an amount equal to the excess, if any, of (a) Property Gross Revenues in respect of such Property for such period ~~over~~ (b) Property Operating Expenses in respect of such Property for such period.

"Property Operating Expenses" means, with respect to any Property, for any period, the sum of all expenses incurred during such period with respect to the ownership, operation, leasing and occupancy of such Property, including the following: (a) real estate taxes; (b) special assessments or similar charges paid during such period; (c) personal property taxes; (d) costs of utilities, air conditioning and heating; (e) maintenance and repair costs of a non-capital nature; (f) operating expenses and fees; (g) wages and salaries of on-site employees engaged in the operation and management of such Property, including employer's social security taxes and other taxes, insurance benefits and the like, levied on or with respect to such wages or salaries; (h) premiums payable for insurance carried on or with respect to such Property; (i) advertising and promotion costs; (j) rental expense; and (k) in the case of any Property owned or operated by an Investment Entity, any obligation of Kimco or any of its Subsidiaries (contingent or otherwise) to contribute funds to such Investment Entity. The following shall be excluded from Property Operating Expenses: (1) foreign, U.S., state and local income taxes, franchise taxes or other taxes based on income, (2) depreciation, amortization and any other non-cash deduction for income tax purposes, (3) interest expenses of the Person owning such Property, (4) property management fees payable to Kimco or its Affiliates, and (5) any expenditures made for capital improvements and the cost of leasing commissions.

"Property Owner" has the meaning set forth in the definition of "Unencumbered Property."

"Qualified Jurisdiction" means at any time of determination, any jurisdiction in which Kimco or any of its Subsidiaries is doing business at such time the government of which jurisdiction is internationally recognized at such time, including by the United States Government.

"Recourse Indebtedness" means any Indebtedness of any Person, (A) to the extent that Kimco is liable for direct claims for payment of such debt, or (B) to the extent that the payment of such debt is guaranteed by Kimco or that Kimco otherwise stands as a surety or accommodation party for such debt (provided, that the amount of any such obligation shall be deemed, for the purpose of this definition, to be Kimco's maximum reasonably anticipated liability in respect thereof as determined by Kimco in good faith), or (C) as to which a Lien securing such debt has been placed against any assets of Kimco (excluding from this clause (C) Non-Recourse Indebtedness of Kimco). (Any such Indebtedness shall not be treated as Recourse Indebtedness solely because of customary potential recourse carveouts contained in documentation, provided, that if a claim is made in connection with such potential recourse carve-outs, such claim shall constitute Recourse Indebtedness for the purposes of this Agreement).

"Reorganization" means, with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

"Replacement Swap" has the meaning set forth in Section 8.3 hereof.

"Replacement Swap Interest Period" has the meaning set forth in Section 8.3 hereof.

"Reportable Event" means any of the events set forth in Section 4043(b) of ERISA or the regulations thereunder, other than those events as to which the thirty (30) day notice period is waived under Sections .13, .14, .16, .18, .19 or .20 of PBGC Reg. § 2615.

"Requirement of Law" means as to any Person, any law, treaty, rule, guideline or regulation or decision, determination or directive of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person, or any of its property, or to which such Person, or any of its property is subject.

"Responsible Officer" means with respect to any Person, the chief executive officer and the president of such Person or the equivalent thereof or, with respect to financial matters, the chief financial officer or the treasurer of such Person or the equivalent thereof.

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

"Section 8.2(a) Additional Amount" has the meaning set forth in Section 8.2(a).

"Section 8.2(b) Additional Amount" has the meaning set forth in Section 8.2(b).

"Single Employer Plan" means any Plan which is covered by Title IV of ERISA, but which is not a Multiemployer Plan.

"Solvent" means as to any Person, that, as of any date of determination, (a) the amount of the present fair saleable value of the assets of such Person will, as of such date, exceed the amount of all liabilities of such Person, contingent or otherwise, as of such date, as determined in accordance with applicable United States federal and state laws (or analogous applicable foreign laws) governing determinations of the insolvency of debtors, (b) the present fair saleable value of the assets of such Person will, as of such date, be greater than the amount that will be required to pay the liability of such Person on its existing or anticipated debts as such debts become absolute and matured, and (c) such Person will not have as of such date, an unreasonably small amount of capital with which to conduct its business.

"Specified Date" has the meaning set forth in Section 8.3 hereof.

"Subsidiary" means as to any Person, a corporation, limited liability company, partnership or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, limited liability company, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise qualified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a direct or indirect Subsidiary or Subsidiaries of Kimco.

"Subsidiary Guarantee" means the subsidiary guarantee executed and delivered by each Subsidiary Guarantor pursuant to the terms of this Agreement, substantially in the form of Exhibit C hereto.

"Subsidiary Guarantor" has the meaning set forth in Section 10.20(a).

"Swap Agreement" means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided, that, for purposes of Section 6.4(c) hereof, no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of Kimco or any Affiliate thereof shall be a Swap Agreement.

"Taxes" means all income, duties, contributions, levies, imposts, charges, assessments, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority, and all interest, penalties or similar liabilities with respect thereto including Other Taxes.

"Test Period" means a period of two (2) consecutive fiscal quarters of Kimco.

"TIE Rate" means, on any date of determination, the Equilibrium Interbank Interest Rate (*Tasa de Interés Interbancaria de Equilibrio*) for a period of twenty-eight (28) days as published by the Central Bank in the *Diario Oficial de la Federación* on such date, or of most recent publication, prior to the such date, or if such date is not a Business Day, on the next preceding Business Day on which there was such a quote.

"Total Adjusted EBITDA" means, for any Test Period, Total EBITDA for such period minus (without duplication) (i) replacement reserves of USD\$0.15 (or the equivalent thereof in any other currency) per square foot of gross leasable area per annum, pro-rated for the applicable period, (ii) non-cash revenue for such period attributable to straight-lining of rents, (iii) EBITDA for such period attributable to Unconsolidated Entities, (iv) income for such period from mezzanine and mortgage loan receivables, (v) dividend and interest income from marketable securities, (vi) EBITDA for such period attributable to Identified Properties, and (vii) Kimco's and its Affiliates' management fee income and other income (excluding all items referred to in any other clause of this definition) for such period not attributable to Properties to the extent that such items referred to in this clause (vii), in the aggregate, exceed fifteen percent (15%) of Total EBITDA.

"Total Debt Service": in respect of any Test Period, interest expense plus scheduled principal debt amortization for Kimco and the Consolidated Entities on the aggregate principal amount of their respective Indebtedness (provided that (a) there shall be excluded optional prepayments and balloon payments due at maturity, and (b) in the case of any Indebtedness that amortizes in annual installments, there shall be included in the aggregate 50% of the amount of such annual installments payable during such Test Period and 50% of the amount of such annual installments payable during the two immediately succeeding fiscal quarters), plus preferred stock dividends paid during such Test Period.

"Total EBITDA" means, for any period, Adjusted Net Income of Kimco and the Consolidated Entities before income taxes, interest, depreciation, amortization, gains or losses on sales of operating real estate and marketable securities, any provision or benefit for income taxes, noncash impairment charges, and gains or losses on extraordinary items in accordance with GAAP and gains or losses on early extinguishment of debt, plus, without duplication, EBITDA of Unconsolidated Entities.

"Total Indebtedness" means as of any date of determination, all Indebtedness of Kimco, of its Wholly Owned Subsidiaries and any other Consolidated Entities, outstanding at such date.

"Total Priority Indebtedness" means as of any date of determination, the aggregate of (a) Indebtedness of Kimco or of any of the Consolidated Entities outstanding as of such date, secured by any asset of Kimco or the Consolidated Entities, and (b) all unsecured third party Indebtedness of the Consolidated Entities to Persons other than Kimco or any Consolidated Entity outstanding as of such date except to the extent that such unsecured third party Indebtedness is unconditionally and irrevocably guaranteed by Kimco.

"Total Unsecured Interest Expense" means actual interest expense (accrued, paid, or capitalized) on all Unsecured Debt of Kimco, of the Consolidated Entities and of the Unconsolidated Entities (other than of the Noncontrolled Entities).

"Transference" has the meaning set forth in Section 10.8.

"Unconsolidated Entity" means, as of any date of determination, a corporation, partnership, limited liability company, trust, joint venture, or other business entity in which Kimco, directly or indirectly through ownership of one or more intermediary entities, owns an equity interest but that is not required in accordance with GAAP to be consolidated with Kimco for financial reporting purposes.

"unencumbered" means with respect to any asset, as of any date of determination, the circumstance that such asset on such date (a) is not subject to any Liens or claims (including restrictions on transferability or assignability) of any kind (excluding Permitted Encumbrances), (b) is not subject to any agreement (including (i) any agreement governing Indebtedness incurred in order to finance or refinance the acquisition of such asset and (ii) if applicable, the organizational documents of any Entity) which prohibits or restricts in a material manner Kimco or any of the Entities from creating, incurring, assuming or suffering to exist any Lien upon, or conveying, selling, leasing, transferring or otherwise disposing of, any assets or Capital Stock of Kimco or any of the Entities (excluding any agreement which limits generally the amount of secured Indebtedness which may be incurred by Kimco and the Entities) and (c) is not subject to any agreement (including any agreement governing Indebtedness incurred in order to finance or refinance the acquisition of such asset) which entitles any Person to the benefit of any Lien (other than Permitted Encumbrances) on any assets or Capital Stock of Kimco or any of the Entities, or would entitle any Person to the benefit of any Lien (other than Permitted Encumbrances) on such assets or Capital Stock upon the occurrence of any contingency (other than pursuant to an "equal and ratable" clause contained in any agreement governing Indebtedness).

"Unencumbered Assets NOI" means for any period, Unencumbered Property NOI, plus (a) seventy-five percent (75%) of management fee revenues earned by Kimco and its Wholly Owned Subsidiaries in respect of properties owned by any Noncontrolled Entity, plus (b) the sum of dividend and interest income from unencumbered marketable securities and unencumbered mezzanine and mortgage loan receivables; provided, that management fee revenues earned in respect of properties owned by any Noncontrolled Entity, dividend and interest income from unencumbered mezzanine loan receivables and Unencumbered Assets NOI attributable to assets located outside of the United States or to assets owned by Entities not organized in and having principal offices in the United States shall not be taken into account to the extent the sum of all such items exceeds twenty-five percent (25%) of Unencumbered Assets NOI for the applicable period.

"Unencumbered Property" means (a) any Property wholly owned by Kimco or by a Wholly Owned Subsidiary (or in which Kimco or a Wholly Owned Subsidiary has a leasehold interest to the extent eligible pursuant to clause (b) of the second sentence of the definition of the term "Unencumbered Property NOI"), as to which Kimco has control, which Property is unencumbered (including freedom from restrictions, whether on the Property or the entity

holding such Property, on pledging such Property or the stock, limited liability company interests, partnership interests, or other ownership interests of any Person having an ownership interest in such Property as collateral or selling such Properties), and (b) any other unencumbered Property as to which Kimco or a Wholly Owned Subsidiary owns (directly or through the ownership of an interest in a Consolidated Entity) a majority of the equity interests or has a leasehold interest, as above, and has the power to direct acquisition, disposition, financing, and other major property decisions (which shall not include Properties owned by or through Noncontrolled Entities); provided, that no such Property shall be treated as an Unencumbered Property at any time during which any Person (other than Kimco) having any direct or indirect ownership interest in such Property (a "Property Owner") has any Indebtedness or has any obligation or liability, whether primary, secondary, direct, indirect, fixed, contingent, or otherwise (including as a guarantor or other surety or accommodation party, as the general partner of a partnership that has recourse Indebtedness, under applicable law, or otherwise) in respect of any Indebtedness (an "Obligated Property Owner"), unless at such time each such Obligated Property Owner is a Wholly Owned Subsidiary of Kimco and a Subsidiary Guarantor pursuant to an effective Subsidiary Guarantee.

"Unencumbered Property NOI" means, for any period, Property NOI for such period of Unencumbered Properties owned by Kimco or a Wholly Owned Subsidiary and the percentage equal to Kimco's Ownership Percentage interest in the applicable Property of Property NOI for such period of other Unencumbered Properties, in each case net of (x) management fees of three percent (3%) of revenues and (y) replacement reserves of USD\$0.15 (or the equivalent thereof in any other currency) per square foot per annum (pro-rated for the applicable Test Period) of gross leasable area, from Unencumbered Properties. For the purpose of determining Unencumbered Property NOI, (a) no property owned by any Noncontrolled Entity shall be included and (b) leasehold positions will be eligible if (i) with respect to the lease term, either (x) more than 25 years remains in such lease term or (y) such lease term is renewable in the sole discretion of Kimco for one or more successive periods aggregating (together with the remaining current lease term) more than 25 years so long as, in the case of this clause (y), periodic rent increases shall be at levels comparable to those that are customarily applicable to leases having initial terms in excess of 25 years, and (ii) such leasehold position is mortgageable and the terms of the lease include customary secured lender protections (including that (A) the lessor shall notify any holder of a security interest in such leasehold interest of the occurrence of any default by the lessee under such lease and shall afford such holder the right to cure such default, and (B) in the event that such lease is terminated, such holder shall have the option to enter into a new lease having terms substantially identical to those contained in the terminated lease)

"Unrestricted Cash and Cash Equivalents" means, as of any date of determination, the sum of (a) the Dollar Equivalent of the aggregate amount of Unrestricted cash then held by Kimco or any of the Consolidated Entities and (b) the Dollar Equivalent of the aggregate amount of Unrestricted Cash Equivalents (valued at the lower of cost and fair market value) then held by Kimco or any of the Consolidated Entities. As used in this definition, "Unrestricted" means, with respect to any asset, the circumstance that such asset is not subject to any Liens or claims of any kind in favor of any Person.

"Unsecured Debt" means all Indebtedness, which is not secured by a Lien on any income, Capital Stock, property or asset.

"VAT" has the meaning set forth in Section 10.3(a).

"Wholly Owned Subsidiary" means any entity all of the capital stock of which and any and all equivalent ownership interests of which (other than directors' qualifying shares required by law) are owned by Kimco directly or indirectly through one or more Wholly Owned Subsidiaries.

SECTION 1.2 Interpretation.

(a) Unless otherwise specified therein, all terms defined in this Agreement shall have such defined meanings when used in any other Loan Document or any certificate or other document made or delivered pursuant hereto or thereto.

(b) The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Article, Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(c) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(d) Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms.

(e) The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

(f) The word "will" shall be construed to have the same meaning and effect as the word "shall".

(g) Unless otherwise specified herein or the context requires otherwise (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and permitted assigns, and (iii) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(h) Unless otherwise specified, all accounting terms used in each Loan Document shall be interpreted, and all accounting determinations and computations hereunder and thereunder shall be made, in accordance with GAAP. Unless otherwise expressly provided, all financial covenants and defined financial terms shall be computed on a consolidated basis for Kimco and its Subsidiaries, in each case without duplication.



## ARTICLE II

### THE LOAN

#### SECTION 2.1 The Loan.

(a) Subject to the terms and conditions of this Agreement, including satisfaction of the conditions precedent set forth in Article IV, the Bank agrees to make the Loan in Pesos to the Borrower on the Closing Date in the amount of the Commitment Amount.

(b) The Borrower shall deliver to the Bank a notice requesting the borrowing of the Loan hereunder in the amount of the Commitment Amount, substantially in the form of Exhibit A hereto (the "Borrowing Request"), which shall be effective if received by the Bank no later than 10:00 a.m. Mexico City time on the date that is one (1) Business Day prior to the requested Closing Date.

(c) Any amount borrowed hereunder which is repaid or prepaid may not be re-borrowed.

(d) Note. The Loan shall be evidenced by a promissory note substantially in the form of Exhibit B hereto (the "Note"), executed by the Borrower and delivered to the Bank on or before the Closing Date.

(e) Repayment of the Loan. The Borrower shall repay the unpaid principal amount of the Loan in full on the Maturity Date. Prior to the Maturity Date, prepayments of the Loan, in whole or in part, shall or may only be made as set forth in Section 2.4 hereof.

(f) Purpose. The proceeds of the Loan shall be used by the Borrower on the Closing Date to repay in full all amounts due to the Bank under and relating to the Existing Scotiabank Credit Agreement and to pay any amounts due to the Bank under Sections 2.2 and 10.3 hereof (plus any Taxes due in respect thereof in accordance with Section 10.3(a)). The remaining proceeds of the Loan shall be used by the Borrower (i) for general corporate purposes of the Borrower and (ii) for financing of acquisitions and other investments and transactions by the Borrower and its Subsidiaries and Affiliates in Mexico including, without limitation, for the funding of development costs and other investment opportunities as they arise.

#### SECTION 2.2 Fees.

(a) Front End Fee. The Borrower shall pay to the Bank a fee of MXP\$5,500,000 (the "Front End Fee"), MXP\$1,500,000 of which (plus any Taxes due in respect thereof in accordance with Section 10.3(a)) shall be paid on or prior to the Effective Date and MXP\$4,000,000 of which (plus any Taxes due in respect thereof in accordance with Section 10.3(a)) shall be paid on the Closing Date as set forth in Section 2.1(f).

(b) Payment of Fees. The Borrower shall pay no later than the due date in respect of any fees set forth in this Section 2.2 any additional amounts payable to the Bank pursuant to Section 10.3 hereof in respect of such fees.

SECTION 2.3 Interest Rates and Payment Dates.

(a) Calculation of Interest. Subject to the terms of Sections 2.3(d) and 8.2, the principal amount outstanding in respect of the Loan shall bear interest (commencing on the Closing Date) at a rate per annum equal to the sum of (i) the Base Rate plus (ii) the Applicable Margin.

(b) Interest Payments. Interest accrued on principal of the Loan shall be payable in arrears, without duplication:

- (i) on each Interest Payment Date;
- (ii) upon any prepayment of the Loan pursuant to Section 2.4, Section 8.1 or Section 8.2 hereof, on the date of such prepayment;
- (iii) upon acceleration of the Loan pursuant to Article VII hereof, immediately upon such acceleration; and
- (iv) upon demand from time to time in the case of interest accruing pursuant to subsection (d) of this Section 2.3.

(c) Computation of Interest. Interest shall be calculated on the basis of a 360 day year for the actual days elapsed. Any change in the interest rate pursuant to Section 2.3(d) shall become effective in accordance with Section 2.3(d) and any change in the interest rate pursuant to Section 8.2 shall become effective as of the opening of business on the first Interest Payment Date occurring after the parties have agreed on an increase in the interest rate in accordance with Section 8.2. Any change in the Applicable Margin pursuant to a change in Kimco's senior unsecured debt ratings by S&P and Moody's as calculated in accordance with the Pricing Schedule shall become effective as of the opening of business on the first succeeding Interest Payment Date following such change in debt rating. Each determination of an interest rate by the Bank pursuant to any provision of this Agreement shall be conclusive and binding on the Obligors in the absence of manifest error.

(d) Default Interest. If all or a portion of (i) the principal outstanding on the Loan, (ii) any interest payable thereon or (iii) any fee or other amount payable hereunder or under any other Loan Document shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at the Default Rate, in each case from the date of such non-payment to the date on which such amount is paid in full (both before and after judgment).

SECTION 2.4 Optional Prepayments. The Borrower may from time to time, on any Interest Payment Date, prepay the Loan, in whole or in part, without premium or penalty, subject to the reimbursement of any amounts due to the Bank in respect of such prepayment under Section 8.3, upon delivery to the Bank of written notice at least two (2) Business Days prior to such Interest Payment Date. Such notice shall specify the date and amount of the prepayment and shall be irrevocable. If any such notice is given, the amount specified in such notice shall be due and payable on the Interest Payment Date specified therein, together with any amounts

payable pursuant to Section 8.3. Partial prepayments shall be in an aggregate principal amount of no less than MXPS50,000,000 and in whole multiples of MXPS10,000,000 in excess thereof (or, if less, the aggregate outstanding principal amount of the Loan).

SECTION 2.5     Application of Funds. Payments received by the Bank under the Loan Documents shall be applied, unless the Bank otherwise agrees, as follows:

- (i)     first, to the payment of VAT on any fees, losses, costs or expenses due and payable by the Borrower under the Loan Documents, including those arising pursuant Section 8.3;
- (ii)    second, to the payment of any fees, losses, costs or expenses due and payable by the Borrower under the Loan Documents, including those arising pursuant Section 8.3;
- (iii)   third, to the payment of any interest payable pursuant to Section 2.3(d);
- (iv)    fourth, to the payment of any other interest then due;
- (v)     fifth, to the payment of any accrued interest not then due;
- (vi)    sixth, to the payment of overdue principal; and
- (vii)   seventh, to the payment of other principal.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

To induce the Bank to enter into this Agreement and make available the Loan, each of the Borrower (with respect to itself and its Properties) and Kimco (with respect to itself, its Properties, its Subsidiaries and their respective Properties) hereby represents and warrants to the Bank as follows, as of each of the Effective Date and the Closing Date:

SECTION 3.1     Financial Condition. The consolidated balance sheet of Kimco and its Subsidiaries as at December 31, 2006 and December 31, 2005 and the related consolidated statements of income and of cash flows for the respective fiscal years ended on such dates, reported on by PricewaterhouseCoopers, LLP, copies of which have heretofore been furnished to the Bank, are complete and correct and present fairly the consolidated financial condition of Kimco and its Subsidiaries as at such dates, as applicable and the consolidated results of their operations and their consolidated cash flows for the applicable fiscal year then ended. The unaudited consolidated balance sheet of Kimco and its subsidiaries as at September 30, 2007 and the related unaudited consolidated statements of income and of cash flows for the nine-month period ended on such date, certified by a Responsible Officer of Kimco, copies of which have heretofore been furnished to the Bank, are complete and correct and present fairly the consolidated financial condition of Kimco and its Subsidiaries as at such date, and the consolidated results of their operations and their consolidated cash flows for the nine-month

period then ended (subject to normal year-end audit adjustments). All such financial statements, including the related schedules and notes thereto, have been prepared in accordance with GAAP applied consistently throughout the periods involved. Except as set forth on Schedule 3.1, neither Kimco nor any of the Consolidated Entities has, as of the Closing Date, any material Indebtedness, Guarantee Obligation, contingent liability or liability for taxes, or any unusual forward or long-term commitment, including any interest rate or foreign currency swap or exchange transaction, which is not reflected in the foregoing statements or in the notes thereto. Except as set forth on Schedule 3.1, during the period from December 31, 2006 to and including the Closing Date, there has been no sale, transfer or other disposition by Kimco or any of the Consolidated Entities of any material part of its business or property and no purchase or other acquisition of any business or property (including any capital stock of any other Person) material in relation to the consolidated financial condition of Kimco and the Consolidated Entities at December 31, 2006.

SECTION 3.2 No Change. Since September 30, 2007, there has been no development or event nor any prospective development or event, which has had or could reasonably be expected to have a Material Adverse Effect.

SECTION 3.3 Corporate Existence, Compliance with Law. Each Obligor (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (ii) has the corporate (or limited partnership or limited liability company or other form of organization, as applicable) power and authority, and the legal right, to own and operate its property, to lease the property it operates as lessee and to conduct the business in which it is currently engaged, and (iii) is duly qualified as a foreign corporation (or limited partnership or limited liability company or other form of organization, as applicable) and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification, except to the extent that the failure to be so qualified and in good standing could not, in the aggregate, reasonably be expected to have a Material Adverse Effect. Each of Kimco and its Subsidiaries is in compliance with all Requirements of Law, except to the extent that the failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

SECTION 3.4 Corporate Power, Authorization, Enforceable Obligations. Each Obligor has the corporate (or limited partnership or limited liability company or other form of organization, as applicable) power and authority, and the legal right, to make, deliver and perform each Loan Document to which it is a party and, in the case of the Borrower, to borrow hereunder, and each applicable Obligor has taken all necessary corporate (or limited partnership or limited liability company or other form of organization, as applicable) action to authorize the execution, delivery and performance of each Loan Document to which it is a party and, in the case of the Borrower, the Loan on the terms and conditions of this Agreement. No consent or authorization of, filing with or other act by or in respect of, any Governmental Authority or any other Person is required in connection with the Loan hereunder or with the execution, delivery, performance, validity or enforceability of any Loan Document. Each Loan Document has been duly executed and delivered on behalf of each applicable Obligor party thereto. Each Loan Document constitutes a legal, valid and binding obligation of each applicable Obligor party thereto enforceable against each such Obligor in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

SECTION 3.5 No Legal Bar. The execution, delivery and performance by each Obligor of the Loan Documents to which each such Obligor is a party and the consummation of the transactions contemplated thereby will not violate any Requirement of Law applicable to, or any Contractual Obligation of, any Obligor and will not result in, or require, the creation or imposition of any Lien on any of the properties or revenues of any Obligor.

SECTION 3.6 No Material Litigation. No litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower or Kimco, threatened by or against the Borrower or Kimco or any Subsidiary of Kimco or against any of their respective properties or revenues (a) with respect to the Loan Documents or any of the transactions contemplated hereby, or (b) which could reasonably be expected to have a Material Adverse Effect.

SECTION 3.7 Corporate or Similar Action. No Obligor has taken any corporate (or limited partnership or limited liability company or other form of organization) action nor have any other steps been taken or legal proceedings been started or (to the knowledge of either Kimco or the Borrower) threatened against any such Person for its winding-up, dissolution, administration or re-organization or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer for any or all of its respective assets or revenues.

SECTION 3.8 No Default. Neither Kimco nor any of its Subsidiaries is in default under or with regard to any of its Contractual Obligations in any respect which could reasonably be expected to have a Material Adverse Effect. No Default or Event of Default has occurred and is continuing.

SECTION 3.9 Ownership of Property. Each of the Borrower, Kimco and each Subsidiary of Kimco has good record title in fee simple to, or a valid leasehold interest in, all of its material real property, and good title to all of its other material property.

SECTION 3.10 Intellectual Property. To the extent applicable, each of the Borrower, Kimco and the Subsidiaries of Kimco owns, or is licensed to use, all trademarks, trade names, copyrights, technology, know-how and processes ("Intellectual Property") necessary for the conduct of its business as currently conducted except for those the failure to own or license which could not reasonably be expected to have a Material Adverse Effect. No claim has been asserted and is pending by any Person challenging or questioning the use of any Intellectual Property or the validity or effectiveness of any Intellectual Property, nor does the Borrower, Kimco or any of Kimco's Subsidiaries know of any valid basis for any such claim. The use of such Intellectual Property by the Borrower, Kimco or any Subsidiaries of Kimco, as applicable, does not infringe on the rights of any Person, except for such claims and infringements that, in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

SECTION 3.11 No Burdensome Restrictions; Disclosure. No Requirement of Law applicable to the Borrower, Kimco or any Subsidiaries of Kimco, or Contractual Obligation to

which the Borrower, Kimco or any of Kimco's Subsidiaries is bound, could reasonably be expected to have a Material Adverse Effect. No report, financial statement, certificate or other information furnished by or on behalf of any Obligor to the Bank in connection with the negotiation of the Loan Documents or delivered hereunder or thereunder (as modified or supplemented by other information so furnished) (a) contains any material misstatement of fact or (b) omits to state any material fact necessary to make the statements therein not misleading, in the light of the circumstances under which they were made; provided, that, with respect to projected financial information, each of Kimco and the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

**SECTION 3.12 Taxes.** (i) Each of the Borrower, Kimco and each Subsidiary of Kimco has (a) filed or caused to be filed all tax returns which, to the knowledge of the Borrower and Kimco, are required to be filed; and, (b) paid all Taxes respectively shown to be due and payable on such tax returns or on any assessments made against it or any of its property and all other Taxes, fees or other charges imposed on it or any of its property by any Governmental Authority (other than any Taxes, fees, or other charges the amount or validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of each such Person, as the case may be); (ii) no tax Lien has been filed, and, (iii) to the knowledge of the Borrower and Kimco, no claim is being asserted, with respect to any such tax, fee or other charge.

**SECTION 3.13 Regulation U.** No part of the proceeds of the Loan will be used for "purchasing" or "carrying" any "margin stock" within the respective meanings of each of the quoted terms under Regulation U of the Board as now and from time to time hereafter in effect or for any purpose which violates the provisions of the regulations of the Board. If requested by the Bank, the Borrower will furnish to the Bank a statement to the foregoing effect in conformity with the requirements of FR Form U-1 referred to in said Regulation U.

**SECTION 3.14 ERISA.** No Reportable Event has occurred during the five (5) year period prior to the Closing Date with respect to any Plan, and each Plan has complied in all material respects with the applicable provisions of ERISA and the Code. The present value of all accrued benefits under each Single Employer Plan maintained by the Borrower, Kimco or any Commonly Controlled Entity (based on those assumptions used to fund the Plans) did not, as of the last annual valuation date prior to the date on which this representation is made or deemed made, exceed the value of the assets of such Plan allocable to such accrued benefits. Neither the Borrower, Kimco nor any Commonly Controlled Entity has had a complete or partial withdrawal from any Multiemployer Plan, and neither the Borrower, Kimco nor any Commonly Controlled Entity would become subject to any liability under ERISA if such Person were to withdraw completely from all Multiemployer Plans as of the valuation date most closely preceding the date on which this representation is made or deemed made. No Multiemployer Plan is in Reorganization or Insolvent. The present value (determined using actuarial and other assumptions which are reasonable in respect of the benefits provided and the employees participating) of the liability of the Borrower, Kimco and each Commonly Controlled Entity for post retirement benefits to be provided to their current and former employees under Plans which are welfare benefit plans (as defined in Section 3(1) of ERISA) does not exceed the assets under all such Plans allocable to such benefits.

SECTION 3.15 Investment Company Act; Other Regulations. No Obligor is an “investment company”, or a company “controlled” by an “investment company”, within the meaning of the Investment Company Act of 1940, as amended. No Obligor is subject to regulation under any Federal or State statute or regulation which limits its ability to incur Indebtedness.

SECTION 3.16 Purpose. The proceeds of the Loans shall be used by the Borrower solely in accordance with Section 2.1(f).

SECTION 3.17 Environmental Matters. Except to the extent that the facts and circumstances giving rise to any such failure to be so true and correct, in the aggregate, could not reasonably be expected to have a Material Adverse Effect:

(a) To the best knowledge of the Borrower and Kimco, the Properties do not contain, and have not previously contained, any Materials of Environmental Concern in amounts or concentrations which constitute or constituted a violation of, or could reasonably give rise to liability under, Environmental Laws.

(b) To the best knowledge of the Borrower and Kimco, the Properties and all operations at the Properties are in compliance, and have in the last two years been in compliance, with all applicable Environmental Laws, and there is no contamination at, under or about the Properties, or violation of any Environmental Law with respect to the Properties.

(c) Neither the Borrower, Kimco nor any of Kimco's Subsidiaries has received any notice of violation, alleged violation, non-compliance, liability or potential liability regarding environmental matters or compliance with Environmental Laws with regard to any of the Properties, nor does the Borrower or Kimco have knowledge or reason to believe that any such notice will be received or is being threatened.

(d) To the best knowledge of the Borrower and Kimco, Materials of Environmental Concern have not been transported or disposed of from the Properties in violation of, or in a manner or to a location which could reasonably give rise to liability under, Environmental Laws, nor have any Materials of Environmental Concern been generated, treated, stored or disposed of at, on or under any of the Properties in violation of, or in a manner that could give rise to liability under, any applicable Environmental Laws.

(e) No judicial proceeding or governmental or administrative action is pending, or, to the knowledge of the Borrower and Kimco, threatened, under any Environmental Law to which Kimco or any of its Subsidiaries is or, to the knowledge of the Borrower and Kimco, will be named as a party with respect to the Properties, nor are there any consent decrees or other decrees, consent orders, administrative orders or other orders, or other administrative or judicial requirements outstanding under any Environmental Law with respect to the Properties.

(f) To the best knowledge of the Borrower and Kimco, there has been no release or threat of release of Materials of Environmental Concern at or from the Properties, or arising from or related to the operations of the Borrower, Kimco and Kimco's Subsidiaries in connection with the Properties in violation of or in amounts or in a manner that could give rise to liability under Environmental Laws.

SECTION 3.18 Insurance. Each of the Borrower, Kimco and the Subsidiaries of Kimco maintains with insurance companies rated at least A- by A.M. Best & Co., with premiums at all times currently paid, insurance upon its fixed assets and inventories, including public liability insurance, fire and all other risks insured against by extended coverage, fidelity bond coverage, business interruption insurance, and all insurance required by law, all in form and amounts required by law and customary to the respective natures of their businesses and properties, except in cases where failure to maintain such insurance will not have or potentially have a Material Adverse Effect.

SECTION 3.19 Condition of Properties. Except to the extent that the facts and circumstances giving rise to any such failure to be so true and correct, in the aggregate, could not reasonably be expected to have a Material Adverse Effect:

(a) All of the improvements located on the Properties and the use of said improvements comply and shall continue to comply in all respects with all applicable zoning resolutions, building codes, subdivision and other similar applicable laws, rules and regulations and are covered by existing valid certificates of occupancy and all other certificates and permits required by applicable laws, rules, regulations and ordinances or in connection with the use, occupancy and operation thereof.

(b) No material portion of any of the Properties, nor any improvements located on said Properties that are material to the operation, use or value thereof, have been damaged in any respect as a result of any fire, explosion, accident, flood or other casualty.

(c) No condemnation or eminent domain proceeding has been commenced or, to the knowledge of the Borrower or Kimco, is about to be commenced against any portion of any of the Properties, or any improvements located thereon that are material to the operation, use or value of said Properties.

(d) No notices of violation of any federal, state or local law or ordinance or order or requirement have been issued with respect to any Properties.

SECTION 3.20 Benefit of Loans. Kimco and its Subsidiaries are engaged as an integrated corporate group in the business of acquiring, owning, developing and operating shopping centers and of providing the required services and other facilities for those integrated operations. Each of the Obligors expects to derive benefits, directly or indirectly, in return for undertaking their respective obligations under the Loan Documents, both individually and as members of the integrated group.

SECTION 3.21 REIT Status. Kimco qualifies as real estate investment trust under Section 856(a) of the Code.

SECTION 3.22 Solvency. On the Effective Date and the Closing Date, after giving effect to the transactions contemplated by the Loan Documents on each such date, each Obligor is Solvent.



## ARTICLE IV

### CONDITIONS

#### SECTION 4.1 Conditions to Funding of Loan

The obligation of the Bank to make the Loan available to the Borrower on the Closing Date is subject to the satisfaction of the following conditions on or prior to the Effective Date:

(a) Loan Documents. The Bank shall have received each the Loan Documents, duly executed and delivered by each of the parties thereto.

(b) Fees and Expenses. The Bank shall have received payment (or written instructions that the Bank may apply a portion of the Loan proceeds to pay such amounts) of (i) all of the Bank's fees and expenses in connection with the making of the Loan and the preparation, negotiation and execution of the Loan Documents, including the reasonable fees and disbursements invoiced through the Closing Date of the Bank's legal counsel, (ii) any other amounts due and payable to the Bank on or prior to the Closing Date hereunder, including pursuant to Sections 2.2 or 10.3 hereof, and (iii) all reasonable third-party out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder.

(c) Legal Opinions. The Bank shall have received the following legal opinions in form and content acceptable to the Bank:

- i. from Mayer Brown, LLP, United States counsel to the Bank; and
- ii. from Robert Schulman, Esq., United States counsel to the Borrower and each of the Guarantors.

(d) Borrower Officer Certificate. The Bank shall have received a certificate from a Responsible Officer of the Borrower dated as of the Closing Date and in substantially the form of Exhibit E-1 hereto: (i) confirming compliance with the conditions specified in this Section 4.1 and that no consent, approval or waiver is required for the execution, delivery and performance by the Borrower of the Loan Documents to which the Borrower is a party and (ii) certifying as to the names and offices of the Persons authorized to sign the Loan Documents to be delivered pursuant to the terms hereof by the Borrower, together with the specimens of the signatures of each such Person and a certificate of another officer of the Borrower, certifying as to the name, office, and signature of the Responsible Officer of the Borrower signing the first certificate described in this clause (d).

(e) Kimco Officer Certificate. The Bank shall have received a certificate from a Responsible Officer of Kimco dated as of the Closing Date and in substantially the form of Exhibit E-2 hereto: (i) confirming that no consent, approval or waiver such is required for the execution, delivery and performance by Kimco of the Loan Documents to which it is a party and (ii) certifying as to the name(s) and offices of the Persons authorized to sign the Loan Documents to be delivered pursuant to the terms hereof by Kimco, together with specimens of the signatures of each such Person and a certificate of another officer of Kimco, certifying as to the name, office, and signature of the Responsible Officer of Kimco signing the first certificate described in this clause (e).

(f) Subsidiary Guarantor Officer Certificates. The Bank shall have received a certificate from a Responsible Officer of each Initial Subsidiary Guarantor dated as of the Closing Date and in substantially the form of Exhibit E-3 hereto: (i) confirming that no consent, approval or waiver is required for the execution, delivery and performance by such Initial Subsidiary Guarantor of the Loan Documents and (ii) certifying as to the name(s) and offices of the Persons authorized to sign the Loan Documents to be delivered pursuant to the terms hereof by such Initial Subsidiary Guarantor, together with specimens of the signatures of each such Person and a certificate of another officer of such Initial Subsidiary Guarantor, certifying as to the name, office, and signature of the Responsible Officer of the Initial Subsidiary Guarantor signing the first certificate described in this clause (f).

(g) Organizational Documents, Etc. The Bank shall have received such documents and certificates as the Bank or its counsel may reasonably request relating to the organization, existence and good standing of each Obligor, and board and/or shareholder resolutions, or the equivalent, as required, evidencing the authorization of the execution, delivery and performance by each Obligor of the Loan Documents to which it is a party and the transactions contemplated thereby, all in form and substance reasonably satisfactory to the Bank and certified to be true, correct and complete by a Responsible Officer of such Obligor, as of the Closing Date.

(h) Financial Statements. The Bank shall have received (i) unqualified audited consolidated financial statements of Kimco for fiscal years 2005 and 2006, (ii) unaudited interim consolidated financial statements of Kimco as of and for the first three fiscal quarters in fiscal year 2007, in each case prepared in accordance with GAAP, and (iii) pro forma financial statements of the Borrower giving effect to the Loan and the transactions contemplated by the Loan Documents.

(i) Existing JP Morgan Credit Agreement. As of the date of execution of this Agreement, no Default (as such term is defined under the Existing JP Morgan Credit Agreement) has occurred or is continuing under the Existing JP Morgan Credit Agreement.

(j) Banking Account. The Borrower shall have opened a Mexican Peso checking account with the Bank in order to facilitate disbursements as well in order to facilitate principal and interest payments (the "Borrower Account").

(k) No Material Adverse Effect. There shall not have occurred or become known to the Bank any material adverse condition or material adverse change in or affecting the business, operations, property or financial condition of Kimco and its Subsidiaries taken as a whole.

(l) No Event of Default. No Default or Event of Default shall have occurred and be continuing on the Closing Date or after giving effect to the making of the Loan by the Bank on the Closing Date.

(m) Governmental Approvals. All governmental and third party approvals necessary or, in the discretion of the Bank, advisable in connection with the Loan contemplated hereby and the continuing operations of Kimco and its Subsidiaries (including without limitation the Borrower and the Subsidiary Guarantors) shall have been obtained and be in full force and effect.

(n) Representations and Warranties. Each of the representations set out in Article III shall be true and correct in all material respects on and as of the Effective Date and the Closing Date.

(o) Borrowing Request. The Bank shall have received the Borrowing Request, which shall include written instructions from the Borrower to direct a portion of the Loan proceeds to pay off all amounts due to the Bank under the Existing Scotiabank Credit Agreement.

#### ARTICLE V

##### AFFIRMATIVE COVENANTS

Each of the Borrower and Kimco agrees with the Bank, for itself and its Subsidiaries, as applicable, so long as any amount remains outstanding and unpaid under the Loan Documents, as follows:

SECTION 5.1 Financial Statements. Kimco and the Borrower shall furnish to the Bank:

(a) as soon as available, but in any event, (i) within forty-five (45) days of the end of the first three (3) quarterly periods of each fiscal year, a copy of the unaudited internally generated financial statements of the Borrower, and (ii) within ninety (90) days of the end of the fiscal year, a copy of the annual unaudited internally generated financial statements of the Borrower;

(b) as soon as available, but in any event, within ninety (90) days of the end of each fiscal year of Kimco, a copy of the consolidated balance sheet of Kimco and its Subsidiaries as at the end of such year and the related consolidated statements of income and retained earnings and of cash flows of Kimco and its Subsidiaries for such year, setting forth in each case in comparative form the figures as of the end and for the previous year, reported on without a "going concern" or like qualification or exception, or qualification arising out of the scope of the audit, by PricewaterhouseCoopers, LLP or other independent certified public accountants of nationally recognized standing;

(c) as soon as available, but in any event not later than the forty-five (45) days after the end of each of the first three (3) quarterly periods of each fiscal year of Kimco, the unaudited consolidated balance sheet of Kimco and its Subsidiaries as at the end of such quarter and the related unaudited consolidated statements of income and retained earnings and cash flows of Kimco and its Subsidiaries for such quarter and the portion of the fiscal year through the end of such quarter, setting forth in each case in comparative form the figures for the corresponding date or period, as the case may be, in the previous year, certified by a Responsible Officer as being fairly stated in all material respects (subject to normal year-end audit adjustments); and

(d) all such financial statements shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP applied consistently throughout the periods reflected therein and with prior periods (except as approved by such accountants or officer, as the case may be, and disclosed therein).

SECTION 5.2 ~~Certificates; Other Information.~~ Each of the Borrower and Kimco shall furnish to the Bank:

(a) concurrently with the delivery of the financial statements referred to in Section 5.1(a), 5.1(b) and 5.1(c), a compliance certificate of a Responsible Officer of the Borrower and Kimco, as applicable, substantially in the form of Exhibit D;

(b) within ten (10) days after any such statements and reports are sent, copies of all financial statements and reports which Kimco sends to its stockholders, and within ten (10) days after the same are filed, copies of all financial statements, reports or other documents which Kimco may provide to, or file with, the Securities and Exchange Commission or any successor or analogous Governmental Authority;

(c) promptly, upon request of the Bank, a list of all Entities, and such additional financial information, information with respect to any Property and other information as the Bank may from time to time reasonably request; and

(d) promptly, upon request of the Bank, any such other information relating to the Borrower, Kimco or any Subsidiary Guarantor as the Bank may require to comply with any Requirement of Law or request or directive of any Governmental Authority having jurisdiction over the Bank.

SECTION 5.3 Payment of Obligations. Each of the Borrower and Kimco shall, and Kimco shall cause its Subsidiaries to, pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its respective obligations of whatever nature, except (a) where the amount or validity thereof is currently being contested in good faith by appropriate proceedings and reserves in conformity with GAAP, with respect thereto, have been provided on the books of the Borrower, Kimco or any other Subsidiary of Kimco, as applicable or (b) (i) Non-Recourse Indebtedness and (ii) other obligations which aggregate not more than USD\$50,000,000, in each case to the extent that Kimco has determined in good faith that it is in its best interests not to pay or contest such Non-Recourse Indebtedness or such other obligations, as the case may be.

SECTION 5.4 Maintenance of Existence, etc. Each of the Borrower and Kimco shall, and Kimco shall cause its Subsidiaries to:

- (a) Preserve, renew and keep in full force and effect its corporate existence;

(b) take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of each of their respective businesses, except to the extent that failure to comply therewith could not, in the aggregate, be reasonably expected to have a Material Adverse Effect;

(c) Comply with all Contractual Obligations and Requirements of Law except to the extent that failure to comply therewith could not, in the aggregate, be reasonably expected to have a Material Adverse Effect.

SECTION 5.5 Maintenance of Property; Insurance. Each of the Borrower and Kimco shall, and Kimco shall cause its Subsidiaries to, keep all property useful and necessary in each of their respective businesses in good working order and condition; maintain insurance with financially sound and reputable insurance companies on all of its property in at least such amounts and against at least such risks (but including in any event public liability, product liability and business interruption) as are usually insured against in the same general area by companies engaged in the same or a similar business; and furnish to the Bank, upon written request, full information as to the insurance carried.

SECTION 5.6 Inspection of Property; Books and Records Discussions. Each of the Borrower and Kimco shall, and Kimco shall cause its Subsidiaries to, keep proper books of records and accounts in which full, true and correct entries in conformity with GAAP and all Requirements of Law shall be made of all dealings and transactions in relation to its respective business and activities; and permit representatives of the Bank to visit and inspect any of its respective properties and examine and make abstracts from any of its respective books and records at any reasonable time, upon reasonable notice, and as often as may reasonably be desired and to discuss the respective business, operations, properties and financial and other condition of the Borrower, Kimco or any such Subsidiary of Kimco with the respective financial officers and employees of such Person and with the respective independent certified public accountants of such Person.

SECTION 5.7 Notices. Each of the Borrower and Kimco shall promptly give notice to the Bank of:

- (a) the occurrence of any Default or Event of Default;
- (b) any (i) default or event of default under any contractual obligation of any Obligor or (ii) litigation, investigation or proceeding which may exist at any time between any Obligor and any Governmental Authority, which in either case, if not cured or if adversely determined, as the case may be, could reasonably be expected to have a Material Adverse Effect;
- (c) any litigation or administrative or other proceeding affecting the Borrower, Kimco or any Subsidiary of Kimco in which the amount involved is USD\$50,000,000 or more on an individual basis (or USD\$100,000,000 or more in the aggregate together with all other such litigation or administrative or other proceedings affecting the Borrower, Kimco or any of its other Subsidiaries) and not covered by insurance or in which material injunctive or similar relief is sought;

(d) the following events, as soon as possible and in any event within thirty (30) days after the Borrower or Kimco knows or has reason to know thereof: (i) the occurrence or expected occurrence of any Reportable Event with respect to any Plan, a failure to make any required contribution to a Plan, the creation of any Lien in favor of the PBGC or a Plan or any withdrawal from, or the termination, Reorganization or Insolvency of, any Multiemployer Plan or (ii) the institution of proceedings or the taking of any other action by the PBGC or the Borrower, Kimco or any Commonly Controlled Entity or any Multiemployer Plan with respect to the withdrawal from, or the terminating, Reorganization or Insolvency of, any Plan; and

(e) any development or event which has had or could reasonably be expected to have a Material Adverse Effect.

#### SECTION 5.8 Environmental Laws.

(a) Each of the Borrower and Kimco shall, and Kimco shall cause its Subsidiaries to, comply with, and use best efforts to ensure compliance by all tenants and subtenants, if any, with, all applicable Environmental Laws and obtain and comply with and maintain, and use its best efforts to ensure that all tenants and subtenants obtain and comply with and maintain, any and all licenses, approvals, notifications, registrations or permits required by applicable Environmental Laws, except to the extent that failure to do so could not be reasonably expected to have a Material Adverse Effect;

(b) Each of the Borrower and Kimco shall, and Kimco shall cause its Subsidiaries to conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions required under the applicable Environmental Laws and promptly comply in all material respects with all lawful orders and directives of all Governmental Authorities regarding the applicable Environmental Laws, except to the extent that (i) the same are being contested in good faith by appropriate proceedings and the pendency of such proceedings could not be reasonably expected to have a Material Adverse Effect or (ii) Kimco has determined in good faith that contesting the same is not in the best interests of Kimco and its Subsidiaries and the failure to contest the same could not be reasonably expected to have a Material Adverse Effect;

(c) The Borrower shall defend, indemnify and hold harmless the Bank and its employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses (whether arising pre-judgment or post-judgment) of whatever kind or nature known or unknown, contingent or otherwise, arising out of, or in any way relating to the violation of, non-compliance with or liability under any Environmental Laws applicable to the operations of the Borrower, Kimco or any Subsidiary of Kimco or any Property, or any orders, requirements or demands of Governmental Authorities related thereto, including attorney's and consultant's fees, investigation and laboratory fees, response costs, court costs and litigation expenses, except to the extent that any of the foregoing arise out of the gross negligence or willful misconduct of the party seeking indemnification therefor. Notwithstanding anything to the contrary in this Agreement, this indemnity shall continue in full force and effect following the termination of this Agreement and repayment in full of the Loan and all amounts due to the Bank under the Loan Documents.

## ARTICLE VI

### NEGATIVE COVENANTS

The Borrower and Kimco hereby agree with the Bank, so long as any amount remains outstanding and unpaid under the Loan Documents, as follows:

#### SECTION 6.1 Financial Covenants. Kimco shall not directly or indirectly:

(a) Total Indebtedness Ratio. Permit, at the last day of any Test Period, the ratio of (i) Total Indebtedness as of such day to (ii) Gross Asset Value as of such day to exceed 0.60 to 1.00 (or 0.65 to 1.00 for a period not to exceed 270 consecutive days in the event that during the applicable period Kimco or one of the Consolidated Entities has incurred Indebtedness in connection with Major Acquisitions).

(b) Total Priority Indebtedness Ratio. Permit, at the last day of any Test Period, the ratio of (i) Total Priority Indebtedness as of such day to (ii) Gross Asset Value as of such day to exceed 0.35 to 1.00.

(c) Unsecured Interest Expense Ratio. Permit, for any Test Period, the ratio of (i) Unencumbered Assets NOI for such period to (ii) Total Unsecured Interest Expense for such period to be less than 1.75 to 1.00.

(d) Fixed Charge Coverage Ratio. Permit, for any Test Period, the ratio of Total Adjusted EBITDA for such period to Total Debt Service for such period to be less than 1.50 to 1.00. Solely for the purpose of calculating the ratio in this clause (d), Total Adjusted EBITDA (i) shall include cash flow distributions (other than distributions in respect of capital transactions) from Noncontrolled Entities ("Noncontrolled Entity Operating Cash Flow"), provided, that Noncontrolled Entity Operating Cash Flow distributed during the most recent twelve-month period in respect of any Noncontrolled Entity shall be included, without duplication, only to the extent of fifty percent (50%) of the amount of such distributions made in such twelve-month period, and (ii) shall be increased by the amounts excluded pursuant to clauses (iv), (v) and (vi) of the definition of the term "Total Adjusted EBITDA".

Solely for the purposes of this Section 6.1, direct or indirect reference to EBITDA, NOI, Indebtedness and debt service (and items thereof, when applicable) with respect to the Entities, when included, shall be included only to the extent of the Ownership Percentage therein, except as otherwise specifically provided.

#### SECTION 6.2 Limitation on Certain Fundamental Changes.

(a) Neither the Borrower nor Kimco shall, nor shall Kimco permit any of its Subsidiaries to, directly or indirectly: (i) enter into any merger (except as described in Schedule 6.2), consolidation or amalgamation, (ii) liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or (iii) convey, sell, lease, assign, transfer or otherwise dispose of, all or a substantial portion of its respective property, business or assets (each such transaction referred to in the preceding subclauses (i), (ii) and (iii), a "Capital Transaction"), unless (x) such

Capital Transaction, in the case of the Borrower, does not involve all or a substantial portion of the property, business or assets owned or leased by it and, in the case of Kimco or any of its other Subsidiaries, does not involve all or a substantial portion of the property, business or assets owned or leased by Kimco and its Subsidiaries, determined on a consolidated basis with respect to Kimco and its Subsidiaries taken as a whole, (y) there is no Default or Event of Default, before and after giving effect to such Capital Transaction (including any changes resulting from recharacterization of Unencumbered Property), and (z) without limiting the foregoing, Kimco is in compliance with all covenants under Section 6.1 after giving effect to such Capital Transaction (including any changes resulting from recharacterization of Unencumbered Property), and would have been in compliance therewith for the most recent Test Period if such Capital Transaction had been given effect (including any changes resulting from recharacterization of Unencumbered Property) during such Test Period; *provided*, that neither the Borrower nor Kimco may engage in a Capital Transaction other than a merger as to which it is the surviving entity; *provided further*, that, notwithstanding the foregoing, (A) any Subsidiary of Kimco (other than the Borrower) may merge with an Obligor hereunder so long as the surviving entity is an Obligor hereunder, (B) any Subsidiary of Kimco (other than the Borrower) may liquidate, wind up or dissolve itself so long as such Subsidiary's assets are transferred to an Obligor and (C) any Subsidiary of Kimco (other than the Borrower) may convey, sell, lease, assign, transfer or otherwise dispose of any of its assets to an Obligor.

(b) Limitation on Investments, Loans and Advances. Kimco shall not, nor shall it permit any of its Subsidiaries to, directly or indirectly, make any advance, loan, extension of credit or capital contribution to any Person, or purchase any stock, bonds, notes, debentures or other securities of or any assets constituting a business unit of, or otherwise make any investment in, any Person, or acquire or otherwise make any investment in any real property (collectively, "Investments"), if, after giving effect thereto, the aggregate amount of Investments (valued at cost) made in Noncontrolled Entities from and after the date of this Agreement would exceed thirty percent (30%) of Gross Asset Value.

(c) Limitation on Transactions with Affiliates. Kimco shall not, nor shall it permit any of its Subsidiaries to, directly or indirectly, enter into any transaction, including any purchase, sale, lease or exchange of property or the rendering of any service, with any Affiliate unless (a) no Default or Event of Default would occur as a result thereof and (b) such transaction is (i) in the ordinary course of the business that is a party thereto and (ii) upon fair and reasonable terms no less favorable to such Person that is a party thereto or is affected thereby than would be obtained in a comparable arm's length transaction with a Person that is not an Affiliate.

SECTION 6.3 Limitation on Changes in Fiscal Year. Neither the Borrower nor Kimco shall permit its fiscal year to end on a day other than December 31 unless otherwise required by any applicable law, rule or regulation.

SECTION 6.4 Limitation on Lines of Business; Issuance of Commercial Paper; Creation of Subsidiaries; Negative Pledge. Neither the Borrower nor Kimco shall, nor shall Kimco permit any of its Subsidiaries to:



(a) Engage in activities other than real estate business and real estate related business activities, and in activities permitted for real estate investment trusts under the Code (including through taxable REIT Subsidiaries);

(b) Issue any commercial paper in an aggregate principal amount exceeding the aggregate unused and available commitments under any revolving credit facility entered into by such Person and not prohibited by this Agreement. For the purposes of this paragraph, commitments shall be deemed to be available to the extent that, on any date of determination, assuming timely delivery of a borrowing notice by the Borrower, the lender(s) would be obligated to fund loans pursuant thereto;

(c) Enter into any Swap Agreement, except Swap Agreements entered into in the ordinary course of business (not for purposes of speculation) to hedge or mitigate risks, including those related to interest rates or currency exchange rates, to which the Borrower, Kimco or any other Subsidiary of Kimco is exposed in the conduct of its business or the management of its liabilities.

## ARTICLE VII

### EVENTS OF DEFAULT

SECTION 7.1 Default; Events of Default. If any of the following events shall occur and be continuing:

(a) The Borrower shall fail to pay any principal of the Loan when due in accordance with the terms hereof or shall fail to pay any interest or any other amount payable hereunder within five (5) Business Days after any such interest or other amount becomes due in accordance with the terms hereof; or

(b) Any representation or warranty made or deemed made by the Borrower or Kimco herein or by any Obligor in any other Loan Document or which is contained in any certificate, document or financial or other statement furnished by it at any time under or in connection with this Agreement or any other Loan Document shall prove to have been incorrect in any material respect on or as of the date made or deemed made or furnished; or

(c) There shall be any default in the observance or performance of any covenant or obligation contained in Section 5.7(a) or Article VI; or

(d) Any Obligor shall default in the observance or performance of any other term or condition contained in this Agreement (other than as provided in paragraphs (a) through (c) of this Article VII) or any term or condition in any other Loan Document and such default shall continue unremedied for a period of thirty (30) days after notice from the Bank; provided however, that such thirty (30) day period shall be extended for a further maximum period of thirty (30) days, if the Borrower or Kimco is taking all diligent steps to remedy such default; or

(e) Any Obligor shall (i) default in making any payment of any principal of any Indebtedness (including any Guarantee Obligation, but excluding any Non-Recourse

Indebtedness) on the scheduled or original due date with respect thereto; or (ii) default in making any payment of any interest on any such Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created; or (iii) default in the observance or performance of any other agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or beneficiary of such Indebtedness (or a trustee or agent on behalf of such holder or beneficiary) to cause, with the giving of notice if required, such Indebtedness to become due prior to its stated maturity or (in the case of any such Indebtedness constituting a Guarantee Obligation) to become payable; provided, that a default, event or condition described in subclause (i), (ii) or (iii) of this ~~paragraph.(c)~~ shall not at any time constitute an Event of Default under this Agreement unless, at such time, one or more defaults, events or conditions of the type described in subclauses (i), (ii) and (iii) of this ~~paragraph.(c)~~ shall have occurred and be continuing with respect to Indebtedness the outstanding principal amount of which exceeds in the aggregate USD\$50,000,000 (or the equivalent thereof in any other currency) (calculated, in the case of Indebtedness of an Unconsolidated Entity, by multiplying the amount of such Indebtedness by the percentage of Kimco's direct or indirect equity interest in such Unconsolidated Entity); or

(f) (i) Any Obligor shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or any Obligor shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against any Obligor any case, proceeding or other action of a nature referred to in subclause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of sixty (60) days; or (iii) there shall be commenced against any Obligor any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; or (iv) any Obligor shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in subclause (i), (ii), or (iii) above; or (v) any Obligor shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

(g) Kimco shall cease, for any reason, to be a party to this Agreement or the guarantee granted hereunder by Kimco or the Subsidiary Guarantee shall cease, for any reason, to be in full force and effect, or Kimco or any other Guarantor shall so assert; or

(h) a Change in Control shall occur; or

(i) An Event of Default (as defined under the Existing JP Morgan Credit Agreement) shall occur and be continuing under the Existing JP Morgan Credit Agreement;

(j) (i) Any Person shall engage in any "prohibited transaction" (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Plan, (ii) any "accumulated funding deficiency" (as defined in Section 302 of ERISA), whether or not waived, shall exist with respect to any Plan or any Lien in favor of the PBGC or a Plan shall arise on the assets of the Borrower, Kimco or any Commonly Controlled Entity, (iii) a Reportable Event shall occur with respect to, or proceedings shall commence to have a trustee appointed (or a trustee shall be appointed) to administer, or to terminate, any Single Employer Plan, which Reportable Event or commencement of proceedings or appointment of a trustee is, in the reasonable opinion of the Bank, likely to result in the termination of such Plan for purposes of Title IV of ERISA, (iv) any Single Employer Plan shall terminate for purposes of Title IV of ERISA, (v) the Borrower, Kimco or any Commonly Controlled Entity shall, or is, in the reasonable opinion of the Bank, likely to incur any liability in connection with a withdrawal from, or the Insolvency or Reorganization of, a Multiemployer Plan or (vi) any other event or condition shall occur or exist with respect to a Plan; and in each case in subclauses (i) through (vi) above, such event or condition, together with all other such events or conditions, if any, could reasonably be expected to have a Material Adverse Effect; or

(k) One or more judgments or decrees shall be entered against Kimco or any Entity involving in the aggregate one or more liabilities (not paid or fully covered by insurance) of USD\$50,000,000 or more (or the equivalent thereof in any other currency) (excluding Non-Recourse Indebtedness) (calculated, in the case of a judgment or decree against an Unconsolidated Entity, by multiplying the amount of such judgment or decree by the percentage of Kimco's direct or indirect equity interest in such Unconsolidated Entity), and, in either case, all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within sixty (60) days from the entry thereof; or

(l) Kimco shall cease, for any reason, to maintain its qualification as a real estate investment trust under Section 856(a) of the Code; or

(m) At any time the Borrower or Kimco or any of their respective Subsidiaries shall be required to take any actions in respect of environmental remediation and/or environmental compliance, the aggregate expenses, fines, penalties or other charges with respect to which are recourse to the Borrower or Kimco and, in the judgment of the Bank, could reasonably be expected to exceed USD\$50,000,000 (or the equivalent thereof in any other currency) in the aggregate; provided, that any such remediation or compliance shall not be taken into consideration for the purposes of determining whether an Event of Default has occurred pursuant to this paragraph (m) if (i) such remediation or compliance is being contested by the Borrower, Kimco or the applicable Subsidiary in good faith by appropriate proceedings or (ii) such remediation or compliance is satisfactorily completed within ninety (90) days from the date on which the Borrower, Kimco or any such Subsidiary receives notice that such remediation or compliance is required, unless such remediation or compliance cannot reasonably be completed within such ninety (90) day period in which case such time period shall be extended for a period of time reasonably necessary to perform such compliance or remediation using diligent efforts (not to exceed 180 days if the continuance of such remediation or compliance beyond such 180 day period, in the judgment of the Bank, could reasonably be expected to have a Material Adverse Effect); or

then, and in any such event, the Bank may terminate its Commitment and declare the Loan hereunder (with accrued interest thereon) and all other amounts owing under this Agreement and the other Loan Documents immediately due and payable, whereupon the same shall immediately become due and payable; provided, that, in the case of the occurrence of an Event of Default of the kind referred to in clause (f) hereof, the Commitment shall automatically terminate and all amounts under the Loans Documents shall become immediately due and payable without any further actions by the Bank.

ARTICLE VIII

ILLEGALITY; INCREASED COSTS

SECTION 8.1 Illegality. (a) Notwithstanding any other provision herein, if the adoption (after the Effective Date) of or any change (after the Effective Date) in any Requirement of Law or in the interpretation or application thereof shall make it unlawful for the Bank to maintain the Loan as contemplated by this Agreement, then, in any such case, the Bank shall notify the Borrower in writing of the occurrence of such event, stating the reasons therefor. Upon delivery of any such notice, the Bank and the Borrower shall negotiate reasonably and in good faith to agree to appropriate measures to be taken to remedy such unlawfulness; provided that, should such parties fail to agree on such appropriate measures during the sixty (60) day period commencing on the date such notice is given, the Borrower shall prepay the Loan in full without any prepayment penalty or charge, except for payments of amounts due to the Bank in respect of such prepayment under Section 8.3, (i) immediately upon demand if the unlawful nature of such Loans, in the reasonable judgment of the Bank, requires immediate prepayment or (ii) otherwise, on the next succeeding date on which interest is payable pursuant to Section 2.3(b). If, in the case of any prepayment pursuant to this Section 8.1, the Calculated Amount determined in accordance with Section 8.3(a) would constitute an amount the Bank would be entitled to receive from the financial institution counterparty referenced therein, then an amount equivalent to such Calculated Amount shall be deemed applied, subject to and simultaneously with the prepayment in full by the Borrower of all other outstanding portions of the Loan, to the prepayment of the outstanding Loan on the corresponding Specified Date; provided that in no event shall (x) the amount corresponding to the Calculated Amount deemed so applied hereunder exceed the total principal amount of the Loan then outstanding or (y) any amount corresponding to the Calculated Amount be so applied if any of the events specified in clauses (ii), (iii) or (ix) of Section 8.3(a) have also occurred at such time.

SECTION 8.2 Requirements of Law.

(a) If the adoption of or any change in any Requirement of Law (occurring after the Effective Date) or any change in the interpretation or application thereof (occurring after the Effective Date) or the compliance by the Bank with any Requirement of Law or request (whether or not having the force of law) from the Central Bank or any other Governmental Authority (made subsequent to the Effective Date) shall (i) subject the Bank to any Tax of any kind whatsoever with respect to any Loan Document, or change the basis of taxation of payments to the Bank (not being a Tax imposed on the net income of the Bank or its Affiliates generally (*impuesto sobre la renta*)); or (ii) impose on the Bank any other condition; and the result of any of the foregoing is to increase the cost to the Bank, by an amount which the Bank deems to be

material, of making, continuing or maintaining the Loan or to reduce any amount receivable hereunder in respect thereof, then, in any such case, the Bank shall notify the Borrower in writing of the occurrence of such event, stating the reasons therefor and the additional amount required to fully compensate the Bank for such increased cost or reduced amount (the "Section 8.2(a) Additional Amount"), so that the Bank and the Borrower can agree on an increased rate of interest, within a sixty (60) day period commencing as from the date such notice is given, as permitted by the third paragraph of section M.21.2 of Regulation 201 9/95 issued by the Central Bank. Should the parties not agree on an increased rate of interest, the Borrower shall, on the next succeeding Interest Payment Date, (i) repay the Loan in full, without any prepayment penalty or charge, except for payment of amounts due to the Bank in respect of such prepayment under Section 8.3 and (ii) pay to the Bank the Section 8.2(a) Additional Amount corresponding to the period ending as of such Interest Payment Date.

(b) If the Bank shall have determined that the application of any Requirement of Law regarding capital adequacy (enacted after the Effective Date) or compliance by the Bank or any entity controlling the Bank with any Requirement of Law regarding capital adequacy (enacted after the Effective Date) or request regarding capital adequacy (whether or not having the force of law) from the Central Bank or any other Governmental Authority (made after the Effective Date) does or shall have the effect of reducing the rate of return on the Bank's capital as a consequence of its obligations hereunder to a level below that which the Bank could have achieved but for such application or compliance (taking into consideration the Bank's policies with respect to capital adequacy and the Bank's treatment of its credit facilities for internal purposes as of the Effective Date) by an amount reasonably deemed by the Bank to be material, then, the Bank shall notify the Borrower in writing of the occurrence of such event, stating the reasons therefor and the additional amount required to fully compensate the Bank for such reduction (the "Section 8.2(b) Additional Amount"), so that the Bank and the Borrower can agree on an increased rate of interest, within a sixty (60) day period commencing as from the date notice is given, as permitted by the third paragraph of section M.21.2 of Regulation 201 9/95 issued by the Central Bank. Should the parties not agree on an increased rate of interest, the Borrower shall, on the next succeeding Interest Payment Date, (i) repay the Loan in full, without any prepayment penalty or charge, except for reimbursement of amounts due to the Bank in respect of such prepayment under Section 8.3 and (ii) pay to the Bank the Section 8.2(b) Additional Amount cost corresponding to the period ending as of such Interest Payment Date.

(c) If, in the case of any prepayment pursuant to this Section 8.2, the Calculated Amount determined in accordance with Section 8.3(a) would constitute an amount the Bank would be entitled to receive from the financial institution counterparty referenced therein, then an amount equivalent to such Calculated Amount shall be deemed applied, subject to and simultaneously with the prepayment in full by the Borrower of all other outstanding portions of the Loan, to the prepayment of the outstanding Loan on the corresponding Specified Date; provided that in no event shall (i) the amount corresponding to the Calculated Amount deemed so applied hereunder exceed the total principal amount of the Loan then outstanding or (ii) any amount corresponding to the Calculated Amount be so applied if any of the events specified in clauses (ii), (iii) or (iv) of Section 8.3(a) have also occurred at such time.

- (d) A certificate as to any additional amounts payable pursuant to this [Section 8.2](#) submitted by the Bank to the Borrower shall be conclusive and binding in the absence of manifest error.
- (e) Notwithstanding anything to the contrary contained in this [Section 8.2](#), the Bank shall not impose any of the provisions of this [Section 8.2](#) unless such provisions are generally imposed by the Bank on Persons that are similarly situated to the Borrower and Kimco and which do not arise as a result of change in the financial condition of the Bank.

SECTION 8.3 [Funding Losses](#).

- (a) Upon the occurrence of any of the following events:
- (i) any prepayment of the principal amount of the Loan on a date other than the Maturity Date, including pursuant to [Section 8.1](#) or [Section 8.2](#);
  - (ii) any payment of the Loan as a result of an acceleration due to an Event of Default pursuant to [Article VII](#) hereof;
  - (iii) the Loan or a portion thereof not being prepaid in accordance with the Borrower's notice of such prepayment; or
  - (iv) any failure by the Borrower for any reason (including the failure of any of the conditions precedent specified in [Article IV](#) to be satisfied) to make a requested borrowing hereunder on the date specified in the Borrowing Request given pursuant to [Section 2.1\(b\)](#).

the Bank shall calculate, in respect of any amount to be paid or prepaid by the Borrower (whether by acceleration or otherwise) pursuant to clauses (i), (ii) or (iii) of this [Section 8.3\(a\)](#) or to be borrowed pursuant to [clause \(iv\)](#) of this [Section 8.3\(a\)](#) (in each case, the "Designated Amount"), the amount, in Pesos, equal to what the Bank would be required to pay to, or would be entitled to receive as payment from, a reasonably acceptable financial institution counterparty (in either case, the "Calculated Amount") in connection with the entry by the Bank into a notional fixed-to-floating interest rate swap (a "Replacement Swap") having the terms set forth in the final sentence of this [Section 8.3\(a\)](#); such Calculated Amount to be determined by the Bank in good faith as of the date on which the Designated Amount is paid, to be paid or to be borrowed, as the case may be (the "Specified Date") and as if the Bank were the floating rate payer under such Replacement Swap. The Replacement Swap shall be deemed to have the following terms: (u) both the fixed and floating rate payment dates shall be the same as the scheduled interest payment dates of the Loan (the number of days commencing, and including, on one such payment date to, but excluding, the next payment date being the "Replacement Swap Interest Period"); (v) the fixed rate shall be the fixed rate of interest paid by the Borrower at that time for the Loan, less the Applicable Margin; (w) the notional amount of the Replacement Swap

shall be denominated in Pesos and shall be equal to the principal amount of the Designated Amount amortized (if applicable) to reflect the application of the Designated Amount in the repayment schedule of the Loan; (x) the day count fraction shall be the actual number of days in the Replacement Swap Interest Period divided by 360; (y) the term of the Replacement Swap shall be equal to the period commencing on, and including, the Specified Date to, but excluding, the Maturity Date; and (z) the floating rate shall be the TIIE Rate determined by the Bank (in good faith) that would be paid by the floating rate payer in respect of a swap having the terms and conditions set out above.

(b) If the Calculated Amount determined in accordance with Section 8.3(a) would constitute an amount payable by the Bank to the financial institution counterparty referenced therein, then the Borrower shall be required to pay to the Bank under this Section 8.3 on the Specified Date, in addition to any other amount then payable by the Borrower pursuant to the terms hereof (including, without limitation, accrued interest through the date of payment), an amount equal to such Calculated Amount.

ARTICLE IX

GUARANTEE BY KIMCO

SECTION 9.1 Guarantee. In order to induce the Bank to make the Loan hereunder, Kimco hereby irrevocably and unconditionally guarantees to the Bank the due and punctual payment of all Obligations of the Borrower hereunder (collectively, the “Guaranteed Obligations”). Kimco agrees that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and that it will remain bound upon its guarantee notwithstanding any extension or renewal of any Guaranteed Obligations. Each and every default in payment or performance on any Guaranteed Obligation shall give rise to a separate cause of action hereunder, and separate suits may be brought hereunder as each cause of action arises.

SECTION 9.2 Guaranteed Obligations Not Waived. To the fullest extent permitted by applicable law, Kimco waives presentment to, demand of payment from and protest to the Borrower or any other guarantor of any of the Guaranteed Obligations, including the Subsidiary Guarantors, and also waives notice of acceptance of its guarantee and notice of protest for nonpayment. To the fullest extent permitted by applicable law, the obligations of Kimco hereunder shall not be affected by (a) the failure of the Bank to assert any claim or demand or to enforce or exercise any right or remedy against the Borrower or any other Person under the provisions of the Loan Documents or otherwise; (b) any rescission, waiver, amendment or modification of, or any release from any of the terms or provisions of any Loan Document or any other agreement; (c) the failure or delay of the Bank for any reason whatsoever to exercise any right or remedy against any other guarantor of the Obligations; (d) the failure of the Bank to assert any claim or demand or to enforce any remedy under any Loan Document, any guarantee or any other agreement or instrument; (e) any default, failure or delay, willful or otherwise, in the performance of any Guaranteed Obligations; (f) any change in the corporate existence or structure of the Borrower or any other Guarantor; (g) the existence of any claims or set-off rights that Kimco may have; (h) any law, regulation, decree or order of any jurisdiction or any event affecting any term of a guaranteed obligation; or (i) any other act, omission or delay to do any

other act which may or might in any manner or to any extent vary the risk of Kimco or otherwise operate as a discharge or exoneration of Kimco as a matter of law or equity or which would impair or eliminate any right of Kimco to subrogation.

**SECTION 9.3      Guarantee of Payment.** Kimco agrees that its guarantee hereunder constitutes a guarantee of payment when due and not of collection, that such guarantee may be enforced at any time and from time to time, on one or more occasions, during the continuance of any Event of Default, without any prior demand or enforcement in respect of any Guaranteed Obligations, and that Kimco waives any right to require that any resort be had by the Bank to the Borrower, any other Guarantor or other guarantee, or to any security held for payment of any Guaranteed Obligations. The solicitation of, or the delivery by Kimco of, any confirmation or reaffirmation of this Agreement under any circumstance shall not give rise to any inference as to the continued effectiveness of this Agreement in any other circumstance in which the confirmation or reaffirmation hereof has not been solicited or has not been delivered (whether or not solicited), and the obligations of Kimco hereunder shall continue in effect as herein provided notwithstanding any solicitation or delivery of any confirmation or reaffirmation hereof, or any failure to solicit or to deliver any such confirmation or reaffirmation, under any circumstances.

**SECTION 9.4      No Discharge or Diminishment of Guarantee.** The obligations of Kimco under this guarantee shall not be subject to any reduction, limitation, impairment or termination for any reason (other than the payment in full in cash of the Guaranteed Obligations), including any claim of waiver, release, surrender, amendment, modification, alteration or compromise of any of the Guaranteed Obligations or of any collateral security or guarantee or other accommodation in respect thereof, and shall not be subject to any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of the Guaranteed Obligations or any Loan Document or any provision thereof (or of this Agreement or any provision hereof) or otherwise. Without limiting the generality of the foregoing, the obligations of Kimco under this guarantee shall not be discharged or impaired or otherwise affected by any change of location, form or jurisdiction of the Borrower or any other Person, any merger, consolidation or amalgamation of the Borrower or any other Person into or with any other Person, any sale, lease or transfer of any of the assets of the Borrower or any other Person to any other Person, any other change of form, structure, or status under any law in respect of the Borrower or any other Person, or any other occurrence, circumstance, happening or event whatsoever, whether similar or dissimilar to the foregoing, whether foreseen or unforeseen, that might otherwise constitute a legal or equitable defense, release, exoneration, or discharge or that might otherwise limit recourse against the Borrower or Kimco or any other Person. The obligations of Kimco under this guarantee shall extend to all Guaranteed Obligations without limitation of amount, and Kimco agrees that it shall be obligated to honor its guarantee hereunder whether or not any other Guarantor (i) has been called to honor its Guarantee, (ii) has failed to honor its guarantee in whole or in part, or (iii) has been released for any reason whatsoever from its obligations under its guarantee.

**SECTION 9.5      Defenses Waived; Maturity of Guaranteed Obligations.** To the fullest extent permitted by applicable law, Kimco waives any defense based on or arising out of any defense of the Borrower or any other Guarantor or the unenforceability of the Guaranteed Obligations or any part thereof from any cause, or the cessation from any cause of the liability of the Borrower, other than the final payment in full in cash of the Guaranteed Obligations. The



Bank may, at its election, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with the Borrower or any other Person (including any other Guarantor) or exercise any other right or remedy available to them against the Borrower or any other Person (including any other Guarantor), without affecting or impairing in any way the liability of any Guarantor hereunder except to the extent the Guaranteed Obligations have been fully and finally paid in cash. To the fullest extent permitted by applicable law, Kimco waives any defense arising out of any such election even though such election operates, pursuant to applicable law, to impair or to extinguish any right of reimbursement or subrogation or other right or remedy of Kimco against the Borrower or any other Person, as the case may be, or any security. Kimco agrees that, as between Kimco, on the one hand, and the Bank, on the other hand, (i) the maturity of the Guaranteed Obligations guaranteed hereby may be accelerated for the purposes of Kimco's guarantee herein, notwithstanding any stay, injunction or other prohibition preventing such acceleration as to the Borrower in respect of the Guaranteed Obligations guaranteed hereby (other than any notices and cure periods expressly granted to the Borrower in this Agreement or any other Loan Document evidencing or securing the Guaranteed Obligations) and (ii) in the event of any such acceleration of such Guaranteed Obligations, such Guaranteed Obligations (whether or not due and payable) shall forthwith become due and payable in full by Kimco for purposes of this Agreement. Furthermore, Kimco unconditionally and irrevocably waives, to the fullest extent permitted by law, any right (and any benefits of *orden, excusión y división*), to which it may be entitled, to the extent applicable, under Articles 2813, 2814, 2815, 2817, 2818, 2819, 2820, 2821, 2822, 2823, 2824, 2826, 2827, 2830, 2835, 2836, 2837, 2838, 2839, 2840, 2842, 2844, 2845, 2846, 2847, 2848, and 2849 of the Federal Civil Code (*Código Civil Federal*) and the corresponding provisions of the Civil Codes of the States of Mexico and the Federal District.

SECTION 9.6 Agreement to Pay; Subordination. In furtherance of the foregoing and not in limitation of any other right that the Bank has at law or in equity against Kimco by virtue hereof, upon the failure of the Borrower to pay (after the giving of any required notice and the expiration of any cure period expressly granted to the Borrower in this Agreement or any other Loan Document evidencing any Guaranteed Obligation) any Guaranteed Obligation when and as the same shall become due, whether at maturity, upon mandatory prepayment, by acceleration, after notice of prepayment or otherwise, Kimco hereby promises to and will forthwith pay, or cause to be paid, to the Bank, in cash the amount of such unpaid Guaranteed Obligation. Upon payment by Kimco of any sums as provided above, all rights of Kimco against the Borrower or any other Person arising as a result thereof by way of right of subrogation, contribution, reimbursement, indemnity or otherwise shall in all respects be subordinate and junior in right of payment to the prior payment in full in cash of all the Guaranteed Obligations. In addition, any indebtedness of the Borrower now or hereafter held by Kimco is hereby subordinated in right of payment to the prior payment in full in cash of the Guaranteed Obligations. If any amount shall erroneously be paid to Kimco on account of (i) such subrogation, contribution, reimbursement, indemnity or similar right or (ii) any such indebtedness of the Borrower, such amount shall be held in trust for the benefit of the Bank and shall forthwith be paid to the Bank to be credited against the payment of the Guaranteed Obligations, whether matured or unmatured.

SECTION 9.7 Reinstatement. Kimco further agrees that its obligations hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Guaranteed Obligation is rescinded or must otherwise be restored by the Bank upon the bankruptcy or reorganization of the Borrower or otherwise. Nothing shall discharge or satisfy the liability of Kimco hereunder except the full performance and payment in full in cash of the Guaranteed Obligations.

SECTION 9.8 Information. Kimco assumes all responsibility for being and keeping itself informed of the Borrower's financial condition and assets, and of all other circumstances bearing upon the nature, scope and extent of the risks that Kimco assumes and incurs hereunder, and agrees that the Bank shall have no duty to advise Kimco of information now or hereafter known to it or its Affiliates and Subsidiaries regarding any of the foregoing.

ARTICLE X

MISCELLANEOUS

SECTION 10.1 Amendments and Waivers.

(a) The provisions of this Agreement and each other Loan Document (to the extent consistent with the terms thereof) may be amended, modified or waived from time to time, if such amendment, modification or waiver is in writing and signed by the Borrower, Kimco and the Bank (except for the Subsidiary Guarantee, which may be amended in a writing signed by the Bank and the Subsidiary Guarantors).

(b) In the event any amendment, modification or supplement to the terms of the Existing JP Morgan Credit Agreement is proposed, the Borrower shall provide the Bank with notice thereof at such time and in such detail as the same is provided to the lenders under the Existing JP Morgan Credit Agreement.

(c) The Borrower shall promptly notify the Bank of any amendments, modifications or supplements to the terms of the Existing JP Morgan Credit Agreement that become effective following the Effective Date and prior to the repayment in full of the Loan. So long as the Bank or any Affiliate of the Bank remains a lender under the Existing JP Morgan Credit Agreement, to the extent that any such amendment, modification or supplement would modify the terms of Articles VI, VII or VIII of the Existing JP Morgan Credit Agreement (or any definitions contained in Article I thereof but solely to the extent that they relate to a modification of Articles VI, VII or VIII), the parties hereto agree to promptly execute an amendment agreement to effect a corresponding amendment to Article V, VI or VII, as the case may be, of this Agreement (and any definitions contained in Article I of this Agreement but solely to the extent that they relate to a modification of Article V, VI or VII); provided that, notwithstanding the foregoing, the parties shall not be obligated pursuant to this Section 10.1(c) to effect any amendment to this Agreement (x) in respect of interest rates, principal, maturity or guarantees or (y) that would be in contravention of applicable Mexican Requirements of Law. For the avoidance of doubt, upon the termination of the Existing JP Morgan Credit Agreement, this Section 10.1(c) shall have no further effect.

SECTION 10.2 Payment of Expenses. The Borrower agrees to:

(a) pay or reimburse the Bank for all its reasonable out-of-pocket costs and expenses incurred in connection with the development, preparation, negotiation and execution of,

and any amendment, supplement or modification to, the Loan Documents, and any other documents prepared in connection herewith or therewith (including the reasonable fees and disbursements of counsel to the Bank), and the consummation and administration of the transactions contemplated hereby and thereby,

(b) pay or reimburse the Bank for all its reasonable costs and expenses (including post-judgment costs and expenses) incurred in connection with the enforcement or preservation of any its rights under the Loan Documents, including the reasonable fees and disbursements of counsel to the Bank;

(c) pay, and indemnify and hold harmless, the Bank, (and its shareholders, affiliates, officers, directors, employees, advisors and agents) from and against, any and all recording and filing fees and any and all liabilities with respect to, or resulting from any delay caused solely as a result of the acts or omissions of the Borrower in paying, stamp, excise and other Taxes, if any, which may be payable or determined to be payable in connection with the execution and delivery of, or the consummation or administration of, any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, the Loan Documents; and

(d) pay, and indemnify and hold harmless, the Bank (and its shareholders, affiliates, officers, directors, employees, advisors and agents) from and against any and all other actual and documented liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (and regardless of whether prejudgment or post-judgment) (collectively, “Losses”) (but expressly excluding Losses relating to consequential damages or Losses arising from any credit decisions or underwriting matters made by the Bank from time to time) resulting from any failure by the Borrower to observe and perform its obligations under the Loan Documents (the “indemnified liabilities”);provided, that the Borrower shall not have an obligation hereunder to any indemnitee with respect to indemnified liabilities arising from the gross negligence or willful misconduct of such indemnitee. The agreements in this Section 10.2 shall survive the termination of this Agreement, the payment of the Loan and all other amounts payable to the Bank under the Loan Documents.

SECTION 10.3 Taxes.

(a) In the event that any fees or costs payable by the Borrower to the Bank under this Agreement or under any other Loan Document are subject to any value added tax (*Impuesto sobre Valor Agregado*) (“VAT”), the Borrower shall pay the amount of such VAT to the Bank simultaneously with the payment of any such fees or costs.

(b) All payments made by any Obligor under this Agreement or any other Loan Document shall be made free and clear of, and without deduction for or on account of, any present or future Taxes, including Other Taxes but excluding Excluded Taxes. If any such Taxes are required to be withheld from any amounts payable to the Bank hereunder or under any other Loan Document (subject to the right of the Borrower to contest any such requirement in good faith so long as the Bank is paid the full amounts payable hereunder, including any Additional Amounts payable pursuant to this Section 10.3), then (i) the amounts payable to Bank shall be

increased by such additional amounts (the "Additional Amounts") necessary to yield to the Bank (after payment of all such Taxes (other than Excluded Taxes), Other Taxes and Additional Amounts, including any of the foregoing (other than Excluded Taxes) levied on Additional Amounts) interest or any such other amounts payable hereunder and under the Note at the rates or in the amounts specified in this Agreement that the Bank have received had no such deduction or withholding (other than in respect of Excluded Taxes) been required, and (ii) the Borrower shall make the required withholding and pay the full amount withheld for such Taxes, including Excluded Taxes and Other Taxes, to the appropriate taxing authority in accordance with applicable law. In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law. Whenever any Taxes (including Excluded Taxes) or Other Taxes are payable by the Borrower, as promptly as possible thereafter, the Borrower shall send to the Bank, a stamped filed receipt (*constancia de retención*) showing payment thereof or such other document reasonably satisfactory to such payee showing payment thereof. If the Borrower fails to pay any Taxes (including Excluded Taxes) or Other Taxes when due to the appropriate taxing authority or fails to remit to the Bank the required receipts or other required documentary evidence, the Borrower shall indemnify and forthwith reimburse the Bank for any incremental taxes, interest, penalties, loss, liability, claim or expense (including reasonable legal fees and expenses) that may become payable by any such payee or paid by or imposed on the Bank in any jurisdiction as a result of any such failure. This indemnity and agreement shall survive termination of the Agreement and payment in full of all amounts due to the Bank under the Loan Documents.

(c) The Borrower shall indemnify the Bank, within ten (10) days after written demand therefor, for the full amount of Taxes (other than Excluded Taxes) or Other Taxes paid by the Bank on or with respect to any payment by or on account of any obligation of the Borrower hereunder (including Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by the Bank, shall be conclusive, absent manifest error.

(d) The Bank shall deliver to the Borrower (i) on the Closing Date, two duly completed copies of United States Internal Revenue Service Form W-8BEN certifying that the Bank is entitled under the income tax treaty in effect between the United States and Mexico to an exemption from or reduced rate of United States withholding taxes paid by a resident of the United States and (ii) thereafter, if and to the extent the Bank is then legally able to provide such form or certification, such other forms and certificates as may be reasonably required in order to establish the legal entitlement of the Bank to an exemption from or reduced rate of United States withholding taxes with respect to such payments.

SECTION 10.4 Notices.

(a) All notices, requests and demands to or upon the respective parties hereto to be effective shall be (i) in writing (including by telecopy), and (ii) in the English language, and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand, or two (2) Business Days after being deposited in an

internationally recognized overnight courier service (for example, DHL, UPS or Federal Express), or, in the case of telecopy notice, when received, addressed as follows in the case of the Borrower, Kimco and the Bank, or to such other address as may be hereafter notified by the parties hereto to the other parties hereto:

**The Borrower:** KRC Mexico Acquisition LLC  
c/o Kimco Realty Corporation  
3333 New Hyde Park Road, Suite 100  
New Hyde Park, New York 11042  
Attention: Glenn G. Cohen  
Telecopy: (516) 869-9001

**Kimco:** Kimco Realty Corporation  
3333 New Hyde Park Road, Suite 100  
New Hyde Park, New York 11042  
Attention: Glenn G. Cohen  
Telecopy: (516) 869-9001

**with a copy to:** Greenberg Traurig, LLP  
77 West Wacker Drive, Suite 2500  
Chicago, Illinois 60601  
Attention: Corey E. Light and James J. Caserio  
Telecopy: (312) 456-8435

**The Bank:** Scotiabank Inverlat, S.A.  
Plaza Inverlat  
Blvd. M. Avila Camacho No. 1  
Colonia Polanco  
C.P. 11009, Mexico D.F.  
Attention: Guillermo Fonseca Torres  
Telecopy: (5255) 52292010

(b) While notices and communications between the Bank and the Borrower and Kimco shall be copied to the third party set out above, failure to provide copies to such third party shall not constitute a failure to provide sufficient notice pursuant to this Agreement.

SECTION 10.5 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Bank, any right, remedy, power or privilege under the Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

SECTION 10.6 Survival of Representations and Warranties. All representations and warranties made in the Loan Documents and in any document, certificate or statement delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery of the Loan Documents and the making of the Loan hereunder.

SECTION 10.7 Successors and Assigns.

(a) Subject to the conditions set forth below, the Bank may assign to one or more assignees all or a portion of its rights and obligations under this Agreement, with the prior consent of the Borrower, which consent shall not be unreasonably withheld, conditioned or delayed, provided however, that consent of the Borrower shall not be required if (i) an Event of Default has occurred and is continuing; (ii) the assignment is to a financial entity which is an Affiliate or Subsidiary of the Bank; or (iii) the Bank retains an amount greater than any assignee of the Loan and remains the loan agent. Any assignment hereunder shall be at no additional cost (including any additional Taxes based on the new lender's jurisdiction) to the Borrower unless an Event of Default has occurred and is continuing.

(b) Neither the Borrower nor Kimco shall be entitled to assign all or any of its rights, benefits, and obligations hereunder without the prior written consent of the Bank.

SECTION 10.8 Disclosure. Subject to Section 10.14, each of the Borrower and Kimco authorize the Bank to disclose to any assignee (a "Transferee") and any prospective Transferee any and all financial information in the Bank's possession concerning the Borrower or any Guarantor which has been delivered to the Bank by or on behalf of such Person pursuant to this Agreement or which has been delivered to the Bank by or on behalf of such Person in connection with the Bank's credit evaluation of such Person prior to becoming a party to this Agreement or the other Loan Documents.

SECTION 10.9 Adjustments, Set-off. In addition to any rights and remedies of the Bank provided by law, the Bank and each of its Affiliates shall have the right, without prior notice to the Borrower or any Guarantor, any such notice being expressly waived by the Borrower and Kimco for itself and its subsidiaries to the extent permitted by applicable law, upon any amount becoming due and payable by the Borrower or such Guarantor hereunder (whether at the stated maturity, by acceleration or otherwise) to set off and appropriate and apply against such amount, any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, obligations, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Bank or any of its Affiliates or any branch or agency thereof to or for the credit or the account of the relevant Obligor. The Bank agrees promptly to notify the Borrower or Guarantor, as applicable, after any such setoff and application made by such Bank, provided, that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 10.10 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts each of which shall constitute an original, but all of which when taken together shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 10.11 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 10.12 Integration. The Loan Documents represent the entire agreement of the Borrower, the Guarantors and the Bank with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Bank relative to subject matter hereof or thereof not expressly set forth or referred to herein or in the Loan Documents.

SECTION 10.13 Annual Review. The Loan is subject to annual review which shall take place no later than the date the Borrower and Kimco are required to deliver the financial statements contemplated in Section 5.1 and each anniversary thereafter. At the time of each annual review, the Borrower and Kimco shall supply whatever information is required by the Bank to complete such review.

SECTION 10.14 Confidentiality. (A) The Bank agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) in connection with the exercise of any remedies under any Loan Document or any suit, action or proceeding relating to any Loan Document or the enforcement of rights hereunder or thereunder, (e) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement, or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations, (f) with the consent of the Borrower or any Guarantor, as applicable, or (g) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Bank on a nonconfidential basis from a source other than the relevant Borrower. For the purposes of this Section, "Information" means all information received from the Borrower or any Guarantor relating to such Person or its business, other than any such information that is available to the Bank on a nonconfidential basis; provided, that, in the case of information received after the date hereof from any Obligor, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

(B) The Borrower authorizes the Bank to request and/or disclose to any Affiliate or Subsidiary of the Bank, any information with respect to (i) the Loan, or (ii) the occurrence of an Event of Default.

(C) The Borrower authorizes the Bank to request and/or disclose to any credit bureau, to the extent required by Mexican law, any information with respect to (i) the Loan, or (ii) the occurrence of an Event of Default.

**SECTION 10.15 Interest Savings Clause.** Nothing contained in the Loan Documents shall be construed to permit the Bank to receive at any time interest, fees or other charges in excess of the amounts which the Bank is legally entitled to charge and receive under any law to which such interest, fees or charges are subject. In no event whatsoever shall the compensation payable to the Bank by the Borrower, howsoever characterized or computed, hereunder or under any other agreement or instrument evidencing or relating to the Obligations of the Borrower, exceed the highest rate permissible under any law to which such compensation is subject. There is no intention that the Bank shall contract for, charge or receive compensation in excess of the highest lawful rate, and, in the event it should be determined that any excess has been charged or received, then, ipso facto, such rate shall be reduced to a lawful rate so that no amounts shall be charged which are in excess thereof, and the Bank shall promptly refund such excess to the Borrower.

**SECTION 10.16 Governing Law.** This Agreement and any dispute, suit, action or proceeding between the parties relating to the formation, interpretation or performance of this Agreement, the rights or liabilities of the parties or any matter arising out of or connected with this Agreement, whether contractual or not, shall be governed by, and construed in accordance with the laws of the State of New York, excluding the choice-of-law principles (other than Section 5-1401 of the New York General Obligations Law).

**SECTION 10.17 Submission to Jurisdiction; Waivers.** Each of the Borrower and Kimco hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Person at its address set forth in Section 10.4 or at such other address of which the Bank shall have been notified pursuant thereto;



(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding in connection with this Agreement or any other Loan Document any special, exemplary, punitive or consequential damages.

SECTION 10.18 WAIVERS OF JURY TRIAL. THE BORROWER AND KIMCO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

SECTION 10.19 Acknowledgments. Each of the Borrower and Kimco hereby acknowledges and agrees that:

(a) it has been advised by counsel in the negotiation, execution and delivery of the Loan Documents;

(b) the Bank does not have any fiduciary relationship with or duty to the Borrower or any Guarantor arising out of or in connection with any Loan Document, and the relationship between the Bank, on the one hand, and the Borrower and the Guarantors, on the other hand, in connection herewith or therewith is solely that of debtor and creditor;

(c) no joint venture is created by the Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Bank, the Borrower and/or any Guarantor.

SECTION 10.20 Subsidiary Guarantors.

(a) At the election of Kimco at any time and from time to time, at the time of such election, one or more Wholly Owned Subsidiaries may become party to the Subsidiary Guarantee (together with the Initial Subsidiary Guarantors, each a "Subsidiary Guarantor") by executing and delivering to the Bank a supplement to the Subsidiary Guarantee in the form of Annex I thereto; provided, that (x) each such Wholly Owned Subsidiary shall satisfy the Baseline Conditions on and as of the date such Wholly Owned Subsidiary delivers its supplement to the Subsidiary Guarantee and (y) Kimco shall be deemed to represent and warrant as of such date that each such proposed Subsidiary Guarantor is a Wholly Owned Subsidiary.

(b) A Subsidiary Guarantor shall be released from the Subsidiary Guarantee upon written request by Kimco provided, that (i) there is no Event of Default after giving effect to such release (including any changes resulting from any Property's ceasing to be an Unencumbered Property if such released guarantor immediately prior to giving effect to such release was an Obligated Property Owner in respect thereof), (ii) Kimco is in compliance with each of the financial covenants set forth in Section 6.1 if the ratio or amount referred to therein were to be calculated as of such date, but after giving effect to such release (including any changes resulting from any Property's ceasing to be an Unencumbered Property if such released guarantor was an Obligated Property Owner in respect thereof immediately prior to giving effect

to such release and provided, that for the purposes of determining such compliance, Gross Asset Value shall be determined for the most recent Test Period as to which a compliance certificate has been delivered pursuant to Section 5.2(a), and (iii) Kimco has furnished to the Bank a certificate of its chief financial officer or other authorized financial officer as to the matters referred to in the preceding subclauses (i) and (ii).

(c) Each Subsidiary Guarantor shall at all times comply with the Baseline Conditions in all material respects and in the event any Subsidiary Guarantor fails, at any time, to comply with any of the Baseline Conditions in any material respect, it shall not be a breach, Default or Event of Default hereunder but such Subsidiary Guarantor shall (i) notwithstanding any provision of this Agreement to the contrary, cease to be an Obligated Property Owner for all purposes of this Agreement, and (ii) continue as a Subsidiary Guarantor unless released as provided in Section 10.20(b).

SECTION 10.21 Dun and Bradstreet Reports. The Borrower and Kimco hereby authorize the Bank to obtain on each anniversary of the Effective Date or more frequently as necessary the most recent credit and credit rating report of each of the Obligors as issued by Dun and Bradstreet. The Borrower and Kimco agree to use commercially reasonable efforts to cooperate with the Bank including, without limitation, by taking all such actions and providing all such information as the Bank may reasonably require to ensure that the Bank is able to obtain such reports.

By their signatures, the Borrower, Kimco and the Bank hereby acknowledge and accept the arrangements, terms and conditions set out in this Agreement

**KIMCO REALTY CORPORATION**

By: KRC Latin America GP Corporation,  
its general partner

By: /s/ Glenn G. Cohen

Name: Glenn G. Cohen  
Title: Vice President and Treasurer

Glenn G. Cohen  
Vice President and Treasurer

**SCOTIABANK INVERLAT, SOCIEDAD ANÓNIMA,  
INSTITUCIÓN DE BANCA MÚLTIPLE, GRUPO  
FINANCIERO SCOTIABANK INVERLAT**

By: /s/ Guillermo Fonseca Torres  
Name: Guillermo Fonseca Torres  
Title: Attorney-in-Fact

## FORM OF BORROWING REQUEST

March 3, 2008

Scotiabank Inverlat, S.A.  
Plaza Inverlat  
Blvd. M. Avila Camacho No. 1  
Colonia Polanco  
C.P. 11009, Mexico D.F.  
Attention: Guillermo Fonseca Torres  
Telecopy: (5255) 52292010

KRC MEXICO ACQUISITION, LLC

Ladies and Gentlemen:

This Borrowing Request is delivered to you pursuant to Section 2.1(b) of the Credit Agreement, dated as of March 3, 2008 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among KRC Mexico Acquisition, LLC, a limited liability company organized and existing under the laws of the State of Delaware, as borrower (the "Borrower"), Kimco Realty Corporation, a corporation organized and existing under the laws of the State of Maryland, as guarantor ("Kimco") and Scotiabank Inverlat, Sociedad Anónima, Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat as lender (the "Bank"). Terms used herein, unless otherwise defined herein, have the meanings provided in the Credit Agreement.

The Borrower hereby requests that the Loan be made to it in the aggregate principal amount of MXPS1,000,000,000 on March 4, 2008 (the "Requested Closing Date").

The Borrower hereby acknowledges that the delivery of this Borrowing Request and the acceptance by the Borrower of the proceeds of the Loan requested hereby constitute a representation and warranty by the Borrower that, on the date of the making of such Loan, both before and after giving effect thereto and to the application of the proceeds therefrom, all representations and warranties set forth in Article III of the Credit Agreement are true and correct in all material respects.

The Borrower agrees that if prior to the time of the borrowing requested hereby any matter certified to herein by it will not be true and correct in all material respects at such time as if then made, it will immediately so notify the Bank.

The Borrower irrevocably instructs the Bank to deposit the proceeds of the Loan on the Requested Closing Date in the following account of the Borrower (the "Borrower Account"):

[INSERT ACCOUNT INFORMATION FOR BORROWER ACCOUNT AT SBI]

The Borrower further irrevocably instructs the Bank to make the following transfers and take the following actions on the Requested Closing Date immediately following the deposit of the proceeds of the Loan in the Borrower Account pursuant to the foregoing paragraph:

1. Transfer MXPS\_\_\_\_\_ to the Bank for application to the repayment in full of all amounts outstanding under the Existing Scotiabank Credit Agreement; and
2. Transfer MXPS4,000,000 to the Bank for application to the payment of the balance of the Front End Fee due to the Bank on the Closing Date.

[REMAINDER OF THE PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the Borrower has caused this Borrowing Request to be executed and delivered, and the certifications and warranties contained herein to be made on the date first written above.

KRC MEXICO ACQUISITION, LLC

By: KRC Latin American Holdings, LP, its sole member

By: KRC Latin America GP Corporation, its general partner

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT B**

FORM OF NOTE

MXPS1,000,000,000

New York, New York  
March 3, 2008

FOR VALUE RECEIVED, the undersigned, KRC MEXICO ACQUISITION, LLC, a Delaware limited liability company (the "**Borrower**"), hereby unconditionally promises to pay to the order of SCOTIABANK INVERLAT, S.A., INSTITUCIÓN DE BANCA MÚLTIPLE, GRUPO FINANCIERO SCOTIABANK INVERLAT (the "**Lender**") at the offices of the Lender set forth in Section 10.4 of that certain Credit Agreement dated as of March 3, 2008, among the Borrower, Kimco Realty Corporation, as guarantor and the Lender (the "**Credit Agreement**") (or at such other address as the Lender may hereafter specify by notice to the Borrower), in immediately available funds, on the date or dates specified in the Credit Agreement, the aggregate unpaid principal amount of the Loan made by the Lender to the Borrower pursuant to Section 2.1 of the Credit Agreement. All payments due to the Lender hereunder shall be made to the Lender at the place, in the currency and in the manner specified in such Credit Agreement. The Borrower further agrees to pay interest in like money at such office on the unpaid principal amount hereof from time to time outstanding at the rates and on the dates specified in Section 2.3 of such Credit Agreement.

This Note (a) is the Note referred to in the Credit Agreement (b) is subject to the provisions of the Credit Agreement and (c) is subject to optional prepayment in whole or in part as provided in the Credit Agreement. This Note is guaranteed as provided in the Credit Agreement and by the Subsidiary Guarantee.

Upon the occurrence of any one or more of the Events of Default, all amounts then remaining unpaid on this Note shall become, or may be declared to be, immediately due and payable, all as provided in the Credit Agreement.

All parties now and hereafter liable with respect to this Note, whether maker, principal, surety, guarantor, endorser or otherwise, hereby waive presentment, demand, protest and all other notices of any kind.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

**THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

KRC MEXICO ACQUISITION, LLC

By: KRC Latin American Holdings, LP, its sole member

By: KRC Latin America GP Corporation, its general partner

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT C**

FORM OF SUBSIDIARY GUARANTEE

This SUBSIDIARY GUARANTEE, dated as of March 3, 2008 (as amended, supplemented or otherwise modified from time to time, this "Subsidiary Guarantee"), is made by each of the subsidiaries of KIMCO REALTY CORPORATION, a corporation organized and existing under the State of Maryland ("Kimco"), that are signatories hereto (the "Subsidiary Guarantors"), in favor of SCOTIABANK INVERLAT, SOCIEDAD ANÓNIMA, INSTITUCIÓN DE BANCA MÚLTIPLE, GRUPO FINANCIERO SCOTIABANK INVERLAT, as lender (the "Bank") under that certain Credit Agreement, dated as of March 3, 2008 (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among KRC MEXICO ACQUISITION, LLC, as borrower (the "Borrower") and Kimco, as guarantor.

WITNESSETH:

WHEREAS, pursuant to the Credit Agreement, the Bank has agreed to make a term loan to the Borrower upon the terms and subject to the conditions set forth therein (the "Loan");

WHEREAS, Kimco owns, directly or indirectly, all or a portion of the issued and outstanding Capital Stock of each Subsidiary Guarantor; and

WHEREAS, the Borrower, Kimco and the Subsidiary Guarantors are engaged in related businesses, and each Subsidiary Guarantor will derive substantial direct and indirect benefit from the making of and/or the availability of the Loan;

NOW, THEREFORE, in consideration of the premises and to induce the Bank to enter into the Credit Agreement and to induce the Bank to make the Loan to the Borrower under the Credit Agreement, the Subsidiary Guarantors hereby agree with the Bank as follows:

1. Defined Terms. a) Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

(b) As used herein, "Obligations" means the collective reference to the unpaid principal of and interest on the Loan and all other obligations and liabilities of the Borrower to the Bank (including, without limitation, interest accruing at the then applicable rate provided in the Credit Agreement after the maturity of the Loan, the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter incurred, which may arise under, out of, or in connection with, the Credit Agreement, the Note, any other Loan Document or document made, delivered or given in connection with any Loan Document, whether on account of principal, interest, fees, indemnities, costs, expenses or otherwise and whether pre-judgment or post-judgment (including, without limitation, all fees and disbursements of counsel to the Bank that are required to be paid by the Borrower pursuant to the terms of the Credit Agreement or any other Loan Document and including all such amounts that would become due but for the operation of the automatic stay under Section 362(a) of the United States Bankruptcy Code, 11 U.S.C §362(a), and the operation of Sections 502(b) and 506(b) of the United States Bankruptcy Code, 11 U.S.C §502(b) and 506(b), and , in each case, laws of similar application in any other jurisdiction).

(c) The words "hereof," "herein" and "hereunder" and words of similar import when used in this Subsidiary Guarantee shall refer to this Subsidiary Guarantee as a whole and not to any particular provision of this Subsidiary Guarantee, and section references are to this Subsidiary Guarantee unless otherwise specified.

(d) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

2. **Subsidiary Guarantee.** b) Subject to the provisions of Section 2(b), each Subsidiary Guarantor hereby, jointly and severally, absolutely, unconditionally and irrevocably, guarantees to the Bank and its successors, endorsees, transferees and assigns, the prompt and complete payment and performance by the Borrower when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations.

(b) The liability of any Subsidiary Guarantor hereunder shall be limited to the maximum amount which such Subsidiary Guarantor may guaranty without rendering the obligations of such Subsidiary Guarantor hereunder void or voidable under any fraudulent conveyance, fraudulent transfer or other applicable law; provided, that the application of such limitation in any specific case (in respect of the obligations of any Subsidiary Guarantor) shall not restrict or limit the ability of the Bank to claim in full all amounts due under this Subsidiary Guarantee in respect of the obligations of any other Subsidiary Guarantor where there is no law, rule or regulation which limits the amount of financial assistance that a Subsidiary Guarantor is permitted to provide, or where there is an applicable exception to any limitation on the amount of financial assistance which a Subsidiary Guarantor is permitted to provide.

(c) Each Subsidiary Guarantor further agrees to pay to the Bank any and all expenses (whether pre-judgment or post-judgment and including, without limitation, all fees and disbursements of counsel) which may be paid or incurred by the Bank in enforcing, or obtaining advice of counsel in respect of, any rights with respect to, or collecting, any or all of the Obligations and/or enforcing any rights with respect to, or collecting against, any Subsidiary Guarantor under this Subsidiary Guarantee. This Subsidiary Guarantee shall remain in full force and effect until the Obligations are paid in full in cash and the Commitment is terminated notwithstanding that from time to time prior thereto the Borrower may be free from any Obligations.

(d) Each Subsidiary Guarantor agrees that the Obligations may at any time and from time to time exceed the amount of the liability of such Subsidiary Guarantor hereunder without impairing this Subsidiary Guarantee or affecting the rights and remedies of the Bank hereunder.

(e) No payment or payments made by the Borrower, Kimco, any of the Subsidiary Guarantors, any other guarantor or any other Person or received or collected by the Bank from the Borrower, Kimco, any of the Subsidiary Guarantors, any other guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of any Subsidiary Guarantor hereunder which shall, notwithstanding any such payment or payments other than payments made by such Subsidiary Guarantor in respect of the Obligations or payments received or collected from such Subsidiary Guarantor in respect of the Obligations, remain liable for the Obligations up to the maximum liability of such Subsidiary Guarantor hereunder until the Obligations are paid in full in cash and the Commitment is terminated.



(f) Each Subsidiary Guarantor agrees that whenever, at any time, or from time to time, it shall make any payment to the Bank on account of its liability hereunder, it will notify the Bank in writing that such payment is made under this Subsidiary Guarantee for such purpose.

(g) This Subsidiary Guarantee constitutes a guarantee of payment when due and not of collection, and each Subsidiary Guarantor specifically agrees that it shall not be necessary or required that the Bank exercise any right, assert any claim or demand or enforce any remedy whatsoever against the Borrower or any other Person before or as a condition to the obligations of such Subsidiary Guarantor hereunder.

3. Right of Contribution. Each Subsidiary Guarantor hereby agrees that to the extent that a Subsidiary Guarantor shall have paid more than its proportionate share of any payment made hereunder, such Subsidiary Guarantor shall be entitled to seek and receive contribution from and against any other Subsidiary Guarantor hereunder who has not paid its proportionate share of such payment. Each Subsidiary Guarantor's right of contribution shall be subject to the terms and conditions of Section 5 hereof. The provisions of this Section 3 shall in no respect limit the obligations and liabilities of any Subsidiary Guarantor to the Bank, and each Subsidiary Guarantor shall remain liable to the Bank for the full amount guaranteed by such Subsidiary Guarantor hereunder.

4. Right of Set-off. If an Event of Default shall have occurred and be continuing, the Bank is hereby authorized, without notice to such Subsidiary Guarantor or any other Subsidiary Guarantor, any such notice being expressly waived by each Subsidiary Guarantor, to set off and appropriate and apply any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by the Bank to or for the credit or the account of such Subsidiary Guarantor, or any part thereof, in such amounts as the Bank may elect, against and on account of the obligations and liabilities of such Subsidiary Guarantor to the Bank hereunder and claims of every nature and description of the Bank against such Subsidiary Guarantor, in any currency, whether arising hereunder, under the Credit Agreement, the Note, any other Loan Document or otherwise, as the Bank may elect, whether or not the Bank has made any demand for payment and although such obligations, liabilities and claims may be contingent or unmatured. The Bank shall notify such Subsidiary Guarantor promptly of any such set-off and the application made by the Bank, provided, that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Bank under this Section 4 are in addition to other rights and remedies (including, without limitation, other rights of set-off) which the Bank may have.

5. No Subrogation. Notwithstanding any payment or payments made by any of the Subsidiary Guarantors hereunder or any set-off or application of funds of any of the Subsidiary Guarantors by the Bank, no Subsidiary Guarantor shall be entitled to be subrogated to any of the rights of the Bank against the Borrower, Kimco or any other Subsidiary Guarantor or guarantee or right of offset held by the Bank for the payment of the Obligations, nor shall any Subsidiary Guarantor seek (including by taking any action or commencing any proceeding against any Obligor or any Obligor's successors and assigns, whether in connection with a bankruptcy proceeding or otherwise) or be entitled to seek any contribution or reimbursement from the Borrower, Kimco, any other Subsidiary Guarantor in respect of payments made by such Subsidiary Guarantor hereunder until all amounts owing to the Bank by the Borrower on account of the Obligations are paid in full in cash and the Commitment is terminated. If any amount shall be paid to any Subsidiary Guarantor on account of such subrogation rights or rights of contribution or reimbursement at any time when all of the Obligations shall not have been paid in full in cash, such amount shall be held by such Subsidiary Guarantor in trust for the Bank, shall be segregated from other funds of such Subsidiary Guarantor, and shall, forthwith upon receipt by such Subsidiary

Guarantor, be turned over to the Bank in the exact form received by such Subsidiary Guarantor (duly endorsed by such Subsidiary Guarantor to the Bank, if required), to be applied against the Obligations, whether matured or unmatured, in such order as the Bank may determine.

6. Amendments, etc. with respect to the Obligations; Waiver of Rights. Each Subsidiary Guarantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any such Subsidiary Guarantor and without notice to or further assent by any such Subsidiary Guarantor, any demand for payment of any of the Obligations made by the Bank may be rescinded by the Bank and any of the Obligations continued, and the Obligations, or the liability of any other party upon or for any part thereof, or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Bank, and the Credit Agreement, the Notes and the other Loan Documents and any other documents executed and delivered in connection with the Loan Documents may be amended, modified, supplemented or terminated, in whole or in part, as the Bank may deem advisable from time to time, and any guarantee or right of offset at any time held by the Bank for the payment of the Obligations may be sold, exchanged, waived, surrendered or released. When making any demand hereunder against any of the Subsidiary Guarantors, the Bank may, but shall be under no obligation to, make a similar demand on the Borrower, Kimco, any other Subsidiary Guarantor or guarantor, and any failure by the Bank to make any such demand or to collect any payments from the Borrower, Kimco, any such other Subsidiary Guarantor or guarantor or any release of the Borrower, Kimco, any other Subsidiary Guarantor or guarantor shall not relieve any of the Subsidiary Guarantors in respect of which a demand or collection is not made or any of the Subsidiary Guarantors not so released of their joint and several obligations or liabilities hereunder, and shall not impair or affect the rights and remedies, express or implied, or as a matter of law, of the Bank against any of the Subsidiary Guarantors. For the purposes hereof, "demand" shall include the commencement and continuance of any legal proceedings.

7. Guarantee Absolute and Unconditional. Each Subsidiary Guarantor waives any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by the Bank upon this Subsidiary Guarantee or acceptance of this Subsidiary Guarantee; the Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon this Subsidiary Guarantee; and all dealings between the Borrower or Kimco and any of the Subsidiary Guarantors, on the one hand, and the Bank, on the other hand, likewise shall be conclusively presumed to have been had or consummated in reliance upon this Subsidiary Guarantee. Each Subsidiary Guarantor waives promptness, diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon the Borrower, Kimco or any of the other Subsidiary Guarantors or any other notice with respect to the Obligations. Furthermore, each Subsidiary Guarantor unconditionally and irrevocably waives, to the fullest extent permitted by law, any right (and any benefits of *orden, excusión y división*), to which it may be entitled, to the extent applicable, under Articles 2813, 2814, 2815, 2817, 2818, 2819, 2820, 2821, 2822, 2823, 2824, 2826, 2827, 2830, 2835, 2836, 2837, 2838, 2839, 2840, 2842, 2844, 2845, 2846, 2847, 2848, and 2849 of the Federal Civil Code (*Código Civil Federal*) and the corresponding provisions of the Civil Codes of the States of Mexico and the Federal District. Each Subsidiary Guarantor understands and agrees that this Subsidiary Guarantee shall be construed as a joint and several, continuing, absolute, irrevocable and unconditional guarantee of payment without regard to (a) the validity, regularity or enforceability of the Credit Agreement, any Note or any other Loan Document, any of the Obligations or guarantee or right of offset with respect thereto at any time or from time to time held by the Bank, (b) any defense, set-off or counterclaim (other than a defense of payment or performance) which may at any time be available to or be asserted by the Borrower, Kimco, any Subsidiary Guarantor or other Person in respect of any of the Obligations against the Bank, or (c) any other circumstance whatsoever (with or without notice to or knowledge of the Borrower, Kimco, such Subsidiary Guarantor or other Person) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Borrower for the Obligations, or of

such Subsidiary Guarantor under this Subsidiary Guarantee, in bankruptcy or in any other instance. When pursuing its rights and remedies hereunder against any Subsidiary Guarantor, the Bank may, but shall be under no obligation to, pursue such rights and remedies as it may have against the Borrower or any other Person or against any guarantee for the Obligations or any right of offset with respect thereto, and any failure by the Bank to pursue such other rights or remedies or to collect any payments from the Borrower or any such other Person or to realize upon any such guarantee or to exercise any such right of offset, or any release of the Borrower or any such other Person or any guarantee or right of offset, shall not relieve such Subsidiary Guarantor of any liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the Bank against such Subsidiary Guarantor. This Subsidiary Guarantee shall remain in full force and effect and be binding in accordance with and to the extent of its terms upon each Subsidiary Guarantor and the successors and assigns thereof, and shall inure to the benefit of the Bank, and its successors, endorsees, transferees and assigns, until all the Obligations and the obligations of Kimco under the Credit Agreement and each Subsidiary Guarantor under this Subsidiary Guarantee shall have been satisfied by payment in full in cash and the Commitment is terminated, notwithstanding that, from time to time during the term of the Credit Agreement, the Borrower may be free from any Obligations.

8. Reinstatement. Notwithstanding anything to the contrary in this Subsidiary Guarantee, this Subsidiary Guarantee shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by the Bank for any reason, including upon the insolvency, bankruptcy, dissolution, liquidation or reorganization or similar event of the Borrower, Kimco or any Subsidiary Guarantor, or upon, or as a result of, the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower, Kimco or any Subsidiary Guarantor or any substantial part of its property, or otherwise, all as though such payments had not been made.

9. Payments. Each Subsidiary Guarantor hereby guarantees that payments hereunder will be paid to the Bank in the currency of the applicable Obligation, at the office of the Bank set forth in Section 10.4 of the Credit Agreement or to such other office as the Bank may hereafter specify by notice to such Subsidiary Guarantor, without set-off or counterclaim or other defense, in accordance with Section 10.3 of the Credit Agreement. Each Subsidiary Guarantor hereby agrees to (i) comply with and be bound by the provisions of Section 10.3 of the Credit Agreement in respect of all payments hereunder; and (ii) that the provisions of Section 10.3 are incorporated into and made a part of this Subsidiary Guarantee by this reference as if as set forth herein; provided, that the references to "Borrower" in such sections shall be deemed references to each Subsidiary Guarantor or the Subsidiary Guarantors and reference to this Agreement shall be deemed to be references to this Subsidiary Guarantee.

10. Representations and Warranties; Covenants. c) Each Subsidiary Guarantor hereby represents and warrants that (i) the Baseline Representations and Warranties in respect of itself and its Properties are true and correct in all material respects on and as of the Effective Date and the Closing Date and each of the other Baseline Conditions relating to itself are satisfied in all material respects as of the Closing Date; and (ii) it is a Wholly Owned Subsidiary. For the purposes of this clause (a), each reference to the Borrower's knowledge in any representation or warranty cited shall be deemed to be a reference to the applicable Subsidiary Guarantor's knowledge.

(d) Each Subsidiary Guarantor hereby covenants and agrees with the Bank that, from and after the date of this Subsidiary Guarantee until the Obligations are paid in full in cash and the Commitment is terminated, such Subsidiary Guarantor (i) shall take, or shall refrain from taking, as the case may be, all actions that are necessary to be taken or not taken so that no violation of any provision, covenant or agreement contained in Articles V or VI or Section 10.20(c) of the Credit Agreement, and so that no Default or Event of Default, is caused by any act or failure to act of such Subsidiary Guarantor or any of its Subsidiaries.

11. Notices. All notices, requests and demands pursuant hereto shall be made in accordance with Section 10.4 of the Credit Agreement, provided, that any such notice, request or demand to or upon any Subsidiary Guarantor shall be addressed to such Subsidiary Guarantor at the notice address set forth under its signature below.

12. Additional Subsidiary Guarantors. Upon the election of Kimco and in accordance with Section 10.20(a) of the Credit Agreement, any Wholly-Owned Subsidiary of Kimco may become a party hereto and a "Subsidiary Guarantor" hereunder with the same force and effect as if it were originally a party to this Subsidiary Guarantee and named as a "Subsidiary Guarantor" hereunder upon the execution and delivery of a guarantee supplement in the form of Annex I hereto, and no consent of any other Subsidiary Guarantor hereunder shall be required in connection therewith. The rights and obligations of each Subsidiary Guarantor hereunder shall remain in full force and effect notwithstanding the addition of any new Subsidiary Guarantor as a party to this Subsidiary Guarantee.

13. Counterparts. This Subsidiary Guarantee may be executed by one or more of the Subsidiary Guarantors on any number of separate counterparts, each of which shall constitute an original, but all of which when taken together shall be deemed to constitute one and the same instrument. A set of the counterparts of this Subsidiary Guarantee signed by all the Subsidiary Guarantors shall be lodged with the Bank. Delivery of an executed counterpart of a signature page of this Subsidiary Guarantee by any electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Subsidiary Guarantee.

14. Severability. Any provision of this Subsidiary Guarantee which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

15. Integration. This Subsidiary Guarantee represents the entire agreement between the Bank and each Subsidiary Guarantor with respect to the subject matter hereof and there are no promises or representations by the Bank relative to the subject matter hereof not reflected herein.

16. Amendments in Writing; No Novation; No Waiver; Cumulative Remedies. d) None of the terms or provisions of this Subsidiary Guarantee may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the affected Subsidiary Guarantor(s) and the Bank in accordance with Section 10.1 of the Credit Agreement.

(b) The Bank shall not by any act (except by a written instrument pursuant to Section 16(a) hereof), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of the Bank, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Bank of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Bank would otherwise have on any future occasion.

(c) The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

17. Section Headings. The section headings used in this Subsidiary Guarantee are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

18. Successors and Assigns. This Subsidiary Guarantee shall be binding upon the successors and assigns of each Subsidiary Guarantor and shall inure to the benefit of the Bank and its successors and assigns. Notwithstanding the foregoing, no Subsidiary Guarantor may assign, transfer or delegate any of its rights or obligations under this Subsidiary Guarantee without the prior written consent of the Bank, and any assignment or transfer without such consent shall be null and void.

19. Governing Law. This Subsidiary Guarantee and any dispute, suit, action or proceeding between the parties relating to the formation, interpretation or performance of this Subsidiary Guarantee, the rights or liabilities of the parties or any matter arising out of or connected with this Subsidiary Guarantee, whether contractual or not, shall be governed by, and construed in accordance with the laws of the State of New York, excluding the choice-of-law principles (other than Section 5-1401 of the New York General Obligations Law).

20. Submission To Jurisdiction; Waivers. Each Subsidiary Guarantor hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Subsidiary Guarantee and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the courts of the State of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, at its address set forth under its signature below;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 20 any special, exemplary, punitive or consequential damages.

21. WAIVERS OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

*[Execution Pages Follow]*

IN WITNESS WHEREOF, each of the undersigned has caused this Subsidiary Guarantee to be duly executed and delivered by its duly authorized officer as of the day and year first above written.

KIMCO NORTH TRUST I

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

KIMCO NORTH TRUST III

By: \_\_\_\_\_  
Name:  
Title:

KIMCO NORTH TRUST V

By: \_\_\_\_\_  
Name:  
Title:

KIMCO NORTH TRUST II

By: \_\_\_\_\_  
Name:  
Title:

KIMCO NORTH LOAN TRUST IV

By: \_\_\_\_\_  
Name:  
Title:

KIMCO NORTH TRUST VI

By: \_\_\_\_\_  
Name:  
Title:

Address for Notices for all Subsidiary Guarantors:  
c/o Kimco Realty Corporation  
3333 New Hyde Park Road, Suite 100  
New Hyde Park, NY 11042  
Attn: Glenn G. Cohen  
Tel: (516) 869-9000  
Fax: (516) 869-2572

SUPPLEMENT NO. \_\_\_\_ TO SUBSIDIARY GUARANTEE

THIS SUPPLEMENT NO. \_\_\_\_, dated as of \_\_\_\_\_, \_\_\_\_ (this "Supplement"), is to the Subsidiary Guarantee, dated as of March 3, 2008 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Subsidiary Guarantee"), among the Subsidiary Guarantors (such capitalized term, and other terms used in this Supplement, to have the meanings set forth in Section 1 of the Subsidiary Guarantee) from time to time party thereto, in favor of SCOTIABANK INVERLAT, SOCIEDAD ANÓNIMA, INSTITUCIÓN DE BANCA MÚLTIPLE, GRUPO FINANCIERO SCOTIABANK INVERLAT, as lender (the "Bank").

W I T N E S S E T H

WHEREAS, pursuant to the provisions of Section 12 of the Subsidiary Guarantee, each of the undersigned is becoming a Subsidiary Guarantor under the Subsidiary Guarantee; and

WHEREAS, each of the undersigned expects to derive benefits, directly or indirectly, in return for undertaking its respective obligations under the Loan Documents, both individually and as members of the integrated group with the Borrower and Kimco;

NOW, THEREFORE, in consideration of the premises, and for other consideration (the receipt and sufficiency of which is hereby acknowledged), each of the undersigned agrees, for the benefit of the Bank, as follows.

(A) Party to Subsidiary Guarantee, etc. In accordance with the terms of the Subsidiary Guarantee, by its signature below, each of the undersigned hereby irrevocably agrees to become a Subsidiary Guarantor under the Subsidiary Guarantee with the same force and effect as if it were an original signatory thereto and each of the undersigned hereby agrees to be bound by and comply with all of the terms and provisions of the Subsidiary Guarantee applicable to it as a Subsidiary Guarantor. In furtherance of the foregoing, each reference to a "Subsidiary Guarantor" and/or "Subsidiary Guarantors" in the Subsidiary Guarantee shall be deemed to include each of the undersigned.

(B) Representations. Each of the undersigned hereby represents and warrants that (i) this Supplement has been duly authorized, executed and delivered by it and that this Supplement and the Subsidiary Guarantee constitute the legal, valid and binding obligation of each of the undersigned, enforceable against it in accordance with its terms (ii) each of Baseline Representations and Warranties in respect of itself are true and correct in all material respects on and as of the date hereof and each of the other Baseline Conditions relating to it are satisfied in all material respects as of the date hereof and (iii) it is a Wholly Owned Subsidiary.

(C) Full Force of Subsidiary Guarantee. Except as expressly supplemented hereby, the Subsidiary Guarantee shall remain in full force and effect in accordance with its terms.

(D) Severability. Wherever possible each provision of this Supplement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Supplement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Supplement or the Subsidiary Guarantee.

(E) Indemnity, Fees and Expenses, etc. Without limiting the provisions of any other Loan Document, each of the undersigned agrees to reimburse the Bank for its reasonable out-of-pocket expenses incurred in connection with this Supplement, including reasonable attorney's fees and expenses of the Bank's counsel.

(F) Governing Law, Entire Agreement, etc. This Supplement and any dispute, suit, action or proceeding between the parties relating to the formation, interpretation or performance of this Supplement, the rights or liabilities of the parties or any matter arising out of or connected with this Supplement, whether contractual or not, shall be governed by, and construed in accordance with the laws of the State of New York, excluding the choice-of-law principles (other than Section 5-1401 of the New York General Obligations Law). This Supplement constitutes the entire understanding among the parties hereto with respect to the subject matter thereof and supersedes any prior agreements, written or oral, with respect thereto. Furthermore, the parties hereby agree that Sections 20 and 21 of the Subsidiary Guarantee are incorporated *mutatis mutandis* to this Supplement.

(G) Counterparts. This Supplement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.



IN WITNESS WHEREOF, each of the undersigned has caused this Supplement to be duly executed and delivered as of the date first above written.

[NAME OF ADDITIONAL SUBSIDIARY GUARANTOR]

By: \_\_\_\_\_  
Name:  
Title:

SCOTIABANK INVERLAT, SOCIEDAD ANÓNIMA, INSTITUCIÓN DE BANCA  
MÚLTIPLE, GRUPO FINANCIERO SCOTIABANK INVERLAT,  
as Bank

By: \_\_\_\_\_  
Name:  
Title:

FORM OF COMPLIANCE CERTIFICATE  
[SEE ATTACHED]

FORM OF  
OFFICER'S CERTIFICATE

OF

KRC MEXICO ACQUISITION, LLC.

Pursuant to Section 4.1(d) of the Credit Agreement, dated as of March 3, 2008 (the "Credit Agreement," terms defined therein being used herein as therein defined), among KRC Mexico Acquisition, LLC, a limited liability company organized and existing under the laws of the State of Delaware, as borrower (the "Borrower"), Kinco Realty Corporation, a corporation organized and existing under the laws of the State of Maryland, as guarantor ("Kinco") and Scotiabank Inverlat, Sociedad Anónima, Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat, as lender (the "Bank");

The undersigned Vice-President and Treasurer of KRC Latin America GP Corporation, a corporation organized and existing under the laws of the State of Delaware (the "General Partner"), which is the general partner of KRC Latin American Holdings, LP, a limited partnership organized and existing under the laws of the Province of Quebec, Canada (the "Sole Member"), which is the sole member of the Borrower, hereby certifies as follows on behalf of the Borrower:

1. Each of the conditions set forth in Section 4.1 of the Credit Agreement have been satisfied;
2. No consent, approval or waiver is required for the execution, delivery and performance by the Borrower of the Loan Documents to which it is a party;
3. Each of the representations and warranties of the Borrower set forth in the Credit Agreement are true and correct in all material respects on and as of the Effective Date and shall be true and correct in all material respects on and as of the Closing Date;
4. No Default or Event of Default has occurred and is continuing as of the Effective Date or shall occur or be continuing on the Closing Date or shall occur upon, and as a result of, the giving effect to the making of the Loan by the Bank on the Closing Date;
5. Kathleen M. Gazerro is the duly elected and qualified Assistant Secretary of the General Partner and the signature set forth for such officer below is such officer's true and genuine signature;
6. Neither the Borrower nor the Sole Member has any duly elected and qualified officers.  
  
and the undersigned Assistant Secretary of the General Partner hereby certifies as follows:
7. No action has been taken nor have any other steps been taken or legal proceedings been started or, to my knowledge, nor are any legal proceedings threatened against any of the General Partner, the Sole Member or the Borrower for its winding-up, dissolution, administration or re-organization or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer for any or all of its respective assets or revenues;

8. The General Partner is a corporation duly formed, validly existing and in good standing under the laws of the State of Delaware; the Sole Member is a limited partnership duly formed, validly existing and in good standing under the laws of the Province of Quebec, Canada; and Borrower is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware;

9. Attached hereto as Annex 1 is a correct and complete copy of the resolutions duly adopted by the Board of Directors of the General Partner on \_\_\_\_\_, 2008 (the "Resolutions") authorizing (i) the execution, delivery and performance of the Loan Documents to which the Borrower is a party and (ii) the transactions (including the obtaining of the extension of credit under the Credit Agreement) contemplated by the Loan Documents to which the Borrower is a party; such Resolutions have not in any way been amended, modified, revoked or rescinded and have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect; and such Resolutions are the only proceeding required and now in force relating to or affecting the matters referred to therein; attached hereto as Annex 2 is a correct and complete copy of the Limited Liability Company Agreement of the Borrower as in effect on the date hereof and on the date immediately prior to the date that the Resolutions were adopted, and such Limited Liability Company Agreement has not been amended, repealed, modified or restated; attached hereto as Annex 3 is a correct and complete copy of the Certificate of Formation of the Borrower as in effect on the date hereof and on the date immediately prior to the date that the Resolutions were adopted, and such certificate has not been amended, repealed, modified or restated; attached hereto as Annex 4 is a correct and complete copy of the Limited Partnership Agreement of the Sole Member as in effect on the date hereof and on the date immediately prior to the date that the Resolutions were adopted, and such Limited Partnership Agreement has not been amended, repealed, modified or restated; attached hereto as Annex 5 is a correct and complete copy of the *Declaration d'immatriculation* of the Sole Member as in effect on the date hereof and on the date immediately prior to the date that the Resolutions were adopted, and such *Declaration d'immatriculation* has not been amended, repealed, modified or restated; attached hereto as Annex 6 is a correct and complete copy of the By-laws of the General Partner as in effect on the date hereof and on the date immediately prior to the date that the Resolutions were adopted, and such By-laws have not been amended, repealed, modified or restated; attached hereto as Annex 7 is a correct and complete copy of the Certificate of Incorporation of the General Partner as in effect on the date hereof and on the date immediately prior to the date that the Resolutions were adopted, and such certificate has not been amended, repealed, modified or restated; attached hereto as Annex 8 is a correct and complete copy of the Assignment and Assumption of Membership Interest evidencing the transfer of one hundred percent (100%) of the membership interests in the Borrower from Kimco Latin America Corporation, a Delaware corporation, to the Sole Member and attached hereto as Annex 9 is a filed-stamped copy of the Certificate of Merger filed with the State of Delaware evidencing the merger of KRC Mexico Acquisition Corporation with and into the Borrower.

10. The following persons are now duly elected and qualified officers of the General Partner holding the offices indicated next to their respective names below, and the signatures appearing opposite their respective names below are the true and genuine signatures of such officers, and each of such officers is duly authorized to execute and deliver, on behalf of the General Partner, as the general partner of the Sole Member, and on behalf of the Sole Member, as the sole member of the Borrower, each of the Loan Documents to which the Borrower is a party, and each of such officers is duly authorized to execute and deliver on behalf of the General Partner, as the general partner of the Sole Member, and on behalf of the Sole Member, as the sole member of the Borrower, any certificate or other document to be delivered by the Borrower pursuant to the Loan Documents to which the Borrower is a party:

Name	Office	Signature
Glenn G. Cohen	Vice President & Treasurer	_____
Kathleen M. Gazero	Assistant Secretary	_____

IN WITNESS WHEREOF, the undersigned have hereunto set our names as of the date set forth below.

KRC MEXICO ACQUISITION, LLC

By: KRC Latin American Holdings, LP, its sole member

By: KRC Latin America GP Corporation, its general partner

By: Name: Glenn G. Cohen

Title: Vice-President & Treasurer

\_\_\_\_\_  
Name: Kathleen M. Gazerro

Title: Assistant Secretary of KRC Latin America GP Corporation

Date: March \_\_\_\_, 2008

Resolutions

**RESOLVED**, that KRC Mexico Acquisition, LLC, a limited liability company organized and existing under the laws of the State of Delaware (the "**Borrower**") shall enter into that certain MXPS1,000,000,000 Credit Agreement, dated as of March 3, 2008 (the "**Credit Agreement**;" terms defined therein being used herein as therein defined), among the Borrower, as borrower, Kimco Realty Corporation, a corporation organized and existing under the laws of the State of Maryland, as guarantor, and Scotiabank Inverlat, Sociedad Anónima, Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat, as lender (the "**Bank**") and shall contemplate the transactions contemplated thereby; and be it further

**RESOLVED**, that in furtherance of the foregoing, the President or any Vice President of KRC Latin America GP Corporation, a corporation organized and existing under the laws of the State of Delaware (the "**General Partner**"), which is the general partner of KRC Latin American Holdings, LP, a limited partnership organized and existing under the laws of the Province of Quebec, Canada (the "**Sole Member**"), which is the sole member of the Borrower be, and each of them hereby is, authorized on behalf of the Borrower to execute and deliver any and all documents, instruments, agreements and writings as are required in connection with the consummation of the aforesaid Credit Agreement; all and each of the foregoing to contain such additional terms and provisions as the officer executing the same shall approve; and the execution and delivery of any of the foregoing shall be conclusive evidence that the same has been authorized by this resolution; and be it further

**RESOLVED**, that the President or any Vice President of the General Partner be, and each of them hereby is, authorized on behalf of the Borrower to execute and deliver such further instruments, agreements or documents, and to perform such other acts, as in their, his or her judgment, may be necessary or appropriate in order to effectuate the consummation of the aforesaid Credit Agreement and the intent and purpose of the foregoing resolutions; the execution and delivery of any of such further instruments, agreements or documents, and the performance of any such other acts, shall be conclusive evidence that the same have been authorized hereby.

Limited Liability Company Agreement of Borrower

[See Attached]



Certificate of Formation of Borrower

[See Attached]

Limited Partnership Agreement of Sole Member

[See Attached]

*Declaration d'immatriculation of Sole Member*

[See Attached]

By-Laws of General Partner

[See Attached]

Certificate of Incorporation of General Partner

[See Attached]

Assignment and Assumption of Membership Interest

[See Attached]

Filed-Stamped Copy of Certificate of Merger

[See Attached]

FORM OF  
OFFICER'S CERTIFICATE

OF

KIMCO REALTY CORPORATION

Pursuant to Section 4.1(e) of the Credit Agreement, dated as of March 3, 2008 (the "Credit Agreement;" terms defined therein being used herein as therein defined), among KRC Mexico Acquisition, LLC, a limited liability company organized and existing under the laws of the State of Delaware, as borrower (the "Borrower"), Kimco Realty Corporation, a corporation organized and existing under the laws of the State of Maryland, as guarantor ("Kimco") and Scotiabank Inverlat, Sociedad Anónima, Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat as lender (the "Bank");

The undersigned Responsible Officer of Kimco hereby certifies as follows:

1. Each of the conditions set forth in Section 4.1 of the Credit Agreement have been satisfied;
2. No consent, approval or waiver is required for the execution, delivery and performance by Kimco of the Loan Documents to which it is a party;
3. Each of the representations and warranties of Kimco set forth in the Credit Agreement are true and correct in all material respects on and as of the Effective Date and shall be true and correct in all material respects on and as of the Closing Date;
4. No Default or Event of Default has occurred and is continuing as of the Effective Date or shall occur or be continuing on the Closing Date or shall occur upon, and as a result of, the giving effect to the making of the Loan by the Bank on the Closing Date;
5. Kathleen M. Gazerro is the duly elected and qualified Assistant Secretary of Kimco and the signature set forth for such officer below is such officer's true and genuine signature;

and the undersigned Assistant Secretary of Kimco hereby certifies as follows:

6. No corporate action has been taken nor have any other steps been taken or legal proceedings been started or, to my knowledge, nor are any legal proceedings threatened against Kimco for its winding-up, dissolution, administration or re-organization or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer for any or all of its respective assets or revenues;
7. Kimco is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Maryland;
8. Attached hereto as Annex I is a correct and complete copy of resolutions duly adopted by the Board of Directors of Kimco on \_\_\_\_\_, 2008 (the "Resolutions") authorizing (i) the execution, delivery and performance of the Loan Documents to which it is a party and (ii) the transactions (including the issuance of the guarantee under the Credit Agreement in favor of the Bank) contemplated



by the Loan Documents to which it is a party; such Resolutions have not in any way been amended, modified, revoked or rescinded and have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect; and such Resolutions are the only corporate proceedings of Kimco now in force relating to or affecting the matters referred to therein; attached hereto as Annex 2 is a correct and complete copy of the By-laws of Kimco as in effect on the date hereof and on the date immediately prior to the date that the Resolutions were adopted, and such By-laws have not been amended, repealed, modified or restated; and attached hereto as Annex 3 is a correct and complete copy of the Certificate of Incorporation of Kimco as in effect on the date hereof and on the date immediately prior to the date that the Resolutions were adopted, and such certificate has not been amended, repealed, modified or restated;

9. The following persons are now duly elected and qualified officers of Kimco holding the offices indicated next to their respective names below, and the signatures appearing opposite their respective names below are the true and genuine signatures of such officers, and each of such officers is duly authorized to execute and deliver, on behalf of Kimco, each of the Loan Documents to which it is a party, and each of such officers is duly authorized to execute and deliver on behalf of Kimco any certificate or other document to be delivered by Kimco pursuant to the Loan Documents to which it is a party:

Name	Office	Signature
Glenn G. Cohen	Vice President & Treasurer	_____
Kathleen M. Gazero	Assistant Secretary	_____

IN WITNESS WHEREOF, the undersigned have hereunto set our names as of the date set forth below.

\_\_\_\_\_  
Name: Glenn G. Cohen  
Title: Vice President & Treasurer

\_\_\_\_\_  
Name: Kathleen M. Gazerro  
Title: Assistant Secretary

Date: March \_\_\_, 2008

Resolutions

**RESOLVED**, that Kimco Realty Corporation, a corporation organized and existing under the laws of the State of Maryland ("Kimco") shall enter into that certain MXPS1,000,000,000 Credit Agreement, dated as of March 3, 2008 (the "Credit Agreement;" terms defined therein being used herein as therein defined), among KRC Mexico Acquisition, LLC, a limited liability company organized and existing under the laws of the State of Delaware, a wholly-owned subsidiary of Kimco, as borrower (the "Borrower"), Kimco, as guarantor, and Scotiabank Inverlat, Sociedad Anónima, Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat as lender (the "Bank") and consummate the transactions contemplated thereby including the guarantee of the obligations of the Borrower to the Bank thereunder,; and be it further

**RESOLVED**, that in furtherance of the foregoing, the President or any Vice President of Kimco be, and each of them hereby is, authorized on behalf of Kimco to execute and deliver any and all documents, instruments, agreements and writings as are required in connection with the consummation of the aforesaid Credit Agreement; all and each of the foregoing to contain such additional terms and provisions as the officer executing the same shall approve; and the execution and delivery of any of the foregoing shall be conclusive evidence that the same has been authorized by this resolution; and be it further

**RESOLVED**, that the President or any Vice President of Kimco be, and each of them hereby is, authorized on behalf of the Kimco to execute and deliver such further instruments, agreements or documents, and to perform such other acts, as in their, his or her judgment, may be necessary or appropriate in order to effectuate the consummation of the aforesaid Credit Agreement and the intent and purpose of the foregoing resolutions; the execution and delivery of any of such further instruments, agreements or documents, and the performance of any such other acts, shall be conclusive evidence that the same have been authorized hereby.

By-Laws of Kinco  
[See Attached]

Certificate of Incorporation of Kimco

[See Attached]

FORM OF  
CLOSING CERTIFICATE  
OF  
SUBSIDIARY GUARANTORS

Pursuant to Section 4.1(f) of the Credit Agreement, dated as of March 3, 2008 (the "Credit Agreement," terms defined therein being used herein as therein defined), among KRC Mexico Acquisition, LLC, a limited liability company organized and existing under the laws of the State of Delaware, as borrower (the "Borrower"), Kimco Realty Corporation, a corporation organized and existing under the laws of the State of Maryland, as guarantor ("Kimco") and Scotiabank Inverlat, Sociedad Anónima, Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat as lender (the "Bank");

The undersigned trustee (each, a "Trustee") of the following grantor trusts: (i) Kimco North Trust I ("Trust I"), (ii) Kimco North Trust II ("Trust II"), (iii) Kimco North Trust III ("Trust III"), (iv) Kimco North Loan Trust IV ("Trust IV"), (v) Kimco North Trust V ("Trust V") and Kimco North Trust VI ("Trust VI") (each of Trust I, Trust II, Trust III, Trust IV, Trust V and Trust VI, a "Subsidiary Guarantor") hereby certifies as follows with respect to each Subsidiary Guarantors as to which he is a Trustee:

10. No consent, approval or waiver is required for the execution, delivery and performance by such Subsidiary Guarantor of the Loan Documents to which it is a party;
11. The Baseline Conditions relating to such Subsidiary Guarantor are satisfied in all material respects on and as of the Effective Date and will be satisfied in all material respects on and as of the Closing Date;
12. No Default or Event of Default has occurred and is continuing as of the Effective Date or shall occur or be continuing on the Closing Date or shall occur upon, and as a result of, the giving effect to the making of the Loan by the Bank on the Closing Date;
13. David B. Henry and Michael V. Pappagallo are the sole Trustees of Trust I and Glenn G. Cohen is the sole Trustee of each of Trust II, Trust III, Trust IV, Trust V and Trust VI;
14. No action has been taken nor have any other steps been taken or legal proceedings been started or, to my knowledge, nor are any legal proceedings threatened, against such Subsidiary Guarantor threatening its continued trust existence or for its winding-up, dissolution, administration, termination or re-organization or for the appointment of a receiver, administrator, administrative receiver or similar officer (other than its Trustee(s)) for any or all of its respective assets or revenues.
15. Such Subsidiary Guarantor is a grantor trust duly organized and validly existing under the laws of the State of New York and each Trustee of such Subsidiary Guarantor is an individual over the age of 21;

16. Attached hereto as Annex 1 is a correct and complete copy of the Irrevocable Grantor Trust Agreement of such Subsidiary Guarantor as in effect on the date hereof and such Irrevocable Grantor Trust Agreement has not been amended, repealed, modified or restated;

8. No consent or approval is required from any Person other than its Trustee(s) for the execution, delivery and performance of the Loan Documents to which such Subsidiary Guarantor is a party or the consummation of the transactions contemplated thereby.

9. The signatures appearing opposite the names of the Trustees below are the true and genuine signatures of such Trustees, and each Trustee is duly authorized to execute and deliver, on behalf of each Subsidiary Guarantor as to which he is a Trustee, each of the Loan Documents to which it is a party, and each Trustee is duly authorized to execute and deliver on behalf of each Subsidiary Guarantor any certificate or other document to be delivered by such Subsidiary Guarantor pursuant to the Loan Documents to which such Subsidiary Guarantor is a party:

Name	Applicable Subsidiary Guarantor	Signature
David B. Henry	Trust I	_____
Michael V. Pappagallo	Trust I	_____
Glenn G. Cohen	Trust II, Trust III, Trust IV, Trust V and _____, Trust VI	

IN WITNESS WHEREOF, the undersigned have hereunto set our names as of the date set forth below.

As Trustees of Trust I:

\_\_\_\_\_  
Name: David B. Henry  
Title: Trustee

\_\_\_\_\_  
Name: Michael V. Pappagallo  
Title: Trustee

As Trustee of Trust II, Trust III, Trust IV, Trust V and Trust VI

\_\_\_\_\_  
Name: Glenn G. Cohen  
Title: Trustee

Date: March \_\_, 2008

The undersigned certifies that (i) Kimco Realty Corporation is the Grantor of all the Trusts referenced above, (ii) the signature(s) appearing opposite of the names of the Trustee(s) above is/are the true and genuine signature(s) of such Trustee(s) and such Person(s) is/are the sole Trustee(s) of each such Trust, and (iii) all the information contained in this Certificate is, to the actual knowledge of the undersigned, true and correct.

KIMCO REALTY CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



Irrevocable Grantor Trust Agreement for each Subsidiary Guarantor

[See Attached]

**Schedule I**

**Initial Subsidiary Guarantors**

Kimco North Trust I, a New York trust  
EIN: 52-2352081

Kimco North Trust II, a New York trust  
EIN: 03-6079543

Kimco North Trust III, a New York trust  
EIN: 56-6643357

Kimco North Loan Trust IV, a New York trust  
EIN: 43-1967798

Kimco North Trust V, a New York trust  
EIN: 20-0288440

Kimco North Trust VI, a New York trust  
EIN: 56-6642652

SCHEDULE 2.2  
PRICING SCHEDULE

KIMCO SENIOR UNSECURED DEBT RATING	$\geq A/A2$	<i>A-/A3</i>	<i>BBB+/ Baa1</i>	<i>BBB/ Baa2</i>	<i>BBB-/ Baa3</i>	<i>&lt;BBB-/ Baa3</i>
APPLICABLE MARGIN (BASIS POINTS)	50	60	70	80	95	110

For the period from the Closing Date to the first Interest Payment Date, the Applicable Margin shall be as determined as of the Closing Date. Thereafter, the Applicable Margin shall be determined on each Interest Payment Date for the period commencing on such date.

In the event of a difference in rating between Moody's and S&P, the Applicable Margin shall be based upon the higher of the two ratings. In such case, Kimco may, at its option, obtain a debt rating from a third nationally-recognized rating agency, in which case the Applicable Margin shall be based on the lower of the two highest ratings, at least one of which must be Moody's or S&P.

If S&P and/or Moody's shall cease to issue ratings of debt securities of real estate investment trusts generally, then the Bank and the Kimco shall negotiate in good faith to agree upon a substitute rating agency or agencies (and to correlate the system of ratings of each substitute rating agency with that of the rating agency for which it is substituting) and (a) until such substitute rating agency or agencies are agreed upon, pricing shall be determined on the basis of the rating assigned by the other rating agency (or, if both S&P and Moody's shall have so ceased to issue such ratings, on the basis of the status in effect immediately prior thereto) and (b) after such substitute rating agency or agencies are agreed upon, pricing shall be determined on the basis of the rating assigned by the other rating agency and such substitute rating agency or the two substitute rating agencies, as the case may be.

Schedule 3.1  
Certain Financial Disclosure

NONE

Schedule 6.2  
Specified Transactions

NONE

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