

AGREEMENT TO TRANSFER AND REIMBURSEMENT AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 2005, by and between THE REDEVELOPMENT AUTHORITY OF THE CITY OF LANCASTER, a body politic created and existing under the laws of the Commonwealth of Pennsylvania, ("RACL") and PENN SQUARE PARTNERS, a Pennsylvania limited partnership ("PSP").

PRELIMINARY STATEMENT

PSP owns the land and improvements known as the Watt & Shand Building more particularly described in **Exhibit A** attached hereto and made a part hereof (the "Property"). The planning commission of the City of Lancaster ("City") has declared the area where the Property is located as a "redevelopment area." RACL, by resolution, and the City have adopted a Redevelopment Proposal in conformance with the requirements of the Urban Redevelopment Law (35 P.S. §1701 et seq.) (the "Redevelopment Law"). The land and improvements adjacent to the Property ("LCCCA Property") are owned by the Lancaster County Convention Center Authority, a body politic created pursuant to the Third Class County and City Convention Center Act ("LCCCA"). PSP, RACL and LCCCA, together with the City and Lancaster County have determined that an important public purpose is served by creating a convention center and hotel to serve the needs of the community. Therefore, PSP, LCCCA and RACL have determined to construct a hotel and convention center (the "Project") on the Property and the LCCCA Property and, to that end, have entered into a Joint Development Agreement ("JDA"), and has made a condominium declaration ("Condominium Declaration"). After the transfer of the Property from PSP to RACL, RACL and LCCCA intend to convey the Property and the LCCCA Property, respectively, to the condominium association created by the Condominium Declaration (the "Condominium Association"). Certain of the financing necessary to construct and develop the Project requires that the entire Project be in public ownership. Until the date hereof, PSP has acquired the Property, has held and carried the Property incurring Carrying Costs (as hereinafter defined) and the Development Costs (as hereinafter defined) with respect to design and development of the Project. RACL has determined that, without the expenditure of the Carrying Costs and Development Costs, it would be impossible to construct the Project.

In furtherance of the Project, RACL, PSP and LCCCA will have executed and placed in escrow related documents necessary to implement the construction and management of the Project including, without limitation, the Condominium Declaration and Bylaws establishing a condominium Unit owned by LCCCA ("Unit 1") and a condominium Unit owned by RACL ("Unit 2"), subject to an escrow agreement ("Escrow Agreement") among RACL, PSP, LCCCA and Land Services USA, Inc. (the "Escrow Agent"). RACL and PSP shall enter into a lease pursuant to which PSP shall lease the hotel to be created within Unit 2 (the "Hotel") for a period of twenty (20) years, operate such hotel and have other rights with respect to the Unit 2 ("Hotel Tower Lease").

NOW THEREFORE, in consideration of the sum of One (\$1.00) Dollar, the matters contained herein and other good and valuable consideration, intending to be legally bound hereby, RACL and PSP agree as follows:

1. Upon the later of two (2) days [or such later time to which RACL and PSP may mutually agree] after (i) approval of this Agreement and all other agreements related to the Project to which RACL is to be a party and for the execution of which by RACL the prior

approval of the City Council of the City is required by the Redevelopment Law and (ii) receipt of approval from the Commonwealth of Pennsylvania to restructure the IDP Mortgage as, or to replace the IDP Mortgage by, a leasehold mortgage on the Property securing the principal balance of the loan secured by the IDP Mortgage or at such other time as RACL and PSP may determine, PSP shall sell and RACL shall purchase the Property for the sum of \$1,250,000.00 (the "Purchase Price") which represents the fair market value of the Property not considering its value as a potential hotel site, as determined by an appraisal made by Weinstein Realty Advisors, dated January 23, 2004. PSP shall transfer ownership of the Property to RACL "AS IS, WHERE IS," with no warranties of any kind by PSP; PSP shall execute a special warranty deed in form attached hereto as **Exhibit B** made a part hereof, and a FIRPTA Affidavit in the form attached as **Exhibit C** made a part hereof. The time at which such deed and other document(s) are delivered to RACL in exchange for payment of the Purchase Price is herein referred to as the "Closing."

2. Simultaneously with the delivery of the Purchase Price, RACL and PSP shall order the placement of condominium documents to which they are a party into escrow to be held in accordance with the Escrow Agreement and held by the Escrow Agent.

3. Simultaneously with the delivery of the Purchase Price, RACL shall pay to PSP the following sums and PSP shall do the following things:

(a) (i) RACL shall pay to PSP, as the purchase price for the Project Development Materials (as defined below), all sums expended by PSP to purchase or create such Project Development Materials through the date of Closing (the "Development Costs"), which are estimated as of September 9, 2005, to be \$3,111,060, and (ii) PSP shall execute and deliver to RACL a bill of sale transferring all of PSP's right, title and interest to all design plans, architect's plans and renderings, engineering studies, other design development documents related to the Project, including, without limitation, product produced by attorneys and other professionals necessary for the preservation and development of the Property, and all other documents in which PSP has an interest in connection with the design and construction of the Project and such other documents reasonably and customarily required in connection with a transaction of this nature ("Project Development Materials"). PSP hereby represents and warrants that the purchase price for the Project Development Materials is the actual amount expended therefor by PSP, and PSP shall make no profit from sale of the Project Development Materials to RACL.

(b) RACL shall reimburse PSP for all sums expended by PSP from the date of PSP's acquisition of the Property to the date of Closing that were essential to the preservation, development and disposition of the Property (the "Carrying Costs"), which are estimated (exclusive of disposition costs) as of September 9, 2005, to be \$2,702,537. PSP hereby represents and warrants that the reimbursement sum shall be the actual Carrying Costs incurred by PSP, and PSP shall make no profit with respect thereto.

(c) The amounts contained in Sections 3(a) and 3(b) shall be reduced by the principal amount of the OGP Mortgage (as hereinafter defined) and the amount advanced pursuant to the IDP Mortgage (as hereinafter defined). The amounts in Section 3(a) and 3(b) above shall be reduced in accordance with the nature of the expenditure funded by each respective advance under the OGP Mortgage and the IDP Mortgage.

4. PSP shall pay all recording costs, transfer and other taxes and costs of preparing the appropriate deed, bills of sale and other instruments contemplated by this Agreement, and shall pay or reimburse RACL for the costs of obtaining an ALTA policy insuring title to the Property subject only to all matters of public record of any kind.

5. At Closing, title to the Property shall be vested in PSP and shall be good and marketable, subject only to those claims, liens, encumbrances or exceptions contained in the list attached hereto as **Exhibit D**.

6. The Property is presently subject to two (2) mortgages, one in the principal amount of \$2,000,000.00 advanced by RACL to PSP (the "OGP Mortgage") and one in the principal amount of \$2,250,000.00 (the "IDP Mortgage"), under which RACL is the secured party and PSP is the mortgagor. At Closing, the OGP Mortgage shall be released by RACL, the note executed by PSP in conjunction therewith shall be marked satisfied and returned to PSP, and an appropriate mortgage satisfaction piece shall be filed with the Recorder of Deeds of Lancaster County. In addition, subject to the approval of the Commonwealth of Pennsylvania, the IDP Mortgage shall be amended as (or replaced by) a leasehold mortgage upon PSP's leasehold interest in the Property and, upon sale of the fee interest in the Property by RACL to the Condominium, shall be further amended and restated (or replaced) so as to create a leasehold mortgage upon Unit 2, rather than the Property as a whole, but all of the other terms and conditions of the IDP Mortgage shall remain the same (or, if appropriate, the replacement leasehold mortgages shall contain the same terms and conditions as theretofore were contained in the IDP Mortgage, subject only to such changes as shall be appropriate to reflect the nature of the replacement mortgages). RACL and PSP shall use commercially reasonable efforts to cause the Commonwealth of Pennsylvania to approve an amendment to the IDP Mortgage and the underlying loan which will make the term of the IDP Mortgage and the underlying loan co-terminus with the Hotel Tower Lease and an adjustment to the amortization schedule for such loan to a twenty (20) year schedule with a balloon at the end. RACL agrees that any sums not advanced under the IDP Mortgage will be advanced for Eligible Projects Costs as defined therein.

7. In order to facilitate the demolition of the Watt & Shand Building and the design and construction of the Hotel prior to the receipt by RACL of certain grants from the Commonwealth of Pennsylvania which are to be used for such purposes, PSP may advance the sums required for the acquisition of the Property, Carrying Costs of the Property, demolition and design and construction of the Project as a loan to RACL ("PSP Loan"); provided, however, PSP's obligation to advance the PSP Loan shall be conditioned upon RACL's expenditure of the loan funds ("RACL Expenditures") being for Eligible Project Costs as such are defined in the grant application and contract with the Commonwealth. Upon receipt of the grants or funds from LCCCA under Section 8(b), RACL shall repay the PSP Loan together with interest from the date of each advance at the applicable federal rates for instruments of similar term as set forth in the United States Internal Revenue Code. RACL and PSP agree to use commercially reasonable efforts to apply for, procure and receive grants from the Commonwealth for the purpose of demolition, design and construction by RACL in accordance with the terms and conditions of the Condominium Declaration, the Hotel Tower Lease and the JDA.

8. In the event that the JDA is terminated by any party thereto in accordance with its terms, RACL and PSP agree as follows:

(a) If LCCCA does not exercise its right to acquire the Property or Unit 2, as the case may be (the "Option") under the terms of that certain Purchase Option Agreement entered into between RACL and LCCCA, a copy of which is attached hereto as **Exhibit E**, then upon expiration of such Purchase Option Agreement, RACL may sell the Property or Unit 2, as the case may be, to a third party for development; provided, however, RACL shall provide PSP with the right to match any offer to purchase received from a third party or a right to match a transaction with a third party at the same price and on other terms and conditions substantially similar to those offered by or arrived at with such third party ("Equal Price and Comparable Terms") by providing PSP with written notice of the terms of any proposed sale and transfer of the Property or Unit 2 to a third party (other than a transfer to LCCCA or its assignee). PSP shall have twenty (20) business days from the date of such written notice in which to deliver to RACL a written offer to purchase the Property or Unit 2, as the case may be, at an Equal Price and Comparable Terms, accompanied by a deposit not less than any deposit provided by such third party to RACL. If PSP makes such offer and RACL accepts the same, closing on title shall occur within 60 days, unless otherwise agreed upon by the parties. RACL may decline to accept any such PSP offer timely made only if RACL shall reasonably determine that the terms and conditions of PSP's offer (and any deposit) are not substantially similar to those offered by or arrived at with the third party and shall give PSP written notice of those terms and conditions which it has determined are not substantially similar within ten (10) business days following receipt of PSP's offer, in which case PSP shall have five (5) business days from the date of such written notice to submit an amended offer to match the specified terms and conditions. If PSP does not timely offer an Equal Price and Comparable Terms or, if applicable, does not amend its offer in a timely and appropriate manner following notice from RACL as provided above, RACL shall be free to sell and transfer the Property or Unit 2, as applicable, to such third party, provided that such sale and transfer may not be consummated at a lower price or upon terms and conditions substantially different from those of the third party's offer, as communicated to PSP, without providing to PSP the right to offer an Equal Price and Comparable Terms. If RACL does not consummate the transaction previously described within six (6) months of the date PSP declines to exercise its right to match, RACL shall re-commence the process described in this Section 8(a); provided, however, if the transaction which PSP declines to match is still in the process of being consummated, RACL may request PSP to extend the six (6)-month period, which request shall not be unreasonably withheld or delayed by PSP based solely on whether or not PSP, in its reasonable discretion, believes that such transaction will be consummated within a reasonable period of time. The provisions of this Section 8(a) shall be evidenced by a memorandum of right of first refusal recorded, at the cost and expense of PSP, in the records of the Recorder of Deeds of Lancaster County in the form of **Exhibit F** attached hereto.

(b) Upon a transfer of the Property or Unit 2 to LCCCA or its assignee, LCCCA or its assignee shall assume the IDP Mortgage or, if such assumption is not permitted by the Commonwealth of Pennsylvania, fully repay the IDP Mortgage, and RACL shall release PSP from all liability thereunder. In addition, to the extent LCCCA has given express, written pre-approval of RACL Expenditures, RACL shall require LCCCA, in connection with any such transfer of the Property or Unit 2 to LCCCA, to reimburse RACL for the outstanding principal balance of the PSP Loan, which represents the amount of such pre-approved RACL Expenditures, after the application of amounts received by RACL from the Commonwealth referred to in Section 7 of this Agreement, together with interest as determined in accordance with Section 7 hereof, and RACL shall use such reimbursement to pay or prepay the PSP Loan.

(c) Upon a sale and transfer of the Property or Unit 2 to a third party (other than LCCCA or its assigns), (i) the purchase price for the Property or Unit 2, as the case may be, shall at a minimum be sufficient to repay the PSP Loan (including all accrued and unpaid interest thereon); (ii) the PSP Loan shall be repaid from the proceeds of such sale; (iii) the purchaser/transferee must assume the IDP mortgage, or, if such assumption is not permitted by the Commonwealth of Pennsylvania, fully repay the loan secured by the IDP Mortgage; and (iv) RACL shall release PSP from all liability under the IDP Mortgage and the loan secured thereby. To the extent the proceeds of such sale and transfer are in excess of the amounts required to be paid in accordance with the previous sentence, such excess proceeds shall be applied by RACL to pay Carrying Costs not otherwise paid or reimbursed to PSP, whether upon the sale of the Property to RACL or at any other time, and RACL shall retain any excess proceeds thereafter.

(d) At any time after the expiration of the Purchase Option Agreement, for a period of fifteen (15) months after the occurrence of a Termination Event in the JDA, RACL may require PSP to acquire the Property or Unit 2, as the case may be, for an amount equal to the outstanding balance of the IDP Mortgage. Payment shall be made by amending and restating the leasehold mortgage into a fee simple mortgage on the same terms and conditions as the leasehold mortgage. RACL shall evidence its requirement by sending a written notice to PSP and closing of title shall occur within thirty (30) days following the date of the notice. PSP further agrees that it will redevelop the site conveyed, subject to the availability of public approvals for such project, and will invest at least an amount equal to the principal amount of the IDP Mortgage plus a sum equal to the cumulative amounts in Sections 1, 3(a) and 3(b) above.

(e) In order to effectuate the transfer contemplated in Section 8(d) hereof, RACL and PSP shall use commercially reasonable good faith efforts to enter into appropriate project contracts including, without limitation, a disposition agreement, as required by the Redevelopment Law of the Commonwealth of Pennsylvania at the time of such conveyance, and thereafter to establish the new project required hereunder.

9. Notices. Any notice, consent, approval, statement, demand or other communication which is provided for or required by this Agreement must be in writing and may be, at the option of the party giving notice, delivered in person (including delivery by national overnight couriers such as Federal Express) to any party or may be sent by registered or certified U.S. mail, with postage prepaid, return receipt required. Any such notice or other written communications shall be deemed to have been given (i) in the case of personal delivery, on the date of delivery to the person to whom such notice is addressed as evidenced by a written receipt signed by such person, and (ii) in the case of registered or certified mail, three (3) business days following the day it shall have been posted. For purposes of notice or other written communications, the addresses may be changed at any time by written notice given in accordance with this provision:

(a) If to RACL:

Redevelopment Authority of the City of Lancaster
120 North Duke Street
Lancaster, PA 17603
Attention: Charles H. Simms, Jr., Chairman

with a copy to:

Blakinger, Byler & Thomas, P.C.
28 Penn Square
Lancaster, PA 17603
Attention: Frank P. Mincarelli, Esquire

(b) If to PSP:

Penn Square Partners
1853 William Penn Way
Lancaster, PA 17605-0008
Attention: Mark C. Fitzgerald, Vice President

with a copy to:

Ballard Spahr Andrews & Ingersoll, LLP
1735 Market Street, 51st Floor
Philadelphia, PA 19103
Attention: Richard R. Goldberg, Esquire

IN WITNESS WHEREOF, the parties have affixed their respective signatures and have executed this Agreement as of the day herein above first written, intending to be legally bound thereby.

REDEVELOPMENT AUTHORITY OF THE
CITY OF LANCASTER, a body politic and
corporate existing under the laws of the
Commonwealth of Pennsylvania

By: _____
Its: _____

PENN SQUARE PARTNERS, a Pennsylvania
limited partnership

By: Penn Square General Corporation,
its general partner

By: _____
Its: _____

EXHIBIT A

Legal Description

EXHIBIT A

DESCRIPTION and RECITAL

TRACT NO. 1 (2-10 East King Street & 19-21 South Queen Street))

ALL THAT CERTAIN tract of land with the improvements thereon erected, being situated on the South side of East King Street, the West side of South Christian Street, and the East side of South Queen Street, in the City of Lancaster, County of Lancaster, Commonwealth of Pennsylvania, as shown on a survey prepared by H. F. Huth Engineers, Inc., dated April 17, 1962, revised May 10, 1962, said tract being more fully bounded and described as follows:

BEGINNING at a point at the intersection of the South line of East King Street and the East line of "The Square"; thence along the South line of East King Street, North 81 degrees 35 minutes East, a distance of 111.61 feet to a point, a corner of land now or late of Simon A. Cantor, said point being the Eastern face of the East wall of the three-story brick store building hereon erected; thence along the East face of said wall and passing through the center line of said wall at the Southern extremity of said wall, South 08 degrees 32 minutes East, a distance of 131.67 feet to a point in the South side of a 10.0 foot wide private alley, said point being situated on the North face of the North wall of a four-story brick building hereon erected; thence along the same, North 81 degrees 46 minutes 30 seconds East, a distance of 69.21 feet to a point in the West line of South Christian Street; thence along the same, South 08 degrees 38 minutes 30 seconds East, a distance of 162.66 feet to a point, a corner of lands now or late of William G. Rinehart; thence along the same, passing along the North face of the North wall of the building erected on lands now or late of William G. Rinehart, South 81 degrees 42 minutes 30 seconds West, a distance of 246.74 feet to a point in the East line of South Queen Street; thence along the same, North 08 degrees 39 minutes 30 seconds West, a distance of 229.32 feet to a point in the South line of "The Square"; thence along the same, North 81 degrees 56 minutes East, a distance of 66.0 feet to a point in line of the East line of said "Square"; thence along the same, North 08 degrees 26 minutes West, a distance of 65.10 feet to the point or place of BEGINNING.

BEING composed of the following tracts of land:

1. Purparts No. 1, 3 and 4 of the same premises which James Shank and P. T. Watt and Laura G. Watt, his wife, and James Shand and P. T. Watt, partners trading as Watt and Shand, by Deed dated March 18, 1918, and recorded in the Recorder of Deeds Office for Lancaster County, Pennsylvania, in Deed Book I, Volume 23, Page 220, granted and conveyed unto Watt and Shand, a PA corporation, its successors and assigns.
2. The same premises which George R. Rohrer and Adelaide C. Rohrer, his wife, and Howard Fohrer, by their Deed dated April 2, 1920, and recorded in the Recorder of Deeds Office aforesaid in Deed Book C, Volume 24, Page 506, granted and conveyed unto Watt and Shand, a PA corporation, its successors and assigns.
3. The same premises which Drossos A. Skylas, by Deed dated April

15, 1925, and recorded in the Recorder of Deeds Office aforesaid in Deed Book I, Volume 27, Page 578, granted and conveyed unto Watt & Shand, a PA corporation, its successors and assigns.

4. The same premises which Albert F. Witmer, Substituted Fiduciary of the Trust Mortgage Pool of The Lancaster Trust Company, by Deed dated May 22, 1936, and recorded in the Recorder of Deeds Office aforesaid in Deed Book P, Volume 32, Page 480, granted and conveyed unto Watt & Shand, a PA corporation, its successors and assigns.

5. The same premises which John M. Ammon and Cora M. Ammon, his wife, by Deed dated July 2, 1937, and recorded in the Recorder of Deeds Office aforesaid in Deed Book E, Volume 33, Page 295, granted and conveyed unto Watt & Shand, a PA corporation, its successors and assigns.

6. The same premises which Harry P. Wisegarver, Executor of Jennie H. May, by Deed dated March 30, 1940, and recorded in the Recorder of Deeds Office aforesaid in Deed Book N, Volume 34, Page 365, granted and conveyed unto Watt & Shand, a PA corporation, its successors and assigns.

7. The same premises which Alpheaus S. Groff and Ella L. Groff, his wife, by Deed dated February 24, 1960, and recorded in the Recorder of Deeds Office aforesaid in Deed Book Y, Volume 48, Page 419, granted and conveyed unto Watt & Shand, a PA corporation, its successors and assigns.

TOGETHER with and subject to the right to the use of the aforesaid 10 feet wide private alley.

TRACT NO. 2 (40 South Christian Street)

ALL THAT CERTAIN lot or piece of land situated on the West side of South Christian Street, in the City of Lancaster, County of Lancaster and State of Pennsylvania, having thereon erected a two-story brick building known as No. 40 South Christian Street, bounded and described according to a survey made by J. Haines Shertzer on November 7, 1949, as follows, to wit:

BEGINNING at an iron pin on the West line of South Christian Street, a corner of property now or late of Richard Oblender; thence extending along said property of Richard Oblender, North 88 degrees 29 minutes West, a distance of 125.00 feet to a "V" cut in the wall of the building adjoining to the South, a corner of other property now or late of R. S. Noonan and Ella Noonan, his wife, and S. Edward Sherrill and Anita B. Sherrill, his wife; thence extending along said other property of the said R. S. Noonan and Ella Noonan, his wife, and S. Edward Sherrill and Anita B. Sherrill, his wife, North 45 minutes East, a distance of 32.14 feet to a cross in a concrete walk on line of property now or late of Phares Reifsnnyder; thence extending along said property of Phares Reifsnnyder, South 88 degrees 44 minutes East, a distance of 125.00 feet to an iron pin on the aforesaid West line of South Christian Street; thence extending along said West line of South Christian Street, South 45 minutes West, a distance of 32.68 feet to an iron pin, the place of BEGINNING.

BEING THE SAME PREMISES which R. S. Noonan and Ella Noonan, his wife, and S. Edward Sherrill and Anita B. Sherrill, his wife, by Deed dated November 30, 1949, and recorded December 1, 1949, in the Recorder of Deeds Office in and for Lancaster County, Pennsylvania, in Deed Book E, Volume 40, Page 501, granted and conveyed unto Watt & Shand, a PA corporation, its successors and assigns.

TRACT NO. 3 (27-29 South Queen Street)

ALL THAT CERTAIN lot or piece of ground situate on the East side of South Queen Street, between Penn Square and Vine Street, in the City of Lancaster, County of Lancaster, Commonwealth of Pennsylvania, on which is erected a four-story brick store building, known as Nos. 27-29 South Queen Street, and other improvements.

CONTAINING in front on the East side of South Queen Street, 32 feet 2 1/4 inches, and extending in depth of that width Eastward 245 feet to Christian Street.

BOUNDED on the North by property of Watt & Shand; on the East by South Christian Street; on the South by property now or formerly of Farmers Bank & Trust Company of Lancaster; on the West by South Queen Street.

BEING THE SAME PREMISES which Ethel Judene Walker, by Deed dated October 29, 1986, and recorded November 10, 1986, in the Recorder of Deeds Office in and for Lancaster County, Pennsylvania, in Deed Book N, Volume 96, Page 231, granted and conveyed unto Watt & Shand, a Pennsylvania corporation, its successors and assigns.

AND Watt and Shand a/k/a Watt & Shand a/k/a Watt & Shand, Inc., by merger effective April 5, 1992, became known as Bon-Ton Stores of Lancaster, Inc.

TRACT NO. 4 (33-35 South Queen Street)

ALL THAT CERTAIN lot of ground situate on the East side of South Queen Street, in the City of Lancaster, County of Lancaster and State of Pennsylvania, known as 33-35 South Queen Street, bounded and described as follows, to wit:

CONTAINING in front on said South Queen Street, 32 feet 6 inches, more or less, and extending in depth of that width, more or less, 120 feet to property now or formerly of Watt & Shand Company.

BOUNDED on the North by property now or formerly of Julia G. Loeb; on the East by property now or formerly of Watt & Shand Company; on the South by property now or formerly of the Peoples Trust Company; on the West by South Queen Street.

ATTACHED TO AND FORMING A PART OF TITLE INSURANCE COMMITMENT
Order.No.: D192447LA

BEING THE SAME PREMISES which Oblender's Furnishings, Inc., by Deed dated December 19, 1977, and recorded in the Recorder of Deeds Office in and for Lancaster County, Pennsylvania, in Deed Book U, Volume 72, Page 560, granted and conveyed unto Hager Realty Corporation, its successors and assigns.

AND Hager Realty Corporation, by merger, has become part of Bon-Ton Stores of Lancaster, Inc.

TRACT NO. 5 (31 South Queen Street)

ALL THAT CERTAIN half lot of piece of land, with the buildings and improvements thereon erected, situated on the East side of South Queen Street, between Penn Square and Vine Street, in the City of Lancaster, County of Lancaster and State of Pennsylvania, known as No. 31 South Queen Street.

CONTAINING in front on the East side of said South Queen Street, 32 feet $\frac{1}{4}$ inches, more or less, and extending in depth of that width Eastwarily, 245 feet, more or less, to South Christian Street, the Northern boundary line of the main buiding of the hereby granted premises being a party wall to the end of said main buiding.

BOUNDED on the North by property now or late of Walter A. Heinitsh; on the South by property now or late of Julius Loeb; on the East by said South Christian Street; on the West by said South Queen Street.

BEING THE SAME PREMISES which William D. Crabtree and Ruth L. Crabtree, husband and wife, by their Attorney-in-Fact, Richard G. Greiner, by Deed dated July 31, 1997, and recorded July 31, 1997, in the Recorder of Deeds Office in and for Lancaster County, Pennsylvania, in Record Book 5414, Page 7, granted and conveyed unto Bon-Ton Stores of Lancaster, Inc., a Pennsylvania corporation, its successors and assigns.

DISTRICT - 33-3; MAP - 13K1D; BLOCK - 7; PARCEL - 1 & 28 (Tract 1); 25 (Tract 2); 27 (Tract 3); 24 (Tract 4); 26 (Tract 5)

EXHIBIT B

Warranty Deed

EXHIBIT C

FIRPTA Affidavit

EXHIBIT D

Exceptions



Fidelity National Title Insurance Company

SCHEDULE B - SECTION II EXCEPTIONS

File No. 04-PHI-1225SR

Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:

1. Defects, liens, encumbrances, adverse claims or other matters, if any created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this commitment.
2. Rights or claims of parties in possession or under the terms of any unrecorded lease or agreement(s) of sale.
3. Any encroachments, easements, measurements, variations in area or content, party walls or other facts which a correct survey of the premises would show.
4. Right granted to PP&L as set forth in Record Book 4047, Page 396.
5. Rights granted to Pennsylvania Power & Light Company in Deed Book N, Volume 34, Pages 192 and 193.
6. Rights granted to Pennsylvania Power & Light Company in Deed Book A, Volume 41, Page 486.
7. Terms of Agreement as set forth in Deed Book U, Volume 72, Page 563.
8. Deed of Easement as set forth in Deed Book W, Volume 51, Page 1100.
9. Grant of Easement as set forth in Deed Book M, Volume 57, Page 318.
10. Redevelopment Contract as set forth in Deed Book H, Volume 51, Page 328.
11. Memorandum of Right of First Refusal granted to Marriott International, Inc., dated September 25, 2001 and recorded March 21, 2003 as Instrument Number 5164817. (references Tract No. 1 only)

EXHIBIT E

Purchase Option Agreement