

CAREY W P & CO LLC
Form 4
January 10, 2007

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
CAREY WILLIAM P

(Last) (First) (Middle)

C/O W. P. CAREY & CO. LLC, 50
ROCKEFELLER PLAZA

(Street)

NEW YORK, NY 10020

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
CAREY W P & CO LLC [WPC]

3. Date of Earliest Transaction
(Month/Day/Year)
01/09/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	01/09/2007		G	385	\$ 30.29	D	
					(1)		
Common Stock					4,048,176.0841	D	
					5,836,506.3152	I	Held by W. P. Carey & Co. Incorporated

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control

SEC 1474
(9-02)

number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 5)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CAREY WILLIAM P C/O W. P. CAREY & CO. LLC 50 ROCKEFELLER PLAZA NEW YORK, NY 10020	X	X		

Signatures

/s/ Wm. Polk
Carey

01/10/2007

**Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) This transaction represents a bona fide gift. The indicated value per share is based on the stock closing price as of January 9, 2007.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. Disclosure Schedule, all issued and outstanding shares or other equity interests of each Parent Subsidiary are owned directly or indirectly by Parent free and clear of all liens, pledges, security interests, claims or other encumbrances.

4.5 Other Interests. Except for the interests in Parent Subsidiaries set forth in Section 4.5 of the Parent Disclosure Schedule, and except as set forth in Section 4.5 of the Parent Disclosure Schedule, neither Parent nor any Parent Subsidiary owns directly or indirectly any interest or investment (whether equity or debt) in any Person (other than investments in short-term investment securities).

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4.6 Consents and Approvals; No Violations. Assuming the adoption and approval of this Agreement by the shareholders of Parent and except (a) for filings, permits, authorizations, consents and approvals as may be required under, and other applicable requirements of, the Exchange Act, the Securities Act, and state securities or state blue sky laws, (b) for filing of the Articles of Merger and (c) as otherwise set forth in Section 4.6 of the Parent Disclosure Schedule, none of the execution, delivery or performance of this Agreement by Parent, the consummation by Parent of the transactions contemplated hereby or compliance by Parent with any of the provisions hereof will (i) conflict with or result in any breach of any provision of the organizational documents of Parent, (ii) require any filing with, notice by, or permit, authorization, consent or approval of, any Governmental Entity, (iii) result in a violation or breach of, or constitute (with or without due notice or lapse of time or both) a default (or give rise to any right of termination, cancellation or acceleration) under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, lease, license, contract, agreement or other instrument or obligation to which Parent is a party or by which it or any of its properties or assets may be bound, or (iv) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Parent or any of its properties or assets, excluding from the foregoing clauses (ii), (iii) and (iv) such filings, notices, permits, authorizations, consents, approvals, violations, breaches or defaults which would not, individually or in the aggregate, (A) prevent or materially delay consummation of the Merger, (B) otherwise prevent or materially delay performance by Parent of its material obligations under this Agreement or (C) have a Parent Material Adverse Effect.

4.7 SEC Reports. Parent has filed all required forms, and reports with the SEC since January 1, 2001 (collectively, the Parent SEC Reports), all of which were prepared in all material respects in accordance with the Securities Laws. As of their respective dates, Parent SEC Reports (a) complied as to form in all material respects with the applicable requirements of the Securities Laws and (b) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading. Each of the consolidated balance sheets of Parent included in or incorporated by reference into Parent SEC Reports (including the related notes and schedules) fairly presents in all material respects the consolidated financial position of Parent and Parent Subsidiaries as of its date and each of the consolidated statements of income, retained earnings and cash flows of Parent included in or incorporated by reference into Parent SEC Reports (including any related notes and schedules) fairly presents in all material respects the results of operations, retained earnings or cash flows, as the case may be, of Parent and Parent Subsidiaries for the periods set forth therein, in each case in accordance with GAAP consistently applied during the periods involved, except as may be noted therein and except, in the case of the unaudited statements, as permitted by Form 10-Q pursuant to Sections 13 or 15(d) of the Exchange Act and normal year-end audit adjustments which would not be material in amount or effect. No Parent Subsidiary is required to file any form or report with the SEC. The certificates of the Chief Executive Officer and Chief Financial Officer of Parent required by Rules 13a-14 and 15d-14 of the Exchange Act with respect to Parent SEC Reports, as applicable, are true and correct as of the date of this Agreement as they relate to a particular Parent SEC Report, as though made as of the date of this Agreement. Parent has established and maintains disclosure controls and procedures, has conducted the procedures in accordance with their terms and has otherwise operated in compliance with the requirements under Rules 13a-15 and 15d-15 of the Exchange Act.

4.8 Litigation. Except as set forth in Parent SEC Reports or in Section 4.8 of Parent Disclosure Schedule, (a) there is no suit, claim, action, proceeding or investigation pending or, to the knowledge of

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Parent, threatened against Parent or any of Parent Subsidiaries and (b) neither Parent nor any Parent Subsidiary is subject to any outstanding order, writ, judgment, injunction or decree of any Governmental Entity which, in the case of (a) or (b), would, individually or in the aggregate, (i) prevent or materially delay the consummation of the Merger, (ii) otherwise prevent or materially delay performance by Parent of any of its material obligations under this Agreement or (iii) have a Parent Material Adverse Effect.

4.9 Absence of Certain Changes. Except as disclosed in Parent SEC Reports or in Section 4.9 of the Parent Disclosure Schedule, since December 31, 2003 through the date hereof, Parent and Parent Subsidiaries have conducted their businesses only in the ordinary course of business and there has not been: (a) any declaration, setting aside or payment of any dividend or other distribution with respect to any shares of capital stock of Parent; (b) any Commitment entered into by Parent or any of Parent Subsidiaries outside the ordinary course of business except for Commitments for expenses of attorneys, accountants and investment bankers incurred in connection with the Merger; or (c) any material change in Parent's accounting principles, practices or methods, except insofar as may have been required by a change in GAAP.

4.10 Taxes. Except as set forth in Section 4.10 of the Parent Disclosure Schedule, each of Parent and Parent Subsidiaries (a) has timely filed (or had filed on their behalf) all Tax Returns required to be filed by any of them (after giving effect to any filing extension granted by a Governmental Entity) and (b) has paid (or had paid on their behalf) all Taxes shown on such Tax Returns as required to be paid by it, except, in each case, where the failure to file such Tax Returns or pay such Taxes would not, individually or in the aggregate, have a Parent Material Adverse Effect. Parent (i) for all taxable years commencing with its formation through December 31, 2003 has been subject to taxation as a REIT within the meaning of Section 856 of the Code and has satisfied all requirements to qualify as a REIT for such years and (ii) has operated since December 31, 2003 to the date hereof, and intends to continue to operate, in such a manner as to permit it to continue to qualify as a REIT. Except as set forth in Section 4.10 of the Parent Disclosure Schedule, the most recent financial statements contained in the Parent SEC Reports reflect, to the knowledge of Parent, an adequate reserve for all Taxes payable by Parent and the Parent Subsidiaries for all taxable periods and portions thereof through the date of such financial statements in accordance with GAAP, whether or not shown as being due on any Tax Returns. True, correct and complete copies of all federal, state and local Tax Returns and reports for Parent and each Parent Subsidiary with respect to the taxable years commencing on or after January 2001 and all written communications relating thereto requested by the Company or its employees, agents or representatives have been delivered or made available to representatives of the Company. To the knowledge of Parent, and except as set forth in Section 4.10 of the Parent Disclosure Schedule, no deficiencies for any Taxes have been proposed, asserted or assessed against Parent or any of Parent Subsidiaries as of the date of this Agreement, and no requests for waivers of the time to assess any such Taxes are pending. The Parent Partnership and Oasis Martinique, LLC are each taxable as a partnership and not as an association taxable as a corporation for federal income tax purposes.

4.11 Properties. Except as provided on Schedule 4.11 of the Parent Disclosure Schedule, Parent or one of Parent Subsidiaries owns fee simple title to each of the real properties identified on Schedule 4.11 of Parent Disclosure Schedule (the Parent Properties), which are all of the real estate properties owned by them, in each case (except as provided below) free and clear of Encumbrances. The Parent Properties (other than the Parent Properties under development) are not subject to any Property Restrictions, except for (i) Encumbrances and Property Restrictions set forth in the Parent Disclosure Schedule, (ii) Property Restrictions imposed or promulgated by law or any governmental body or authority with respect to real property, including zoning regulations, provided they do not materially adversely affect the current use of any Parent Property, (iii) Encumbrances and Property Restrictions disclosed on existing title reports or existing surveys or which would be shown on current title reports or current surveys and (iv) mechanics', carriers', workmen's, repairmen's liens and other Encumbrances, Property Restrictions and other limitations of any kind, if any, which, individually or in the aggregate, are not material in amount, do not materially detract from the value of or materially interfere with the present use of any of the Parent Properties subject thereto or affected thereby, and do not otherwise have a Parent Material Adverse Effect.

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Except as would not reasonably be expected to have a Parent Material Adverse Effect, valid policies of title insurance have been issued insuring Parent s or the applicable Parent Subsidiaries fee simple title to the Parent Properties and such policies are, at the date hereof, in full force and effect and no material claim has been made against any such policy. Except as provided on Schedule 4.11 to the Parent Disclosure Schedule, (i) no certificate, permit or license from any Governmental Entity having jurisdiction over any of the Parent Properties or any agreement, easement or other right that is necessary to permit the lawful use and operation of the buildings and improvements on any of the Parent Properties or that is necessary to permit the lawful use and operation of all driveways, roads and other means of egress and ingress to and from any of the Parent Properties has not been obtained and is not in full force and effect, except for such failures to obtain and to have in full force and effect, which would not, individually, or in the aggregate, have a Parent Material Adverse Effect; (ii) neither Parent nor any Parent Subsidiary has received written notice of any violation of any federal, state or municipal law, ordinance, order, regulation or requirement affecting any of the Parent Properties issued by any governmental authority which have not been cured, contested in good faith or which violations would not, individually, or in the aggregate, have a Parent Material Adverse Effect; (iii) there are no material structural defects relating to any of the Parent Properties, except for any structural defects which would not, individually, or in the aggregate, have a Parent Material Adverse Effect; (iv) there are no Parent Properties whose building systems are not in working order in any material respect, except for those which would not, individually, or in the aggregate, have a Parent Material Adverse Effect; or (v) there is no physical damage to the Parent Properties, except for such physical damage, which would not, individually, or in the aggregate, have a Parent Material Adverse Effect.

4.12 Environmental Matters. Parent and the Parent Subsidiaries are in compliance with all Environmental Laws, except for any noncompliance that, either individually or in the aggregate, would not have a Parent Material Adverse Effect. There is no administrative or judicial enforcement proceeding pending, or to the knowledge of Parent threatened, against Parent or any Parent Subsidiary under any Environmental Law. Neither Parent nor any Parent Subsidiary or, to the knowledge of Parent, any legal predecessor of Parent or any Parent Subsidiary, has received any written notice that it is potentially responsible under any Environmental Law for costs of response or for damages to natural resources, as those terms are defined under the Environmental Laws, at any location and neither Parent nor any Parent Subsidiary has transported or disposed of, or allowed or arranged for any third party to transport or dispose of, any waste containing Hazardous Materials at any location included on the National Priorities List, as defined under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, or any location proposed for inclusion on that list or at any location on any analogous state list. Parent has no knowledge of any release on the real property owned or leased by Parent or any Parent Subsidiary or predecessor entity of Hazardous Materials in a manner that would be reasonably likely to result in an order to perform a response action or in material liability under the Environmental Laws, and, to Parent s knowledge, there is no hazardous waste treatment, storage or disposal facility, underground storage tank, landfill, surface impoundment, underground injection well, friable asbestos or PCB s, as those terms are defined under the Environmental Laws, located at any of the real property owned or leased by Parent or any Parent Subsidiary or predecessor entity or facilities utilized by Parent or Parent Subsidiaries.

4.13 Employee Benefit Plans.

(a) Section 4.13(a) of the Parent Disclosure Schedule sets forth a list of all Employee Programs currently maintained or contributed to (or with respect to which any obligation to contribute has been undertaken) by Parent or any ERISA Affiliate. Each Employee Program that is intended to qualify under Section 401(a) of the Code has received a favorable determination or opinion letter from the IRS regarding its qualification thereunder and, to Parent s knowledge, no event has occurred and no condition exists that is reasonably expected to result in the revocation of any such determination.

(b) With respect to each Employee Program, Parent has provided, or made available, to the Company (if applicable to such Employee Program): (i) all documents embodying or governing such Employee Program, and any funding medium for the Employee Program (including, without limitation, trust agreements); (ii) the most recent IRS determination letter with respect to such Employee Program

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under Code Section 401(a); (iii) the most recently filed IRS Forms 5500; (iv) the summary plan description for such Employee Program (or other descriptions of such Employee Program provided to employees) and all modifications thereto; and (v) any insurance policy related to such Employee Program.

(c) Each Employee Program has been administered in accordance with the requirements of applicable law, including, without limitation, ERISA and the Code, except as would not, individually or in the aggregate, have a Parent Material Adverse Effect and is being administered and operated in all material respects in accordance with its terms. No Employee Program is subject to Title IV of ERISA or is a multiemployer plan, within the meaning of ERISA Section 3(37).

(d) Full payment has been made, or otherwise properly accrued on the books and records of Parent and any ERISA Affiliate, of all amounts that Parent and any ERISA Affiliate are required under the terms of the Employee Programs to have paid as contributions to such Employee Programs on or prior to the date hereof (excluding any amounts not yet due) and the contribution requirements, on a prorated basis, for the current year have been made or otherwise properly accrued on the books and records of Parent through the Closing Date.

(e) Neither Parent, an ERISA Affiliate or any person appointed or otherwise designated to act on behalf of Parent, or an ERISA Affiliate, nor, to the knowledge of Parent, any other disqualified person or party in interest (as defined in Section 4975(e)(2) of the Code and Section 3(14) of ERISA, respectively) has engaged in any transactions in connection with any Employee Program that is reasonably expected to result in the imposition of a material penalty or pursuant to Section 502(i) of ERISA, material damages pursuant to Section 409 of ERISA or a material tax pursuant to Section 4975(a) of the Code.

(f) No material liability, claim, action or litigation has been made, commenced or, to the knowledge of Parent, threatened with respect to any Employee Program (other than for benefits payable in the ordinary course of business).

(g) Except as set forth in Section 4.13(a) of the Parent Disclosure Schedule, no Plan provides for medical benefits (other than under Section 4980B of the Code or a plan qualified under Section 401(a) of the Code) to any current or future retiree or former employee.

4.14 Labor and Employment Matters.

(a) Neither Parent nor any Parent Subsidiary is a party to, or bound by, any collective bargaining agreement, contract or other agreement or understanding with a labor union or labor union organization, nor are there any negotiations or discussions currently pending or occurring between Parent, or any of the Parent Subsidiaries, and any union or employee association regarding any collective bargaining agreement or any other work rules or policies. There is no unfair labor practice or labor arbitration proceeding pending or, to the knowledge of Parent, threatened against Parent or any of the Parent Subsidiaries relating to their business. To Parent's knowledge, (i) there are no organizational efforts with respect to the formation of a collective bargaining unit presently being made or threatened involving employees of Parent or any of the Parent Subsidiaries (ii) nor have there been any such organizational efforts over the past five (5) years.

(b) Except as set forth in Section 4.14 of the Parent Disclosure Schedule, there are no proceedings pending or, to the knowledge of Parent, threatened against Parent or any of the Parent Subsidiaries in any forum by or on behalf of any present or former employee of Parent or any of the Parent Subsidiaries, any applicant for employment or classes of the foregoing alleging breach of any express or implied employment contract, violation of any law or regulation governing employment or the termination thereof, or any other discriminatory, wrongful or tortious conduct on the part of Parent or any of the Parent Subsidiaries in connection with the employment relationship.

4.15 No Brokers. Neither Parent nor any of the Parent Subsidiaries has entered into any contract, arrangement or understanding with any Person or firm which may result in the obligation of such entity or the Company to pay any finder's fees, brokerage or agent's commissions or other like payments in

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connection with the negotiations leading to this Agreement or consummation of the Merger, except that Parent has retained Deutsche Bank Securities Inc.

4.16 Vote Required. The affirmative vote of the holders of a majority of the outstanding Parent Common Shares is the only vote of the holders of any class or series of capital shares of Parent necessary to adopt and approve this Agreement.

4.17 Material Contracts.

(a) Except as set forth in Schedule 4.17(a) of the Parent Disclosure Schedule, the Parent SEC Reports list all Material Contracts. To Parent's knowledge, neither Parent nor any Parent Subsidiary is in violation of or in default under (nor does there exist any condition which upon the passage of time or the giving of notice or both would cause such a violation of or default under) any Material Contract to which it is a party or by which it or any of its properties or assets is bound, except as set forth on Schedule 4.17 of the Parent Disclosure Schedule and except for violations or defaults that would not, individually or in the aggregate, result in a Parent Material Adverse Effect, nor, except as set forth on Schedule 4.17(a) of the Parent Disclosure Schedule, will the consummation of the Merger result, to Parent's knowledge, in any third party having any right of termination, amendment, acceleration, or cancellation of or loss or change in a material benefit under any Material Contract, except for such terminations, amendments, accelerations, cancellations, losses or changes in a material benefit that would not, individually or in the aggregate result in a Parent Material Adverse Effect.

(b) Except for any of the following expressly identified in the Parent SEC Reports, Schedule 4.17(b) of the Parent Disclosure Schedule sets forth (x) a list of all loan or credit agreements, notes, bonds, mortgages, indentures and other agreements and instruments pursuant to which any material indebtedness of Parent or any of the Parent Subsidiaries, other than indebtedness payable to Parent or a Parent Subsidiary or to any third-party partner or joint venturer in any Parent Subsidiary and (y) the respective principal amounts outstanding thereunder on September 30, 2004.

4.18 Insurance. Parent maintains insurance coverage with reputable insurers, or maintains self-insurance practices, in such amounts and covering such risks as are in accordance with normal industry practice for companies engaged in businesses similar to that of Parent (taking into account the cost and availability of such insurance). There is no claim by Parent or any Parent Subsidiary pending under any such policies which (a) has been denied or disputed by the insurer or (b) would have, individually or in the aggregate, a Parent Material Adverse Effect. All such insurance policies are in full force and effect, all premiums due and payable thereon have been paid, and no written notice of cancellation or termination has been received by Parent with respect to any such policy which has not been replaced on substantially similar terms prior to the date of such cancellation.

4.19 Definition of Parent's Knowledge. As used in this Agreement, the phrase to the knowledge of Parent or any similar phrase means the actual (and not the constructive or imputed) knowledge of those individuals identified in Section 4.19 of the Parent Disclosure Schedule.

4.20 Joint Proxy Statement/ Prospectus: Parent Information. The information relating to Parent and Parent Subsidiaries to be contained in the Joint Proxy Statement/ Prospectus, and any other documents filed with the SEC in connection herewith, will not, on the date the Joint Proxy Statement/ Prospectus is first mailed to shareholders of Parent and the Company or at the time of either of Parent Shareholders Meeting or the Company Stockholders Meeting, contain any untrue statement of any material fact, or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not false or misleading at the time and in light of the circumstances under which such statement is made, except that no representation is made by Parent or MergerCo with respect to the information supplied by the Company for inclusion therein.

4.21 Required Financing. Parent and MergerCo have received a financing commitment letter (the Financing Letter), which, along with Parent's other financing resources, will provide sufficient funds, and at the Closing, Parent will have sufficient funds, to (a) pay the Cash Consideration pursuant to Section 2.1, (b) to the extent necessary, refinance the outstanding indebtedness of the Company, and

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(c) pay any and all fees and expenses in connection with the Merger or the financing thereof. Parent and MergerCo believe that all conditions to such financing commitment or will be satisfied or waived prior to the Closing Date (and in all events by the Drop Dead Date). Each of Parent and MergerCo acknowledge that the Company has relied upon Parent's and MergerCo's belief in connection with the Company's execution of this Agreement. Without prejudice to the fact that this Agreement does not provide for any financing condition or contingency, Parent has provided to the Company a true, complete and correct copy of the Financing Letter, and all amendments thereto, executed by the lender (the Lender). Parent will provide to the Company any amendments to the Financing Letter, or any notices given in connection therewith, as promptly as possible (but in any event within twenty-four (24) hours).

4.22 No Other Representations or Warranties. Except for the representations and warranties made by Parent in this Article IV, Parent makes no representations or warranties, and Parent hereby disclaims any other representations or warranties, with respect to Parent, Parent Subsidiaries, or its or their businesses, operations, assets, liabilities, condition (financial or otherwise) or prospects or the negotiation, execution, delivery or performance of this Agreement by Parent, notwithstanding the delivery or disclosure to Parent or its affiliates or representatives of any documentation or other information with respect to any one or more of the foregoing.

ARTICLE V

CONDUCT OF BUSINESS PENDING THE MERGER.

5.1 Conduct of Business by the Company. During the period from the date of this Agreement to the Effective Time, except as otherwise contemplated by this Agreement, the Company shall use its commercially reasonable efforts to, and shall cause each of the Company Subsidiaries to use its commercially reasonable efforts to, carry on their respective businesses in the usual, regular and ordinary course, consistent with past practice, and use their commercially reasonable efforts to preserve intact their present business organizations, keep available the services of their present officers and employees and preserve their relationships with customers, suppliers and others having business dealings with them. Without limiting the generality of the foregoing, neither the Company nor any of the Company Subsidiaries will (except as expressly permitted by this Agreement or as contemplated by the transactions contemplated hereby, as set forth in Section 5.1 of the Company Disclosure Schedule, or to the extent that Parent shall otherwise consent in writing (it being understood that Parent shall respond within five (5) Business Days to the Company's communications soliciting such agreement from Parent)):

(a) (i) split, combine or reclassify any shares of capital stock of the Company or (ii) declare, set aside or pay any dividend or other distribution (whether in cash, stock, or property or any combination thereof) in respect of any shares of capital stock of the Company, except for: (A) subject to Section 6.14, a regular, quarterly cash dividend at a rate not in excess of \$0.3375 per share of Company Common Stock, declared and paid in accordance with past practice, and corresponding regular quarterly distributions payable to holders of OP Units; (B) distributions payable to holders of Series C Cumulative Redeemable Perpetual Preferred Units (the Series C Units); (C) dividends or distributions, declared, set aside or paid by any Company Subsidiary to the Company or any Company Subsidiary that is, directly or indirectly, wholly owned by the Company and (D) the acceleration of the payment of the regular, quarterly 2004 fourth quarter dividend into December 2004.

(b) authorize for issuance, issue or sell or agree or commit to issue or sell (whether through the issuance or granting of options, warrants, commitments, subscriptions, rights to purchase or otherwise) any stock of any class or any other securities or equity equivalents (including, without limitation, stock appreciation rights) other than the (i) issuance of shares of Company Common Stock upon the exercise of Company Options outstanding on the date of this Agreement in accordance with their present terms, (ii) the issuance of shares of Company Common Stock pursuant to and in accordance with the terms of the Company ESPP in effect as of the date of this Agreement, (iii) under the Company Rights Agreement in accordance with its terms (iv) the issuance of Company Common

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Stock in exchange for OP Units pursuant to the Partnership Agreement or (v) the issuance of any stock of any class in connection with a redemption of the Series C Units;

(c) except as set forth in Section 5.1(c) of the Company Disclosure Schedule (which sets forth a true, complete and correct list of all existing obligations in effect to purchase or sell real property and the purchases or sale price thereof), acquire, sell, lease, encumber, transfer or dispose of any assets outside the ordinary course of business which are material to the Company or any of the Company Subsidiaries (whether by asset acquisition, stock acquisition or otherwise), except pursuant to obligations in effect on the date hereof, provided that such transaction is consummated in accordance in all material respects with the provisions of such obligations, including but not limited to such purchase or sale price;

(d) except in the ordinary course of business pursuant to credit facilities in existence as of the date hereof, incur any amount of indebtedness for borrowed money, guarantee any indebtedness, issue or sell debt securities, make any loans, advances or capital contributions, mortgage, pledge or otherwise encumber any material assets, or create or suffer any material lien thereupon, in excess of \$1,000,000 individually, or in excess of \$5,000,000 in the aggregate;

(e) except pursuant to any mandatory payments under any credit facilities in existence on the date hereof, pay, discharge or satisfy any claims, liabilities or obligations (absolute, accrued, asserted or unasserted, contingent or otherwise), other than any payment, discharge or satisfaction in the ordinary course of business consistent with past practice;

(f) change any of the accounting principles or practices used by it (except as required by GAAP, in which case written notice shall be provided to Parent and MergerCo prior to any such change);

(g) except as required by law, (i) enter into, adopt, amend or terminate any Employee Program, (ii) enter into, adopt, amend or terminate any agreement, arrangement, plan or policy between the Company or any of the Company Subsidiaries and one or more of their directors or executive officers, or (iii) except for normal increases in the ordinary course of business consistent with past practice, increase in any manner the compensation or fringe benefits of any non-executive officer or employee or pay any benefit not required by any Employee Program or arrangement as in effect as of the date hereof;

(h) grant to any officer, director or employee the right to receive any new severance, change of control or termination pay or termination benefits, grant any increase in the right to receive any severance, change of control or termination pay or termination benefits or enter into any new employment, loan, retention, consulting, indemnification, termination, change of control, severance or similar agreement with any officer, director or employee other than the grant of compensation and fringe benefits to any non-executive officer or employee hired after the date of this Agreement; provided, however; that the Company may accelerate the vesting and/or the payment of any existing benefits or awards and/or make any amendments to existing benefits, agreements or awards in order to facilitate such accelerated vesting and/or payments;

(i) except to the extent required to comply with its obligations hereunder or with applicable law, amend its articles of incorporation or bylaws, limited partnership or limited liability company agreements, or similar organizational or governance documents;

(j) adopt a plan of complete or partial liquidation or resolutions providing for or authorizing such a liquidation or a dissolution, merger, consolidation, restructuring, recapitalization or reorganization (other than the Merger or plans of complete or partial liquidation or dissolution of inactive Company Subsidiaries);

(k) except as set forth in Section 5.1(k) of the Company Disclosure Schedule, provided that such settlement does not exceed the amounts accrued therefor in the most recent balance sheet of the Company set forth in the Company SEC Reports, settle or compromise any litigation (whether or not

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commenced prior to the date of this Agreement) other than settlements or compromises for litigation where the amount paid (after giving effect to insurance proceeds actually received) in settlement or compromise does not exceed \$500,000;

(l) amend any term of any outstanding security of the Company or any Company Subsidiary;

(m) other than in the ordinary course of business, modify or amend any Material Contract to which the Company or any Company Subsidiary is a party or waive, release or assign any material rights or claims under any such Material Contract;

(n) authorize, commit to or make any equipment purchases or capital expenditures other than in the ordinary course of business and consistent with past practice; or

(o) enter into an agreement to take any of the foregoing actions.

5.2 Distribution by Company of REIT Taxable Income. Notwithstanding anything to the contrary in this Agreement, prior to the Closing Date, the Company shall declare and pay a dividend to its stockholders distributing cash in an amount equal to the Company's estimated real estate investment trust taxable income (as such term is used in Section 857(a) of the Code and reflecting any dividends previously paid during the tax year that would be expected to give rise to a dividends paid deduction for such tax year, but before reduction for the dividend contemplated by this Section 5.2) for the tax year of the Company ending with the Merger, plus any other amounts determined by the Company in its sole discretion to be required to be distributed in order for the Company to qualify as a REIT for such year and to avoid to the extent reasonably possible the incurrence of income or excise tax by the Company.

5.3 Conduct of Business by Parent. During the period from the date of this Agreement to the Effective Time, except as otherwise contemplated by this Agreement, Parent shall use its commercially reasonable efforts to, and shall cause each of Parent Subsidiaries to use its commercially reasonable efforts to, carry on their respective businesses in the usual, regular and ordinary course, consistent with past practice, and use their commercially reasonable efforts to preserve intact their present business organizations, keep available the services of their present officers and employees and preserve their relationships with customers, suppliers and others having business dealings with them. Without limiting the generality of the foregoing, neither Parent nor any of Parent Subsidiaries will (except as expressly permitted by this Agreement or as contemplated by the transactions contemplated hereby, as set forth in Section 5.3 of the Parent Disclosure Schedule, or to the extent that the Company shall otherwise consent in writing (it being understood that the Company shall respond within five (5) Business Days to Parent's communications soliciting such agreement from the Company)):

(a) (i) split, combine or reclassify any capital shares of Parent or (ii) declare, set aside or pay any dividend or other distribution (whether in cash, shares, or property or any combination thereof) in respect of any capital shares of Parent, except for (A) subject to Section 6.14 hereof, a regular, quarterly cash dividend at a rate not in excess of \$.635 per Parent Common Share, declared and paid in accordance with past practice, and corresponding regular quarterly distributions payable to holders of Parent OP Units in an amount not to exceed the amount payable to the shareholders of Parent in such quarter; (B) distributions payable to holders of preferred units in Parent Partnership; and (C) dividends or distributions, declared, set aside or paid by any Parent Subsidiary to Parent or any Parent Subsidiary that is, directly or indirectly, wholly owned by Parent;

(b) authorize for issuance, issue or sell or agree or commit to issue or sell (whether through the issuance or granting of options, warrants, commitments, subscriptions, rights to purchase or otherwise) any shares of any class or any other securities or equity equivalents (including, without limitation, share appreciation rights) other than the (i) issuance of Parent Common Shares upon the exercise of Parent Options outstanding on the date of this Agreement in accordance with their present terms, or (ii) the issuance of Parent Common Shares pursuant to and in accordance with the terms of the Parent Partnership Agreements;

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(c) except as set forth in Section 5.3 of the Parent Disclosure Schedule or for acquisitions and dispositions of real property with an aggregate net sale price of less than \$250,000,000, acquire, sell, lease, encumber, transfer or dispose of any assets outside the ordinary course of business which are material to Parent or any of Parent Subsidiaries (whether by asset acquisition, stock acquisition or otherwise), except pursuant to obligations in effect on the date hereof;

(d) change any of the accounting principles or practices used by it (except as required by GAAP, in which case written notice shall be provided to the Company prior to any such change);

(e) except to the extent required to comply with its obligations hereunder or with applicable law, not to, amend its articles of incorporation or bylaws, limited partnership or limited liability company agreements, or similar organizational or governance documents;

(f) adopt a plan of complete or partial liquidation or resolutions providing for or authorizing such a liquidation or a dissolution, merger, consolidation, restructuring, recapitalization or reorganization (other than the Merger or plans of complete or partial liquidation or dissolution of inactive Parent Subsidiaries);

(g) amend any term of any outstanding security of Parent or any Parent Subsidiary; and

(h) enter into an agreement to take any of the foregoing actions.

ARTICLE VI

COVENANTS

6.1 Preparation of the Joint Proxy Statement/ Prospectus; Stockholders Meetings.

(a) As soon as practicable following the date of this Agreement, the Company and Parent shall prepare and file with the SEC a joint proxy statement in preliminary form and Parent shall prepare and file with the SEC a registration statement on Form S-4 (the Form S-4) (together, the Joint Proxy Statement/ Prospectus) and the Partnership will prepare and file with the SEC proxy solicitation materials (the Proxy Solicitation Materials) soliciting, among other things, approval of the Second Amended and Restated Limited Partnership Agreement of the Partnership (the Amended Partnership Agreement) and the transfer of the Company's general partnership interest in the Partnership to MergerCo, and each of the Company, Parent, and the Partnership shall use its reasonable best efforts to respond as promptly as practicable to any comments of the SEC with respect thereto. Parent shall use its reasonable best efforts to have the Form S-4 declared effective under the Securities Act as promptly as practicable after such filing and to maintain the effectiveness of the Form S-4 through the Effective Time and to ensure that it complies in all material respects with the applicable provisions of the Exchange Act and Securities Act. Parent shall also take any action (other than qualifying to do business in any jurisdiction in which it is not now so qualified) required to be taken under any applicable state securities laws in connection with the issuance of Parent Common Shares in the Merger and the Company shall furnish all information concerning the Company and the holders of the Company Common Stock as may be reasonably requested in connection with any such action. The parties shall notify each other promptly of the receipt of any comments from the SEC or its staff and of any request by the SEC or its staff for amendments or supplements to the Joint Proxy Statement/ Prospectus or the Proxy Solicitation Materials or for additional information and shall supply each other with copies of all correspondence between such or any of its representatives, on the one hand, and the SEC or its staff, on the other hand, with respect to the Joint Proxy Statement/ Prospectus, the Proxy Solicitation Materials or the Merger.

(b) If, at any time prior to the receipt of the approval of the stockholders of the Company or the limited partners of the Partnership (collectively, Company Equityholder Approval) or the receipt of the approval of the shareholders of Parent (Parent Shareholder Approval), any event occurs with respect to the Company or any Company Subsidiary, or any change occurs with respect to other information supplied by the Company for inclusion in the Joint Proxy Statement/ Prospectus or the Proxy Solicitation Materials, which is required to be described in an amendment of, or a supplement to, the Joint Proxy Statement/

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Prospectus or the Proxy Solicitation Materials, the Company shall promptly notify Parent of such event, and the Company and Parent shall cooperate in the prompt filing with the SEC of any necessary amendment or supplement to the Joint Proxy Statement/ Prospectus or the Proxy Solicitation Materials, as applicable, and, as required by law, in disseminating the information contained in such amendment or supplement to Parent's shareholders, the Company's stockholders or the limited partners of the Partnership.

(c) If, at any time prior to the receipt of the Company Equityholder Approval or Parent Shareholder Approval, any event occurs with respect to Parent or any Parent Subsidiary, or change occurs with respect to other information supplied by Parent for inclusion in the Joint Proxy Statement/ Prospectus or the Proxy Solicitation Materials, which is required to be described in an amendment of, or a supplement to, the Joint Proxy Statement/ Prospectus or the Proxy Solicitation Materials, Parent shall promptly notify the Company of such event, and Parent and the Company shall cooperate in the prompt filing with the SEC of any necessary amendment or supplement to the Joint Proxy Statement/ Prospectus or the Proxy Solicitation Materials, as applicable, and, as required by law, in disseminating the information contained in such amendment or supplement to Parent's shareholders, the Company's stockholders or the limited partners of the Partnership.

(d) The Company shall, as soon as practicable following the date of this Agreement, duly call, give notice of, convene and hold a meeting of its stockholders (the Company Stockholders Meeting) and shall duly solicit consents and approvals of the limited partners of the Partnership, in each case for the purpose of seeking the Company Equityholder Approval. The Company shall use its reasonable best efforts to cause the Joint Proxy Statement/ Prospectus to be mailed to the Company's stockholders as promptly as practicable after the date of this Agreement and to cause the Proxy Solicitation Materials to be mailed to the limited partners of the Partnership. The Company shall, through the Company Board, recommend to its stockholders that they give the Company Equityholder Approval (the Company Recommendation), except to the extent that the Company Board shall have withdrawn or modified its approval or recommendation of this Agreement or the Merger as permitted by and determined in accordance with the last sentence of Section 6.5(b).

(e) Parent shall, as soon as practicable following the date of this Agreement, duly call, give notice of, convene and hold a meeting of its shareholders on the same date and at the same time as the Company Stockholders Meeting, unless impracticable (the Parent Shareholders Meeting) for the purpose of seeking Parent Shareholder Approval. Parent shall use its reasonable best efforts to cause the Joint Proxy Statement/ Prospectus to be mailed to Parent's shareholders as promptly as practicable after the date of this Agreement. Parent shall, through Parent Board, recommend to its shareholders that they give Parent Shareholder Approval.

6.2 Other Filings. As soon as practicable following the date of this Agreement, the Company, Parent and MergerCo each shall properly prepare and file any other filings required under the Exchange Act or any other federal, state or foreign law relating to the Merger (including filings, if any, required under the HSR Act) (collectively, the Other Filings). Each of the Company, Parent and MergerCo shall promptly notify the other of the receipt of any comments on, or any request for amendments or supplements to, any of the Other Filings by the SEC or any other Governmental Entity or official, and each of the Company, Parent and MergerCo shall supply the other with copies of all correspondence between it and each of its Subsidiaries and representatives, on the one hand, and the SEC or the members of its staff or any other appropriate governmental official, on the other hand, with respect to any of the Other Filings. The Company, Parent and MergerCo each shall promptly obtain and furnish the other (a) the information which may be reasonably required in order to make such Other Filings and (b) any additional information which may be requested by a Governmental Entity and which the parties reasonably deem appropriate.

6.3 Additional Agreements. Subject to the terms and conditions herein provided, each of the parties hereto agrees to use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective as

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promptly as practicable the Merger and to cooperate with each other in connection with the foregoing, including the taking of such actions as are necessary to obtain any necessary consents, approvals, orders, exemptions and authorizations by or from any public or private third party, including, without limitation, any that are required to be obtained under any federal, state or local law or regulation or any contract, agreement or instrument to which the Company or any Company Subsidiary is a party or by which any of their respective properties or assets are bound, to defend all lawsuits or other legal proceedings challenging this Agreement or the consummation of the Merger, to effect all necessary registrations and Other Filings and submissions of information requested by a Governmental Entity, and to use its best efforts to cause to be lifted or rescinded any injunction or restraining order or other order adversely affecting the ability of the parties to consummate the Merger. For purposes of this Section 6.3, the obligations of the Company, Parent and MergerCo to use their reasonable best efforts to obtain waivers, consents and approvals to loan agreements, leases and other contracts shall include any obligation to agree to an adverse modification of the terms of such documents or to prepay or incur additional obligations to such other parties.

6.4 Fees and Expenses.

(a) Except as set forth in Sections 6.4(b), 6.4(c) and 8.2, whether or not the Merger is consummated, all fees, costs and expenses incurred in connection with the preparation, execution and performance of this Agreement and the transactions contemplated hereby, including, without limitation, all fees, costs and expenses of agents, representatives, counsel and accountants shall be paid by the party incurring such fees, costs or expenses, except that expenses occurred in connection with filing, printing and mailing of the Joint Proxy Statement/ Prospectus and the Proxy Solicitation Materials shall be shared equally by Parent and the Company; provided, however, that the registration fee for the Form S-4 shall be paid by Parent and the filing fee for the Proxy Solicitation Materials shall be paid by the Company.

(b) If this Agreement is terminated (i) by the Company or by the Parent because Parent Shareholder Approval shall not have been obtained or (ii) by the Company pursuant to Section 8.1(d), Parent shall pay to the Company (subject at the discretion of the Company, to Company escrow to be established in a manner substantially identical to that established by Parent pursuant to Section 8.3(a) hereof) within three (3) Business Days after the date of termination all documented, reasonable out-of-pocket costs and expenses, including, without limitation, the reasonable fees and expenses of lawyers, accountants, financial advisors and investment bankers, incurred by the Company in connection with the entering into of this Agreement and the carrying out of any and all acts contemplated hereunder.

(c) If this Agreement is terminated (i) by the Company or by Parent because the Company Equityholder Approval shall not have been obtained or (ii) by Parent pursuant to Section 8.1(c), the Company shall pay to Parent (subject to the provision of Section 8.3(a) hereof), within three (3) Business Days after the date of termination, all documented, reasonable out-of-pocket costs and expenses, including, without limitation, the reasonable fees and expenses of lawyers, accountants, financial advisors, and investment bankers, incurred by such other party in connection with the entering into of this Agreement and the carrying out of any and all acts contemplated hereunder.

The payment of expenses set forth herein is not an exclusive remedy, but is in addition to any other rights or remedies available to the parties hereto (whether at law or in equity).

6.5 No Solicitations.

(a) Immediately after the execution of this Agreement, the Company will terminate and cease any ongoing discussions or negotiations with any parties relating to an Acquisition Proposal. Except as permitted by this Agreement, the Company shall not, and shall not authorize any of its officers, directors or employees or any investment banker, financial advisor, attorney, accountant or other representative retained by it, to (i) solicit, initiate or encourage (including by way of furnishing non-public information), any inquiries with respect to an Acquisition Proposal, or the making of any proposal that constitutes an Acquisition Proposal, or (ii) participate in any discussions or negotiations regarding an Acquisition Proposal; provided, however, that, at any time prior to the approval of the Merger by the stockholders of the Company, if the Company receives a bona fide Acquisition Proposal that was unsolicited or that did

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not otherwise result from a breach of this Section 6.5(a), the Company may furnish, or cause to be furnished, non-public information with respect to the Company and the Company Subsidiaries to the Person who made such Acquisition Proposal (a Third Party) and may participate in discussions and negotiations regarding such Acquisition Proposal if (A) the Company Board determines in good faith, after consultation with outside counsel, that failure to do so would be reasonably likely to be inconsistent with its duties to the Company or its stockholders under applicable law, and (B) the Company Board determines that such Acquisition Proposal is reasonably likely to lead to a Superior Proposal. The Company shall promptly notify (but in any event within one (1) Business Day) Parent of the Company's first receipt of any Acquisition Proposal or any inquiry with respect to an Acquisition Proposal by such Third Party and of the material terms and conditions thereof. The Company shall provide to Parent as soon as practicable after receipt of delivery thereof copies of any written Acquisition Proposal. Notwithstanding anything to the contrary in this Agreement, the Company shall not be required to disclose to Parent or MergerCo the identity of the Third Party making any Acquisition Proposal and, except as provided in Sections 6.5(b) and 8.1(e), shall have no duty to notify or update Parent or MergerCo on the status of discussions or negotiations (including the status of such Acquisition Proposal or any amendments or proposed amendments thereto) between the Company and such Third Party.

(b) Subject to Section 8.1(e) hereof, prior to the approval of the Merger by the stockholders of the Company, the Company Board may not (i) withdraw or modify in a manner material and adverse to Parent or MergerCo the Company's approval or recommendation of the Merger, (ii) approve or recommend an Acquisition Proposal to its stockholders or (iii) cause the Company to enter into any definitive agreement with respect to an Acquisition Proposal, unless, in each such case, a Superior Proposal has been made and the Company Board determines in good faith, after consultation with outside counsel, that failure to take such action would be reasonably likely to be inconsistent with its duties to the Company or its stockholders under applicable law. In the event that the Company Board makes such determination, the Company may enter into a definitive agreement to effect a Superior Proposal, but not prior to forty-eight (48) hours after the Company has provided Parent with written notice (A) advising Parent that the Company Board has received a Superior Proposal and that the Company has elected to terminate this Agreement pursuant to Section 8.1(e) of this Agreement and (B) setting forth such other information required to be included therein as provided in Section 8.1(e).

(c) Nothing contained in this Section 6.5 shall prohibit the Company from at any time taking and disclosing to its stockholders a position contemplated by Rule 14d-9 or Rule 14e-2(a) promulgated under the Exchange Act or making any disclosure required by Rule 14a-9 promulgated under the Exchange Act.

6.6 Officers and Directors Indemnification.

(a) In the event of any threatened or actual claim, action, suit, proceeding or investigation, whether civil, criminal or administrative, including, without limitation, any such claim, action, suit, proceeding or investigation in which any person who is now, or has been at any time prior to the date hereof, or who becomes prior to the Effective Time, a director, officer, employee, fiduciary or agent of the Company or any of the Company Subsidiaries (each, an Indemnified Party and collectively, the Indemnified Parties) is, or is threatened to be, made a party based in whole or in part on, or arising in whole or in part out of, or pertaining to (i) the fact that he or she is or was a director, officer, employee, fiduciary or agent of the Company or any of the Company Subsidiaries, or is or was serving at the request of the Company or any of the Company Subsidiaries as a director, officer, employee, fiduciary or agent of another corporation, partnership, joint venture, trust or other enterprise, or (ii) the negotiation, execution or performance of this Agreement, any agreement or document contemplated hereby or delivered in connection herewith, or any of the transactions contemplated hereby, or thereby whether in any case asserted or arising at or before or after the Effective Time, the parties hereto agree to cooperate and use their reasonable best efforts to defend against and respond thereto. It is understood and agreed that the Company shall indemnify and hold harmless, and after the Effective Time, the Surviving Corporation and Parent shall indemnify and hold harmless, as and to the full extent permitted by applicable law, each Indemnified Party against any losses, claims, damages, liabilities, costs, expenses (including reasonable attorneys' fees and expenses), judgments, fines and amounts paid in settlement in connection with any

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such threatened or actual claim, action, suit, demand, proceeding or investigation, and in the event of any such threatened or actual claim, action, suit, proceeding or investigation (whether asserted or arising before or after the Effective Time), (A) the Company, and the Surviving Corporation and Parent after the Effective Time, shall promptly pay expenses in advance of the final disposition of any claim, suit, proceeding or investigation to each Indemnified Party to the full extent permitted by law, (B) the Indemnified Parties may retain counsel satisfactory to them, and the Company, Parent and the Surviving Corporation shall pay all fees and expenses of such counsel for the Indemnified Parties within thirty (30) days after statements therefor are received, and (C) the Company, Parent and the Surviving Corporation will use their respective reasonable best efforts to assist in the vigorous defense of any such matter; provided, however, that none of the Company, the Surviving Corporation or Parent shall be liable for any settlement effected without its prior written consent (which consent shall not be unreasonably withheld or delayed); and provided further that the Company, the Surviving Corporation and Parent shall have no obligation hereunder to any Indemnified Party when and if a court of competent jurisdiction shall ultimately determine, and such determination shall have become final and non-appealable, that indemnification by such entities of such Indemnified Party in the manner contemplated hereby is prohibited by applicable law. Any Indemnified Party wishing to claim indemnification under this Section 6.6, upon learning of any such claim, action, suit, proceeding or investigation, shall promptly notify the Company and, after the Effective Time, the Surviving Corporation and Parent thereof; provided that the failure to so notify shall not affect the obligations of the Company, the Surviving Corporation and Parent except to the extent, if any, such failure to promptly notify materially prejudices such party.

(b) Parent and MergerCo each agree that all rights to indemnification or exculpation existing in favor of, and all limitations on the personal liability of, each present and former director, officer, employee, fiduciary and agent of the Company and the Company Subsidiaries provided for in the respective charters or bylaws (or other applicable organizational documents) or otherwise in effect as of the date hereof shall continue in full force and effect for a period of six (6) years from the Effective Time; provided, however, that all rights to indemnification in respect of any claims (each a Claim) asserted or made within such period shall continue until the disposition of such Claim. From and after the Effective Time, Parent and MergerCo each also agree to indemnify and hold harmless the present and former officers and directors of the Company and the Company Subsidiaries in respect of acts or omissions occurring prior to the Effective Time to the extent provided in any written indemnification agreements between the Company and/or one or more Company Subsidiaries and such officers and directors as listed in Section 6.6(b) of the Company Disclosure Schedule.

(c) Prior to the Effective Time, the Company shall purchase a non-cancelable extended reporting period endorsement under the Company's existing directors and officers liability insurance coverage for the Company's directors and officers in the same form as presently maintained by the Company, which shall provide such directors and officers with coverage for six (6) years following the Effective Time of not less than the existing coverage under, and have other terms not less favorable to, the insured persons than the directors and officers liability insurance coverage presently maintained by the Company.

(d) The obligations under this Section 6.6 shall not be terminated or modified in such a manner as to adversely affect any indemnitee to whom this Section 6.6 applies without the consent of such affected indemnitee (it being expressly agreed that the indemnities to whom this Section 6.6 applies shall be third party beneficiaries of this Section 6.6 and shall be entitled to enforce the covenants contained herein).

(e) In the event Parent or the Surviving Corporation or any of their respective successors or assigns (i) consolidates with or merges into any other person and shall not be the continuing or surviving corporation or entity of such consolidation or merger, or (ii) transfers or conveys all or substantially all of its properties and assets to any person, then, and in each such case, to the extent necessary proper provision shall be made so that the successors and assigns of Parent or the Surviving Corporation, as the case may be, assume the obligations set forth in this Section 6.6.

6.7 Access to Information; Confidentiality. From the date hereof until the Effective Time, the Company shall, and shall cause each of the Company Subsidiaries and each of the Company's and

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Company Subsidiaries' officers, employees and agents to, afford to Parent and to the officers, employees and agents of Parent access upon reasonable notice and at reasonable times without undue interruption to (a) their properties, books, records and contracts; provided, however, that Parent shall obtain the Company's consent, which consent shall not be unreasonably withheld, prior to any visit to any Company property, and (b) the officers and key employees of the Company and the Company Subsidiaries; provided, however, that Parent shall obtain the Company's consent, which consent shall not be unreasonably withheld, prior to accessing any non-executive officer or key employee. The Company shall furnish Parent such financial, operating and other data and information as Parent may reasonably request to the extent such data or information is reasonably available. Prior to the Effective Time, Parent and MergerCo shall hold in confidence all such information on the terms and subject to the conditions contained in that certain confidentiality agreement between Parent and the Company dated June 4, 2004 (the Confidentiality Agreement).

6.8 Public Announcements. The Company and Parent shall consult with each other before issuing any press release or otherwise making any public statements with respect to this Agreement or the Merger and shall not issue any such press release or make any such public statement without the prior consent of the other party, which consent shall not be unreasonably withheld; provided, however, that a party may, without the prior consent of the other party, issue such press release or make such public statement as may be required by law or the applicable rules of any stock exchange or quotation system if the party issuing such press release or making such public statement has used its reasonable best efforts to consult with the other party and to obtain such party's consent but has been unable to do so in a timely manner. In this regard, the parties shall make a joint public announcement of the Merger contemplated hereby no later than the opening of trading on the NYSE on the Business Day following the date on which this Agreement is signed.

6.9 Employee Benefit Arrangements.

(a) On and after the Closing, Parent shall, and shall cause the Surviving Corporation to, honor in accordance with their terms all employment agreements, severance agreements, retention bonus agreements and performance cash bonus agreements, and all bonus, retention and severance obligations, of the Company or any Company Subsidiary, all of which are listed in Section 6.9(a) of the Company Disclosure Schedule, except as may otherwise be agreed to by the parties thereto, and the Company or Parent shall pay on the Closing Date to the applicable officers and employees listed in said Section 6.9(a) of the Company Disclosure Schedule, any amounts with respect to such agreements and obligations that are payable by their terms on the Closing Date, upon consummation of the Merger, or the Effective Time. In addition, and subject to compliance with applicable law, on and after the Effective Time, Parent shall, and shall cause the Surviving Corporation to, honor all promissory note and security agreements listed in Section 6.9(a) of the Company Disclosure Schedule, except as may otherwise be agreed to by the parties thereto; provided, however, that Parent shall not, and shall cause the Surviving Corporation to not, materially modify such agreements.

(b) Following the Effective Time, Parent shall cause the Surviving Corporation to provide the employees of the Company and the Company Subsidiaries who remain employed by Parent or the Parent Subsidiaries after the Effective Time (the Company Employees) with at least the types and levels of employee benefits (including contribution levels) maintained from time to time by Parent or the Surviving Corporation for similarly-situated employees of Parent or the Surviving Corporation. Parent represents and warrants that such employee benefits are similar in all material respects in the aggregate to the Employees Programs as in effect just prior to the Effective Time. Parent shall, and shall cause the Surviving Corporation to, treat, and cause the applicable benefit plans to treat, the service of Company Employees with the Company or the Company Subsidiaries attributable to any period before the Effective Time as service rendered to Parent or the Surviving Corporation for purposes of eligibility to participate, vesting and for other appropriate benefits, including, but not limited to, applicability of minimum waiting periods for participation. Without limiting the foregoing, Parent shall not, and shall cause the Surviving Corporation to not, treat any Company Employee as a new employee for purposes of any exclusions under any health or similar plan of Parent or the Surviving Corporation for a pre-existing medical

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condition, and any deductibles and co-pays paid under any of the Company's or any of the Company Subsidiaries' health plans shall be credited towards deductibles and co-pays under the health plans of Parent or the Surviving Corporation. Parent shall, and shall cause the Surviving Corporation, to use commercially reasonable efforts to make appropriate arrangements with its insurance carrier(s) to ensure such results.

(c) After the Effective Time, Parent shall cause the Surviving Corporation to honor all obligations which accrued prior to the Effective Time under the Company's deferred compensation plans, supplemental retirement plans, management incentive plans, performance cash bonus plans and long-range incentive plans, that in any such case, are listed in Section 6.9(c) of the Company Disclosure Schedule. Except as is otherwise required by the existing terms of the written employment, bonus and severance agreements to which the Company is presently a party and listed in Section 6.9(c) of the Company Disclosure Schedule, future accruals may be (but are not required to be) provided for under any such plan(s) or under any similar plan(s) of the Surviving Corporation or Parent.

6.10 Stock Exchange Listing. Parent shall use all reasonable efforts to cause the Parent Common Shares to be issued in the Merger and the Parent Common Shares that may be issued pursuant to the redemption of the OP Units in accordance with the Amended Agreement of Partnership to be approved for listing on the NYSE, subject to official notice of issuance, prior to the Closing Date.

6.11 Company Rights Agreement. The Company Board shall take all further action, if any, in order to render the Company Rights Agreement inapplicable to the Merger and the other transactions contemplated by this Agreement.

6.12 Affiliates. The Company shall use its reasonable best efforts to identify those Persons who may be deemed to be affiliates of the Company within the meaning of Rule 145 promulgated by the SEC under the Securities Act (the Company Affiliates) and to cause each Company Affiliate to deliver to Parent as soon as practicable, and in any event prior to the date of the Company Stockholders Meeting, a written agreement substantially in the form attached hereto as Exhibit A to comply with the requirements of Rule 145 under the Securities Act in connection with the sale or other transfer of Parent Common Shares received in the Merger.

6.13 Section 16 Matters. Prior to the Effective Time, the Company and Parent shall, as applicable, take all such steps as may be required to cause any dispositions of Company Common Stock (including derivative securities with respect to Company Common Stock) or acquisitions of Parent Common Shares resulting from the transactions contemplated by this Agreement by each individual who is subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to Company to be exempt under Rule 16b-3 promulgated under the Exchange Act. Company agrees to promptly furnish Parent with all requisite information necessary for Parent to take the actions contemplated by this Section 6.13.

6.14 Coordination of Dividends. After the date of this Agreement, the Company shall coordinate the declaration of any dividends in respect of the Company Common Shares and the record dates and payment dates relating thereto with that of Parent Common Shares, it being the intention of the parties that the holders of Parent Common Shares or Company Common Stock shall not receive more than one dividend, or fail to receive one dividend, for any single calendar quarter with respect to their Parent Common Shares and/or shares of Company Common Stock and any Parent Common Shares any holder of Company Common Stock receives in exchange therefore in the Merger.

6.15 Certain Tax Matters.

(a) The Company (i) shall take all actions, and refrain from taking all actions, as are necessary to ensure that the Company will qualify for taxation as a REIT for U.S. federal income tax purposes for its tax year ending with the Merger and (ii) shall not take any action that could reasonably be expected to prevent the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

(b) Parent (i) shall take all actions, and refrain from taking all actions, as are necessary to ensure that Parent will continue to qualify for taxation as a REIT for U.S. federal income tax purposes and

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(ii) shall not take any action that could reasonably be expected to prevent the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

6.16 Required Financing. Each of Parent and MergerCo hereby agrees to use its best efforts to arrange the financing in respect of the Merger and the transactions contemplated hereby and to satisfy the conditions set forth in the Financing Letter. Parent and MergerCo shall keep the Company informed of the status of their financing arrangements for the Merger and the transactions contemplated hereby, including providing notification to the Company as promptly as possible (but in any event within twenty-four (24) hours) (i) that the Lender may be unable to provide the financing as contemplated by the Financing Letter, or (ii) concerning the inability of Parent or MergerCo to satisfy any of the conditions set forth in the Financing Letter. Parent shall provide written notice to the Company within twenty-four (24) hours after the Lender has given notice to Parent or MergerCo that such Lender will be unable to provide the financing contemplated by the Financing Letter.

6.17 Execution of Other Agreements. Effective as of the Effective Time, the limited partners of the Partnership shall enter into (i) the Second Amended and Restated Agreement of Limited Partnership Agreement of Sparks Partnership, L.P., in the form attached as Exhibit B, (ii) the Tax, Asset and Income Support Agreement, in the form attached as Exhibit C, and (iii) the Limited Partner Registration Rights Agreement, in the form attached as Exhibit D (the Registration Rights Agreement).

6.18 Redemption of Series C Units. Provided that all of the conditions to the Merger set forth in Article VII have been satisfied or waived, immediately prior to the Effective Time, the Company shall take, and shall cause the Partnership to take, all necessary actions to redeem all of the outstanding Series C Units in accordance with the terms thereof.

6.19 Registration of Shares Underlying Common Units. Parent agrees to register the Parent Common Shares that may be issued pursuant to the redemption of the common units of limited partnership in accordance with the Registration Rights Agreement.

6.20 Limited Partner Election. Following the date hereof, the Company, in its capacity as general partner, shall cause the Partnership to provide each of the Limited Partners of the Partnership (not including the limited partner interests held by the Company) with the opportunity to elect on a unit-by-unit basis, subject to consummation of the Merger and the adoption of the Amended Partnership Agreement, one of the following options: (i) to redeem such OP Unit for \$31.20 in cash, or (ii) retain such OP Unit subject to the terms of the Amended Partnership Agreement. Parent, the Company and MergerCo agree to use their reasonable best efforts to take all actions necessary or advisable to effect the foregoing.

ARTICLE VII

CONDITIONS TO THE MERGER

7.1 Conditions to the Obligations of Each Party to Effect the Merger. The respective obligations of each party to effect the Merger are subject to the satisfaction or waiver by consent of the other party, where permissible, at or prior to the Effective Time, of each of the following conditions:

(a) Stockholder Approval. The Company shall have obtained the Company Equityholder Approval and Parent shall have obtained the Parent Shareholder Approval.

(b) Form S-4. The Form S-4 shall have become effective under the Securities Act and shall not be the subject of any stop order or proceedings seeking a stop order.

(c) NYSE Listing. The Parent Common Shares issuable to the Company's stockholders pursuant to this Agreement and the Parent Common Shares that may be issued pursuant to the redemption of the OP units in accordance with the Amended Partnership Agreement shall have been approved for listing on the NYSE, subject to official notice of issuance.

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(d) Other Regulatory Approvals. All material approvals, authorizations and consents of any Governmental Entity required to consummate the Merger set forth in Section 7.1(d) of the Company Disclosure Schedule to this Agreement shall have been obtained and remain in full force and effect, and all waiting periods relating to such approvals, authorizations and consents shall have expired or been terminated.

(e) No Injunctions, Orders or Restraints: Illegality. No preliminary or permanent injunction or other order issued by a court or other Governmental Entity of competent jurisdiction shall be in effect which would have the effect of (i) making the consummation of the Merger illegal, or (ii) otherwise prohibiting the consummation of the Merger; provided, however, that prior to a party asserting this condition such party shall have used its reasonable efforts to prevent the entry of any such injunction or other order and to appeal as promptly as possible any such injunction or other order that may be entered.

7.2 Additional Conditions to Obligations of Parent and MergerCo. The obligations of Parent and MergerCo to effect the Merger are further subject to the satisfaction of the following conditions, any one or more of which may be waived by Parent at or prior to the Effective Time:

(a) Representations and Warranties. Those representations and warranties of the Company set forth in this Agreement which are qualified by materiality or a Company Material Adverse Effect or words of similar effect shall be true and correct, as of the Closing Date, (except to the extent such representations and warranties expressly relate to a specific date or as of the date hereof, in which case such representations and warranties shall be true and correct as of such date), and those representations and warranties of the Company set forth in this Agreement which are not so qualified shall be true and correct (except to the extent such representations and warranties expressly relate to a specific date or as of the date hereof, in which case such representations and warranties shall be true and correct as of such date), except for such inaccuracies as, individually or in the aggregate, would not have a Company Material Adverse Effect. Parent shall have received a certificate signed on behalf of the Company by the Chief Financial Officer of the Company, dated the Closing Date, to the foregoing effect.

(b) Performance and Obligations of the Company. The Company shall have performed or complied in all material respects with all agreements and covenants required by this Agreement to be performed or complied with by it on or prior to the Effective Time, and Parent shall have received a certificate signed on behalf of the Company by the Chief Financial Officer of the Company to the foregoing effect.

(c) Tax Opinion. Parent shall have received the opinion of Goodwin Procter LLP, dated as of the Closing Date, in the form attached hereto as Exhibit E.

(d) Absence of Material Adverse Change. On the Closing Date, there shall not exist an event, change or occurrence that, individually or in the aggregate, has a Company Material Adverse Change.

7.3 Additional Conditions to Obligations of the Company. The obligation of the Company to effect the Merger is further subject to the satisfaction of the following conditions, any one or more of which may be waived by the Company at or prior to the Effective Time:

(a) Representations and Warranties. Those representations and warranties of Parent and MergerCo set forth in this Agreement which are qualified by materiality or a Parent Material Adverse Effect or words of similar effect shall be true and correct, as of the Closing Date, (except to the extent such representations and warranties expressly relate to a specific date or as of the date hereof, in which case such representations and warranties shall be true and correct as of such date), and those representations and warranties of Parent and MergerCo set forth in this Agreement which are not so qualified shall be true and correct (except to the extent such representations and warranties expressly relate to a specific date or as of the date hereof, in which case such representations and warranties shall be true and correct as of such date), except for such inaccuracies as, individually or in the aggregate, would not have a Parent Material Adverse Effect. The Company shall have received

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a certificate signed on behalf of Parent and MergerCo by the Chief Financial Officer of Parent, dated the Closing Date, to the foregoing effect.

(b) Performance of Obligations of Parent and MergerCo. Each of Parent and MergerCo shall have performed or complied in all material respects with all agreements and covenants required by this Agreement to be performed or complied with by it on or prior to the Effective Time, and the Company shall have received a certificate signed on behalf of Parent and MergerCo by the Chief Financial Officer of Parent, dated as of the Closing Date, to the foregoing effect.

(c) Tax Opinions.

(i) The Company shall have received the opinion of Goodwin Procter LLP, dated as of the Closing Date, to the effect that, on the basis of facts, representations and assumptions set forth in such opinion and in customary representation letters to be delivered by Parent and the Company, respectively, for federal income tax purposes, the Merger will qualify as a reorganization within the meaning of Section 368(a) of the Code.

(ii) The Company shall have received the opinion of Locke Liddell & Sapp LLP, dated as of the Closing Date, in the form attached hereto as Exhibit F.

(d) Absence of Material Adverse Change. On the Closing Date, there shall not exist an event, change or development that, individually or in the aggregate, has a Parent Material Adverse Change.

(e) Financing. On the Closing Date, Parent shall have the financing necessary to satisfy any and all of Parent's or MergerCo's obligations arising under or out of this Agreement.

ARTICLE VIII

TERMINATION, AMENDMENT AND WAIVER

8.1 Termination. This Agreement may be terminated at any time prior to the Effective Time, whether before or after the receipt of Company Equityholder Approval or Parent Shareholder Approval:

(a) by the mutual written consent of Parent, MergerCo and the Company;

(b) by either of the Company, on the one hand, or Parent or MergerCo, on the other hand, by written notice to the other:

(i) if, upon a vote at a duly held meeting (or at any adjournment or postponement thereof), or action pursuant to written consent, to obtain the Company Equityholder Approval, the Company Equityholder Approval is not obtained;

(ii) if, upon a vote at a duly held meeting (or at any adjournment or postponement thereof) to obtain the Parent Shareholder Approval, the Parent Shareholder Approval is not obtained;

(iii) if any Governmental Entity of competent jurisdiction shall have issued an injunction or taken any other action (which injunction or other action the parties hereto shall use their best efforts to lift), which permanently restrains, enjoins or otherwise prohibits the consummation of the Merger, and such injunction shall have become final and non-appealable; or

(iv) if the consummation of the Merger shall not have occurred on or before March 31, 2005 (the Drop Dead Date); provided, however, that the right to terminate this Agreement under this Section 8.1(b)(iv) shall not be available to any party whose failure to comply with any provision of this Agreement has been the cause of, or resulted in, the failure of the Merger to occur on or before such date.

(c) by written notice from Parent to the Company, if the Company breaches or fails to perform in any material respect any of its representations, warranties or covenants contained in this Agreement, which breach or failure to perform would give rise to the failure of a condition set forth in Section 7.2(a) or 7.2(b) and such condition is incapable of being satisfied by the Drop Dead Date;

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(d) by written notice from the Company to Parent if (i) Parent or MergerCo breaches or fails to perform in any material respect any of its representations, warranties or covenants contained in this Agreement, which breach or failure to perform would give rise to the failure of a condition set forth in Section 7.3(a) or 7.3(b) and such condition is incapable of being satisfied by the Drop Dead Date or (ii) as of the date that the Joint Proxy Statement/ Prospectus is first mailed to the stockholders of the Company through the period ending on the Closing Date, the representation and warranty set forth in Section 4.21 hereof is not true and correct or the condition set forth in Section 7.3(e) is not satisfied;

(e) by written notice from the Company to Parent, in connection with entering into a definitive agreement to effect a Superior Proposal in accordance with Section 6.5; provided, however, that (i) prior to terminating this Agreement pursuant to this Section 8.1(e), the Company shall have provided Parent with at least forty-eight (48) hours prior written notice of the Company's decision to so terminate, (ii) such termination shall not be effective until such time as the payment of the Break-up Fee shall have been made by the Company and (iii) the Company's right to terminate this Agreement under this Section 8.1(e) shall not be available if the Company is then in material breach of Section 6.5. Such notice shall indicate in reasonable detail the material terms and conditions of such Superior Proposal, including the amount and form of the proposed consideration and whether such Superior Proposal is subject to any material conditions; or

(f) by written notice from the Company to Parent, if (A) as of the third (3rd) Business Days before the Expected Closing Date (the Determination Date), the Average Parent Common Share Price is less than the Base Share Price, (B) notice shall have been provided to Parent in accordance with the notice provisions hereunder indicating the Company's intention to terminate this Agreement pursuant to this Section 8.1(f), and (C) within one (1) Business Day of receipt of such notice, Parent shall not have delivered written notice to the Company agreeing to increase the Exchange Ratio such that as of the Closing Date, the product of the number of shares of Company Common Stock that convert into the right to receive the Share Consideration times the Exchange Ratio times the Average Parent Common Share Price will be equal to product of the number of shares of Company Common Stock that convert into the right to receive the Share Consideration times the Exchange Ratio times the Base Share Price. In the event the Company serves the notice provided for in (B) above, and the Parent does not agree to increase the Exchange Ratio in accordance with (C) above, then the termination shall become effective at 12:01 a.m. on the following Business Day. The Average Parent Common Share Price shall be determined by obtaining the closing prices per share of Parent Common Share on the NYSE (as reported by the *Wall Street Journal* or, if not reported thereby, another authoritative source), for the fourteen (14) consecutive NYSE trading days ending on the Business Day immediately prior to the Determination Date, discarding the two highest and the two lowest closing prices, and averaging the remaining closing prices. The Base Share Price shall be equal to \$39.31; provided, however, that the Base Share Price, and the other calculations provided for in this Section 8.2(f) shall be appropriately adjusted if, after the date of this Agreement and on or prior to the Closing Date, the outstanding Parent Common Shares shall be changed into a different number of shares by reason of any reclassification, recapitalization, share split, reverse share split, combination or exchange of shares, or any dividend payable in Parent Common Share shall be declared thereon with a record date within such period, or any similar event shall occur. The Expected Closing Date shall be the date mutually agreed upon by the Company and Parent for holding the Closing or, in the absence of such mutual agreement, the later of (x) January 4, 2005 and (y) the Business Day immediately following the obtaining of the Company Equityholder Approval and the Parent Shareholder Approval; or

(g) by written notice of Parent or MergerCo, if the Company Board shall (A) fail to include a recommendation in the Joint Proxy Statement/ Prospectus that the stockholders of the Company vote in favor of the transactions contemplated by this Agreement, (B) withdraw, modify or change, or propose or announce any intention to withdraw, modify or change, in a manner material and adverse

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to Parent or MergerCo, such recommendation, or (C) approve or recommend, or announce any intention to approve or recommend, any Acquisition Proposal.

8.2 Effect of Termination.

(a) Subject to Section 8.2(b), in the event of the termination of this Agreement pursuant to Section 8.1, this Agreement shall forthwith become null and void and have no effect, without any liability on the part of Parent, MergerCo or the Company and their respective directors, officers, employees, partners or stockholders and all rights and obligations of any party hereto shall cease, except for the agreements contained in Section 6.4, the last sentence of Section 6.7, Section 6.8, this Section 8.2 and Article IX; provided, however, that nothing contained in this Section 8.2(a) shall relieve any party from liabilities or damages arising out of any fraud or willful breach by such party of any of its representations, warranties, covenants or other agreements contained in this Agreement.

(b) If this Agreement is terminated by the Company pursuant to Section 8.1(e), or by Parent or MergerCo pursuant to Section 8.1(g), then the Company shall pay to Parent, subject to the provisions of Section 8.3(a), an amount in cash equal to \$50,000,000 (the Break-up Fee). Payment of the Break-up Fee required by this Section 8.2(b) shall be payable by the Company to Parent by wire transfer of immediately available funds (i) in the case of termination of this Agreement by the Company under Section 8.1(e) promptly after the date of consummation of such Acquisition Proposal or (ii) in the case of termination of this Agreement by Parent or MergerCo under Section 8.1(g), within three (3) Business Days after the date of termination.

(c) Notwithstanding anything to the contrary in this Agreement, Parent and MergerCo hereto expressly acknowledge and agree that, with respect to any termination of this Agreement pursuant to Section 8.1(e) or Section 8.1(g) in circumstances where the Break-up Fee is payable in accordance with Section 8.2(b), the payment of the Break-up Fee shall constitute liquidated damages with respect to any claim for damages or any other claim which Parent or MergerCo would otherwise be entitled to assert against the Company or any of the Company Subsidiaries or any of their respective assets, or against any of their respective directors, officers, employees, partners, managers, members or stockholders, with respect to this Agreement and the transactions contemplated hereby and shall constitute the sole and exclusive remedy available to Parent and MergerCo. The parties hereto expressly acknowledge and agree that, in light of the difficulty of accurately determining actual damages with respect to the foregoing upon any termination of this Agreement pursuant to Section 8.1(e) or Section 8.1(g) in circumstances where the Break-up Fee is payable in accordance with Section 8.2(b), the rights to payment under Section 8.2(b): (i) constitute a reasonable estimate of the damages that will be suffered by reason of any such proposed or actual termination of this Agreement pursuant to Section 8.1(e) or Section 8.1(g) and (ii) shall be in full and complete satisfaction of any and all damages arising as a result of the foregoing. Except for nonpayment of the amounts set forth in Section 8.2(b), Parent and MergerCo hereby agree that, upon any termination of this Agreement pursuant to Section 8.1(e) or Section 8.1(g) in circumstances where the Break-up Fee is payable in accordance with Section 8.2(b), in no event shall Parent or MergerCo (i) seek to obtain any recovery or judgment against the Company or any of the Company Subsidiaries or any of their respective assets, or against any of their respective directors, officers, employees, partners, managers, members or stockholders, or (ii) be entitled to seek or obtain any other damages of any kind, including, without limitation, consequential, indirect or punitive damages.

(d) The Company acknowledges that the agreements contained in Section 8.2(b) are an integral part of the transaction contemplated by this Agreement, and that, without these agreements, Parent would not enter into this Agreement; accordingly, if the Company fails promptly to pay the Break-up Fee, and, in order to obtain such payment, Parent commences a suit that results in a final adjudication on the merits against the Company for the Break-up Fee, the Company shall pay to Parent interest on the Break-up Fee from and including the date payment of the Break-up Fee was due to but excluding the date of actual payment at the prime rate of Bank of America, National Association in effect on the date such payment was required to be made.

Table of Contents**8.3 Payment of Amount or Expense.**

(a) In the event that the Company is obligated to pay Parent the Break-up Fee pursuant to Section 8.2(b) or the Company or Parent is obligated to pay the other the expenses set forth in Section 6.4(c)(collectively, the Section 8.2 Amount), the Company or Parent (the Payor) shall pay to the other party (the Payee) from the applicable Section 8.2 Amount deposited into escrow in accordance with the next sentence, an amount equal to the lesser of (i) the Section 8.2 Amount and (ii) the sum of (1) the maximum amount that can be paid to the Payee without causing the Payee to fail to meet the requirements of Sections 856(c)(2) and (3) of the Code determined as if the payment of such amount did not constitute income described in Sections 856(c)(2)(A) (H) or 856(c)(3)(A) (I) of the Code (Qualifying Income), as determined by the Payee s independent certified public accountants, plus (2) in the event the Payee receives either (X) a letter from the Payee s counsel indicating that the Payee has received a ruling from the IRS described in Section 8.3(b)(ii) or (B) an opinion from the Payee s outside counsel as described in Section 8.3(b)(ii), an amount equal to the Section 8.2 Amount less the amount payable under clause (1) above. To secure the Payor s obligation to pay these amounts, the Payor shall deposit into escrow an amount in cash equal to the Section 8.2 Amount with an escrow agent selected by the Payor and on such terms (subject to Section 8.3(b)) as shall be mutually agreed upon by the Company, Parent and the escrow agent. The payment or deposit into escrow of the Section 8.2 Amount pursuant to this Section 8.3(a) shall be made at the time the Payor is obligated to pay the Payee the such amount pursuant to Section 6.4(c) or Section 8.2(b), as applicable, by wire transfer or bank check.

(b) The escrow agreement shall provide that the Section 8.2 Amount in escrow or any portion thereof shall not be released to the Payee unless the escrow agent receives any one or combination of the following: (i) a letter from the Payee s independent certified public accountants indicating the maximum amount that can be paid by the escrow agent to the Payee without causing the Payee to fail to meet the requirements of Sections 856(c)(2) and (3) of the Code determined as if the payment of such amount did not constitute Qualifying Income or a subsequent letter from the Payee s accountants revising that amount, in which case the escrow agent shall release such amount to the Payee, or (ii) a letter from the Payee s counsel indicating that the Payee received a ruling from the IRS holding that the receipt by the Payee of the Section 8.2 Amount would either constitute Qualifying Income or would be excluded from gross income within the meaning of Sections 856(c)(2) and (3) of the Code (or alternatively, the Payee s outside counsel has rendered a legal opinion to the effect that the receipt by the Payee of the Section 8.2 Amount would either constitute Qualifying Income or would be excluded from gross income within the meaning of Sections 856(c)(2) and (3) of the Code), in which case the escrow agent shall release the remainder of the Section 8.2 Amount to the Payee. The Payor agrees to amend this Section 8.3 at the request of the Payee in order to (x) maximize the portion of the Section 8.2 Amount that may be distributed to the Payee hereunder without causing the Payee to fail to meet the requirements of Sections 856(c)(2) and (3) of the Code, (y) improve the Payee s chances of securing a favorable ruling described in this Section 8.3(b) or (z) assist Parent in obtaining a favorable legal opinion from its outside counsel as described in this Section 8.3(b). The escrow agreement shall also provide that any portion of the Section 8.2 Amount held in escrow for five years shall be released by the escrow agent to the Payor. The Payor shall not be a party to such escrow agreement and shall not bear any cost of or have liability resulting from the escrow agreement.

8.4 Amendment. This Agreement may be amended by the parties hereto by an instrument in writing signed on behalf of each of the parties hereto at any time before or after any approval hereof by the stockholders of the Company and the shareholders of Parent; provided, however, that after any such stockholder or shareholder approval, no amendment shall be made which by law requires further approval by such stockholders or shareholders without obtaining such approval.

8.5 Extension: Waiver. At any time prior to the Effective Time, the parties hereto may, to the extent legally allowed, (a) extend the time for the performance of any of the obligations or other acts of the other parties hereto, (b) waive any inaccuracies in the representations and warranties of the other parties contained herein or in any document delivered pursuant hereto and (c) waive compliance by the

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other parties with any of the agreements or conditions contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of the party against which such waiver or extension is to be enforced. The failure of a party to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of those rights.

ARTICLE IX

GENERAL PROVISIONS

9.1 Notices. All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made as of the date delivered or sent if delivered personally or sent by facsimile (providing confirmation of transmission) or sent by prepaid overnight carrier (providing proof of delivery) to the parties at the following addresses or facsimile numbers (or at such other addresses or facsimile numbers as shall be specified by the parties by like notice):

(a) if to Parent or MergerCo:

Camden Property Trust
3 Greenway Plaza, Suite 1300
Houston, TX 77046
Attention: Richard J. Campo
Facsimile: (713) 572-4440

with a copy to:

Locke Liddell & Sapp LLP
2200 Ross Avenue, Suite 2200
Dallas, TX 75201
Attention: Bryan L. Goolsby
Facsimile: (214) 740-8800

(b) if to the Company:

Summit Properties Inc.
309 E. Morehead Street, Suite 200
Charlotte, NC 28202
Attention: Steven R. LeBlanc
Facsimile: (704) 632-3237

with a copy to:

Goodwin Procter LLP
Exchange Place
53 State Street
Boston, MA 02109
Attention: Gilbert G. Menna, P.C.
Facsimile: (617) 523-1231

9.2 Certain Definitions. For purposes of this Agreement, the term:

Acquisition Proposal shall mean any proposal or offer for any (a) merger, consolidation or similar transaction involving the Company, the Partnership or any Significant Subsidiary of the Company (as defined in Rule 1-02 of Regulation S-X, but substituting 20% for the references to 10% therein), (b) sale, lease or other disposition, directly or indirectly, by merger, consolidation, share exchange or otherwise, of any assets of the Company or the Company Subsidiaries representing 20% or more of the consolidated assets of the Company and the Company Subsidiaries, (c) issue, sale or other disposition of (including by way of merger, consolidation, share exchange or any similar transaction) securities (or options, rights or warrants to purchase, or securities convertible into, such securities) representing 20% or more of the votes associated with the outstanding securities of the Company, (d) tender offer or exchange offer in which any

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Person or group (as such term is defined under the Exchange Act) shall acquire beneficial ownership (as such term is defined in Rule 13d-3 under the Exchange Act), or the right to acquire beneficial ownership, of 20% or more of the outstanding shares of Company Common Stock or outstanding equity interest of the Partnership, (e) recapitalization, restructuring, liquidation, dissolution, or other similar type of transaction with respect to the Company or the Partnership or (f) transaction which is similar in form, substance or purpose to any of the foregoing transactions; provided, however, that the term Acquisition Proposal shall not include the Merger or the other transactions contemplated by this Agreement.

Aggregate Cash Consideration shall mean \$13.8057 multiplied by the number of issued and outstanding shares of Company Common Stock at the Effective Time.

Affiliate of any person means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the first-mentioned person.

Business Day shall mean any day other than (a) a Saturday or Sunday or (b) a day on which banking and savings and loan institutions are authorized or required by law to be closed.

Code means the Internal Revenue Code of 1986, as amended.

Company Material Adverse Change means, with respect to the Company, an effect, event or change which has a material adverse effect on the assets or financial condition of the Company and the Company Subsidiaries on a consolidated basis taken as a whole, other than effects, events or changes arising out of or resulting from (a) changes in conditions in the U.S. or global economy or capital or financial markets generally, including changes in interest or exchange rates, (b) changes in general legal, regulatory, political, economic or business conditions or changes in generally accepted accounting principles that, in each case, generally affect industries in which the Company and the Company Subsidiaries conduct business, (c) the negotiation, execution, announcement or performance of this Agreement or the consummation of the transactions contemplated by this Agreement, including the impact thereof on relationships, contractual or otherwise, with customers, suppliers, licensors, distributors, lenders, partners or employees, (d) acts of war, sabotage or terrorism, or any escalation or worsening of any such acts of war, sabotage or terrorism threatened or underway as of the date of this Agreement, or (e) any decline in the market price, or change in trading volume, of the capital stock of the Company or any failure to meet publicly announced revenue or earnings projections.

Company Material Adverse Effect means, with respect to the Company, an effect, event or change which has a material adverse effect on the assets, results of operations, or financial condition of the Company and the Company Subsidiaries on a consolidated basis taken as a whole, other than effects, events or changes arising out of or resulting from (a) changes in conditions in the U.S. or global economy or capital or financial markets generally, including changes in interest or exchange rates, (b) changes in general legal, regulatory, political, economic or business conditions or changes in generally accepted accounting principles that, in each case, generally affect industries in which the Company and the Company Subsidiaries conduct business, (c) the negotiation, execution, announcement or performance of this Agreement or the consummation of the transactions contemplated by this Agreement, including the impact thereof on relationships, contractual or otherwise, with customers, suppliers, licensors, distributors, lenders, partners or employees, (d) acts of war, sabotage or terrorism, or any escalation or worsening of any such acts of war, sabotage or terrorism threatened or underway as of the date of this Agreement, (e) earthquakes or other natural disasters or (f) any decline in the market price, or change in trading volume, of the capital stock of the Company or any failure to meet publicly announced revenue or earnings projections.

Election Deadline shall mean 5:00 p.m., Eastern Time, on three (3) Business Days before the date of the Company Stockholders Meeting or such other date as Parent and the Company shall mutually agree upon.

Environmental Laws means any federal, state or local statute, law, ordinance, regulation, rule, code, or binding order and any enforceable and binding judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree, judgment, stipulation, injunction, permit, authoriza-

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tion, or agency requirement, in each case having the force and effect of law, relating to the pollution, protection, investigation or restoration of the indoor or outdoor environment, health and safety as affected by the environment or natural resources, including, without limitation, those relating to the use, handling, presence, transportation, treatment, storage, disposal, release, threatened release or discharge of Hazardous Materials or contamination.

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

ERISA Affiliate means of the Company if it would have ever been considered a single employer with the Company under ERISA Section 4001(b) or part of the same controlled group as the Company for purposes of ERISA Section 302(d)(8)(C).

Exchange Act shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

GAAP means generally accepted accounting principles as applied in the United States.

Hazardous Materials means any hazardous waste as defined in either the United States Resource Conservation and Recovery Act or regulations adopted pursuant to said act, any hazardous substances or pollutant or contaminant as defined in the United States Comprehensive Environmental Response, Compensation and Liability Act and, to the extent not included in the foregoing, any medical waste, oil or fractions thereof.

HSR Act means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations thereunder.

Indebtedness shall mean, with respect to any Person, without duplication, (A) all indebtedness of such Person for borrowed money, whether secured or unsecured, (B) all obligations of such Person under conditional sale or other title retention agreements relating to property purchased by such Person, (C) all capitalized lease obligations of such Person, (D) all obligations of such Person under interest rate or currency hedging transactions (valued at the termination value thereof) and (E) all guarantees of such Person of any such Indebtedness of any other Person.

IRS means the United States Internal Revenue Service.

Material Contracts shall mean with respect to any Person: (a) all contracts, agreements or understandings with a customer of such Person or its Subsidiaries in the last fiscal year where such customer contracts, agreements or understandings in the aggregate account for more than 10% of such Person's annual revenues; (b) all acquisition, merger, asset purchase or sale agreements entered into by such Person or its Subsidiaries in the last two fiscal years with a transaction value in excess of 10% of such Person's consolidated annual revenues; and (c) any other agreements within the meaning set forth in Item 601(b)(10) of Regulation S-K of Title 17, Part 229 of the Code of Federal Regulations.

NYS means the New York Stock Exchange.

Parent Material Adverse Change means, with respect to the Parent, an effect, event or change which has a material adverse effect on the assets or financial condition of the Parent and the Parent Subsidiaries on a consolidated basis taken as a whole, other than effects, events or changes arising out of or resulting from (a) changes in conditions in the U.S. or global economy or capital or financial markets generally, including changes in interest or exchange rates, (b) changes in general legal, regulatory, political, economic or business conditions or changes in generally accepted accounting principles that, in each case, generally affect industries in which the Parent and the Parent Subsidiaries conduct business, (c) the negotiation, execution, announcement or performance of this Agreement or the consummation of the transactions contemplated by this Agreement, including the impact thereof on relationships, contractual or otherwise, with customers, suppliers, licensors, distributors, lenders, partners or employees, (d) acts of war, sabotage or terrorism, or any escalation or worsening of any such acts of war, sabotage or terrorism threatened or underway as of the date of this Agreement, or (e) any decline in the market price, or

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change in trading volume, of the capital stock of the Parent or any failure to meet publicly announced revenue or earnings projections.

Parent Material Adverse Effect means, with respect to Parent, an effect, event or change which has a material adverse effect on the assets, results of operations or financial condition of Parent and its Subsidiaries on a consolidated basis taken as a whole, other than effects, events or changes arising out of or resulting from (a) changes in conditions in the U.S. or global economy or capital or financial markets generally, including changes in interest or exchange rates, (b) changes in general legal, regulatory, political, economic or business conditions or changes in generally accepted accounting principles that, in each case, generally affect industries in which the Company and the Company Subsidiaries conduct business, (c) the negotiation, execution, announcement or performance of this Agreement or the consummation of the transactions contemplated by this Agreement, including the impact thereof on relationships, contractual or otherwise, with customers, suppliers, licensors, distributors, lenders, partners or employees, (d) acts of war, sabotage or terrorism, or any escalation or worsening of any such acts of war, sabotage or terrorism threatened or underway as of the date of this Agreement, (e) earthquakes or other natural disasters or (f) any decline in the market price, or change in trading volume, of the capital stock of the Company or any failure to meet publicly announced revenue or earnings projections.

Person means an individual, corporation, limited liability company, partnership, association, trust, unincorporated organization, other entity or group (as defined in Section 13(d) of the Exchange Act).

SEC means the Securities and Exchange Commission.

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

Subsidiary means any corporation more than 50% of whose outstanding voting securities, or any partnership, joint venture or other entity more than 50% of whose total equity interest, is directly or indirectly owned by Parent or the Company, as the case may be.

Superior Proposal means an Acquisition Proposal (substituting for purposes of such definition 50% for 20%) which the Company Board believes is more favorable to the stockholders of the Company than the Merger (taking into account all of the terms and conditions of such Acquisition Proposal, including the financial terms, any conditions to consummation and the likelihood of such Acquisition Proposal being consummated).

Tax Returns means all reports, returns, declarations, statements or other information required to be supplied to a taxing authority in connection with Taxes.

Taxes means any and all taxes and similar charges of any kind (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto) imposed by any government or taxing authority, including, without limitation: taxes or other charges on or with respect to income, franchises, windfall or other profits, gross receipts, property, sales, use, capital stock, payroll, employment, social security, net worth, excise, withholding, ad valorem, stamp, transfer, value added or gains taxes and similar charges.

9.3 **Terms Defined Elsewhere.** The following terms are defined elsewhere in this Agreement, as indicated below:

Aggregate Share Consideration Value Agreement	Section 2.7(a)
Amended Partnership Agreement	Preamble
Articles of Merger	Section 6.1
Average Parent Common Share Price	Section 1.3
Base Share Price	Section 8.1(f)
Break-up Fee	Section 8.1(f)
	Section 8.2(b)

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<i>Cash Consideration</i>	Section 2.1(d)
<i>Cash Election Shares</i>	Section 2.3(d)
<i>Certificate</i>	Section 2.1(e)
<i>Certificate of Merger</i>	Section 1.3
<i>Claim</i>	Section 6.6(b)
<i>Closing</i>	Section 1.4
<i>Closing Date</i>	Section 1.4
<i>Code</i>	Recitals
<i>Commitment</i>	Section 3.9
<i>Common Preferred Stock</i>	Section 3.3(a)
<i>Company</i>	Preamble
<i>Company Affiliates</i>	Section 6.12
<i>Company Board</i>	Recitals
<i>Company Common Stock</i>	Section 2.1(c)
<i>Company Disclosure Schedule</i>	Article III
<i>Company DRIP</i>	Section 2.7(d)
<i>Company Employees</i>	Section 6.9(b)
<i>Company Equityholder Approval</i>	Section 6.1(b)
<i>Company ESPP</i>	Section 2.7(c)
<i>Company Excess Stock</i>	Section 3.3(a)
<i>Company Option</i>	Section 2.7(a)
<i>Company Preferred Stock</i>	Section 3.3(a)
<i>Company Properties</i>	Section 3.11
<i>Company Recommendation</i>	Section 6.1(d)
<i>Company Rights Agreement</i>	Section 3.2(b)
<i>Company SEC Reports</i>	Section 3.7(a)
<i>Company Stock Option Plans</i>	Section 2.7(a)
<i>Company Stockholders Meeting</i>	Section 6.1(d)
<i>Company Subsidiaries</i>	Section 3.1(b)
<i>Confidentiality Agreement</i>	Section 6.7
<i>Delaware Courts</i>	Section 9.9(b)
<i>Determination Date</i>	Section 8.2(f)
<i>DGCL</i>	Recitals
<i>Drop Dead Date</i>	Section 8.1(b)
<i>DSOS</i>	Section 1.3
<i>Effective Time</i>	Section 1.3
<i>Election Form</i>	Section 2.3(b)
<i>Employee Programs</i>	Section 3.13(a)
<i>Encumbrances</i>	Section 3.11
<i>Exchange Agent</i>	Section 2.3(a)
<i>Exchange Ratio</i>	Section 2.1(d)
<i>Expected Closing Date</i>	Section 8.1(f)
<i>Financing Letter</i>	Section 4.21
<i>Form S-4</i>	Section 6.1(a)
<i>Governmental Entity</i>	Section 3.6

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<i>Indemnified Parties</i>	Section 6.6(a)
<i>Joint Proxy Statement/ Prospectus</i>	Section 6.1(a)
<i>Lender</i>	Section 4.21
<i>Merger</i>	Recitals
<i>MergerCo</i>	Preamble
<i>Merger Consideration</i>	Section 2.1(e)
<i>MGCL</i>	Recitals
<i>Non-Election Shares</i>	Section 2.3(d)
<i>OP Units</i>	Section 3.3(h)
<i>Option Payment</i>	Section 2.7(a)
<i>Other Filings</i>	Section 6.2
<i>Parent</i>	Preamble
<i>Parent Board</i>	Recitals
<i>Parent Common Shares</i>	Section 2.1(a)
<i>Parent Disclosure Schedule</i>	Article IV
<i>Parent OP Shares</i>	Section 4.3(a)
<i>Parent OP Units</i>	Section 4.3(h)
<i>Parent Options</i>	Section 4.3(a)
<i>Parent Partnership</i>	Section 4.3(h)
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<i>Partnership</i>	Section 3.3(h)
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<i>Reallocated Stock Shares</i>	Section 2.3(i)
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<i>SDAT</i>	Section 1.3
<i>Section 8.2 Amount</i>	Section 8.3(a)
<i>Securities Laws</i>	Section 3.7(a)
<i>Series C Units</i>	Section 5.1(a)
<i>Share Consideration</i>	Section 2.1(d)

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<i>Share Election Shares</i>	Section 2.3(d)
<i>Surviving Corporation</i>	Section 1.1
<i>Tax Protection Agreement</i>	Section 3.10
<i>Third Party</i>	Section 6.5(a)

9.4 **Interpretation.** The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

9.5 **Non-Survival of Representations, Warranties, Covenants and Agreements.** Except for Sections 6.6 and 6.9 and any covenant or agreement of the parties which by its terms contemplates performance after the Effective Time (a) none of the representations, warranties, covenants and agreements contained in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Effective Time and (b) thereafter there shall be no liability on the part of either Parent, MergerCo or the Company or any of their respective officers, directors or stockholders in respect thereof. Except as expressly set forth in this Agreement, there are no representations or warranties of any party hereto, express or implied.

9.6 **Miscellaneous.** This Agreement (a) constitutes, together with the Confidentiality Agreement, the Company Disclosure Schedule and Parent Disclosure Schedule, the entire agreement and supersedes all of the prior agreements and understandings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof, (b) shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns and is not intended to confer upon any other Person (except as set forth below) any rights or remedies hereunder and (c) may be executed in two or more counterparts which together shall constitute a single agreement. Sections 6.6 and 6.9 are intended to be for the benefit of those Persons described therein and the covenants contained therein may be enforced by such Persons. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in the federal and state courts located in North Carolina, this being in addition to any other remedy to which they are entitled at law or in equity.

9.7 **Assignment; Benefit.** Except as expressly permitted by the terms hereof, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto without the prior written consent of the other parties. Notwithstanding anything contained in this Agreement to the contrary, except for the provisions of Sections 6.6 and 6.9 hereof which shall inure to the benefit of the Persons or entities benefiting therefrom who are expressly intended to be third-party beneficiaries thereof. Nothing in this Agreement, expressed or implied, is intended to confer on any person other than the parties hereto or their respective heirs, successors, executors, administrators and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

9.8 **Severability.** If any provision of this Agreement, or the application thereof to any person or circumstance is held invalid or unenforceable, the remainder of this Agreement, and the application of such provision to other persons or circumstances, shall not be affected thereby, and to such end, the provisions of this Agreement are agreed to be severable.

9.9 **Choice of Law/ Consent to Jurisdiction.**

(a) All disputes, claims or controversies arising out of or relating to this Agreement, or the negotiation, validity or performance of this Agreement, or the transactions contemplated hereby shall be governed by and construed in accordance with the laws of the State of Delaware without regard to its rules of conflict of laws.

(b) Each of the Company, Parent and MergerCo hereby irrevocably and unconditionally consents to submit to the sole and exclusive jurisdiction of the Court of Chancery of the State of Delaware or any court of the United States located in the State of Delaware (the **Delaware Courts**) for any litigation

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arising out of or relating to this Agreement, or the negotiation, validity or performance of this Agreement, or the transactions contemplated hereby (and agrees not to commence any litigation relating thereto except in such courts), waives any objection to the laying of venue of any such litigation in the Delaware Courts and agrees not to plead or claim in any Delaware Court that such litigation brought therein has been brought in any inconvenient forum. Each of the parties hereto agrees, (a) to the extent such party is not otherwise subject to service of process in the State of Delaware, to appoint and maintain an agent in the State of Delaware as such party's agent for acceptance of legal process, and (b) that service of process may also be made on such party by prepaid certified mail with a proof of mailing receipt validated by the United States Postal Service constituting evidence of valid service. Service made pursuant to (a) or (b) above shall have the same legal force and effect as if served upon such party personally within the State of Delaware. For purposes of implementing the parties' agreement to appoint and maintain an agent for service of process in the State of Delaware, each of Parent and MergerCo does hereby appoint The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware as such agent, and the Company does hereby appoint The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware as such agent.

9.10 Gender Neutral. Wherever used herein, a pronoun in the masculine gender shall be considered as including the feminine gender unless the context clearly indicates otherwise.

9.11 Waiver. Except as provided in this Agreement, no action taken pursuant to this Agreement, including, without limitation, any investigation by or on behalf of any party, shall be deemed to constitute a waiver by the party taking such action of compliance with any representations, warranties, covenants or agreements contained in this Agreement. The waiver by any party hereto of a breach of any provision hereunder shall not operate or be construed as a waiver of any prior or subsequent breach of the same or any other provision hereunder.

9.12 Counterparts. This Agreement may be executed in counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party. Facsimile transmission of any signed original document shall be deemed the same as delivery of an original. At the request of any party, the parties will confirm facsimile transmission by signing a duplicate original document.

[Remainder of page intentionally left blank]

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IN WITNESS WHEREOF, Camden Property Trust, Camden Sparks, Inc. and Summit Properties Inc. have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

CAMDEN PROPERTY TRUST

By: /s/ Richard J. Campo

Name: Richard J. Campo
Title: Chairman of the Board
and Chief Executive Officer

**CAMDEN SUMMIT, INC.
(f/k/a Camden Sparks, Inc.)**

By: /s/ Richard J. Campo

Name: Richard J. Campo
Title: Chairman of the Board
and Chief Executive Officer

SUMMIT PROPERTIES INC.

By: /s/ Steven R. LeBlanc

Name: Steven R. LeBlanc
Title: President and Chief Executive Officer
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ANNEX B

FORM OF SECOND AMENDED AND RESTATED AGREEMENT

**OF
LIMITED PARTNERSHIP
OF
CAMDEN SUMMIT PARTNERSHIP, L.P.
, 2005**

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SECOND AMENDED AND RESTATED AGREEMENT

**OF
LIMITED PARTNERSHIP
OF
CAMDEN SUMMIT PARTNERSHIP, L.P.**

THIS SECOND AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF CAMDEN SUMMIT PARTNERSHIP, L.P. (this Agreement), dated as of _____, 2005, is entered into by and among Camden Summit, Inc. (formerly Camden Sparks, Inc.), a Delaware corporation (the General Partner) and the Persons whose names are set forth on Exhibit A as attached hereto (such Persons other than the General Partner, Camden Property Trust and any Affiliates thereof are collectively referred to herein as the Summit Limited Partners).

WHEREAS, the Partnership was formed by (i) filing the Certificate and (ii) certain of the Summit Limited Partners and Summit Properties Inc. (the Original General Partner) entering into an Agreement of Limited Partnership, dated as of January 29, 1994 (the Original Agreement);

WHEREAS, upon the Effective Date the Original General Partner has merged with and into the General Partner (the Merger); and

WHEREAS, in accordance with Article 14 of the Original Agreement, the General Partner and the Summit Limited Partners desire to amend and restate the Agreement to make certain changes herein in connection with the Merger and related transactions.

NOW THEREFORE, in accordance with the provisions of Section 2.4 of the Original Agreement, the Original Agreement is hereby amended and restated in its entirety as follows.

ARTICLE 1

DEFINED TERMS

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

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

Additional Limited Partner means a Person admitted to the Partnership as a Limited Partner pursuant to Section 4.2 hereof and who is shown as such on the books and records of the Partnership.

Adjusted Capital Account means the Capital Account maintained for each Partner as of the end of each Partnership taxable year (i) increased by any amounts which such Partner is obligated to restore pursuant to any provision of this Agreement or is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and (ii) decreased by the items described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), and 1.704-1(b)(2)(ii)(d)(6). The foregoing definition of Adjusted Capital Account is intended to comply with the provisions of Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

Adjusted Capital Account Deficit means, with respect to any Partner, the deficit balance, if any, in such Partner's Adjusted Capital Account as of the end of the relevant Partnership taxable year.

Adjusted Property means any property, the Carrying Value of which has been adjusted pursuant to Exhibit B hereof. Upon the Effective Date, the Carrying Value of all of the properties owned by the Partnership shall be adjusted upward or downward to reflect any Unrealized Gain or Unrealized Loss pursuant to Exhibit B hereof.

Affiliate means, with respect to any Person, (i) any Person directly or indirectly controlling, controlled by or under common control with such Person; (ii) any Person owning or controlling ten percent (10%) or more of the outstanding voting interests of such Person; (iii) any Person of which such

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Person owns or controls ten percent (10%) or more of the voting interests; or (iv) any officer, director, general partner or trustee of such Person or of any Person referred to in clauses (i), (ii), and (iii) above.

Agreed Value means (i) in the case of any Contributed Property contributed to the Partnership prior to the Effective Date, the Agreed Value of such property as set forth on Schedule 1 attached hereto; (ii) in the case of any Contributed Property contributed to the Partnership upon or after the Effective Date and as of the time of its contribution to the Partnership, the 704(c) Value of such property, reduced by any liabilities either assumed by the Partnership upon such contribution or to which such property is subject when contributed; and (iii) in the case of any property distributed to a Partner by the Partnership, the Partnership's Carrying Value of such property at the time such property is distributed, reduced by any indebtedness either assumed by such Partner upon such distribution or to which such property is subject at the time of distribution as determined under Section 752 of the Code and the Regulations thereunder.

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

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

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

(a) the Partnership's Net Income or Net Loss (as the case maybe) for such period (without regard to adjustments resulting from allocations described in Sections 1.A through 1.E of Exhibit C);

(b) Depreciation and all other non-cash charges deducted in determining Net Income or Net Loss for such period;

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

(d) the excess of proceeds from the sale, exchange, disposition, or refinancing of Partnership property for such period over the gain recognized from such sale, exchange, disposition, or refinancing during such period (excluding Terminating Capital Transactions); and

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

(ii) less the sum of:

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

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

(c) investments made by the Partnership during such period in any entity (including loans made thereto) to the extent that such investments are not otherwise described in clause (ii)(a) or (ii)(b);

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

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

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

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

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

Book-Tax Disparities means, with respect to any item of Contributed Property or Adjusted Property, as of the date of any determination, the difference between the Carrying Value of such Contributed Property or Adjusted Property and the adjusted basis thereof for federal income tax purposes as of such date. A Partner's share of the Partnership's Book-Tax Disparities in all of its Contributed Property and Adjusted Property will be reflected by the difference between such Partner's Capital Account balance as maintained pursuant to Exhibit B and the hypothetical balance of such Partner's Capital Account computed as if it had been maintained strictly in accordance with federal income tax accounting principles.

Business Day means any day except a Saturday, Sunday or other day on which commercial banks in Houston, Texas are authorized or required by law to close.

Capital Account means the Capital Account maintained for a Partner pursuant to Exhibit B hereof.

Capital Contribution means, with respect to any Partner, any cash, cash equivalents or the Agreed Value of Contributed Property which such Partner contributes or is deemed to contribute to the Partnership pursuant to Section 4.1 or 4.2 hereof.

Carrying Value means (i) with respect to a Contributed Property or Adjusted Property, the 704(c) Value of such property, reduced (but not below zero) by all Depreciation with respect to such Property charged to the Partners' Capital Accounts following the contribution of or adjustment with respect to such Property; and (ii) with respect to any other Partnership property, the adjusted basis of such property for federal income tax purposes, all as of the time of determination. The Carrying Value of any property shall be adjusted from time to time in accordance with Exhibit B hereof, and to reflect changes, additions or other adjustments to the Carrying Value for dispositions and acquisitions of Partnership properties, as deemed appropriate by the General Partner.

Cash Amount means an amount of cash with respect to the Common Units offered for redemption by a Redeeming Partner equal to the Value on the Valuation Date of the REIT Shares Amount.

Certificate means the Certificate of Limited Partnership relating to the Partnership originally filed on January 29, 1994 in the office of the Delaware Secretary of State, as amended as of the Effective Date in connection with the Merger and as further amended from time to time in accordance with the terms hereof and the Act.

Certificate of Designations means any Exhibit attached hereto or any amendment to this Agreement that sets forth the designations, rights, powers, duties and preferences of Partners holding any Partnership Interests issued pursuant to Section 4.2, which amendment is in the form of a certificate signed by the General Partner and appended to this agreement. A Certificate of Designations is not the exclusive manner in which such an amendment may be effected. The General Partner may adopt a Certificate of Designations without the consent of the Limited Partners to the extent permitted pursuant to Section 14.1(b) hereof.

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

Common Unit means a Partnership Unit which is designated as a common unit of limited partnership interest and which has the rights, preferences and other privileges designated herein in respect of Common Unitholders. The allocation of Common Units among the Partners shall be set forth on Exhibit A, as may be amended from time to time.

Common Unitholder means a Partner that holds Common Units.

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Company means Camden Property Trust, a Texas real estate investment trust, and any successors thereto.

Consent means the consent or approval of a proposed action by a Partner given in accordance with Section 14.2 hereof.

Consideration means (i) the Cash Amount or (ii) the REIT Shares Amount, as determined by the Partnership or the Company, as applicable, in its sole discretion, plus (x) cash in an amount equal to or (y) additional REIT Shares with a Value equal to the aggregate Cumulative Unpaid Accrued Return Amount and Cumulative Unpaid Priority Distribution Amount, if any, attributable to the Common Units being redeemed or purchased.

Contributed Property means each property or other asset, in such form as may be permitted by the Act (but excluding cash), contributed or deemed contributed to the Partnership. Once the Carrying Value of a Contributed Property is adjusted pursuant to Exhibit B hereof, such property shall no longer constitute a Contributed Property for purposes of Exhibit B hereof, but shall be deemed an Adjusted Property for such purposes.

Conversion Factor means 1.0, provided that in the event that the Company (i) declares or pays a dividend on its outstanding REIT Shares in REIT Shares or makes a distribution to all holders of its outstanding REIT Shares in REIT Shares; (ii) subdivides its outstanding REIT Shares; or (iii) combines its outstanding REIT Shares into a smaller number of REIT Shares, the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction, the numerator of which shall be the number of REIT Shares issued and outstanding on the record date for such dividend, distribution, subdivision or combination assuming for such purpose that such dividend, distribution, subdivision or combination has occurred as of such time, and the denominator of which shall be the actual number of REIT Shares (determined without the above assumption) issued and outstanding on the record date for such dividend, distribution, subdivision or combination. Any adjustment to the Conversion Factor shall become effective immediately after the effective date of such event retroactive to the record date, if any, for such event. The Conversion Factor shall be subject to adjustment as provided in Section 16.2(b) hereof.

Cumulative Unpaid Accrued Return Amount means, with respect to any holder of Common Units (other than the General Partner, the Company or any of their respective Subsidiaries or Affiliates), an amount, if any, equal to (i) the interest that would accrue at the Prime Rate plus five percent (5%) per annum, compounded quarterly in arrears, on such Partner's Cumulative Unpaid Priority Distribution Amount outstanding from time to time, less (ii) the cumulative distributions received by such Partner pursuant to Clause (a) of Section 5.1 hereof. The Cumulative Unpaid Return Amount of a Redeeming Partner shall be reduced by the value of the aggregate Consideration paid by the Partnership or the Company, as applicable, in respect of any Cumulative Unpaid Accrued Return Amount attributable to any Common Units redeemed by the Partnership or purchased by the Company pursuant to Section 8.6 hereof.

Cumulative Unpaid Priority Distribution Amount means, with respect to any holder of Common Units (other than the General Partner, the Company or any of their respective Subsidiaries or Affiliates), an amount, if any, equal to (i) the aggregate of all Priority Distribution Amounts with respect to the Common Units held by such Partner, less (ii) the cumulative amount of distributions previously received by such Partner pursuant to Clauses (b) and (c) of Section 5.1 hereof. For these purposes, an unpaid Priority Distribution Amount will not be taken into account in determining a holder of Common Units' Cumulative Unpaid Priority Distribution Amount unless it remains unpaid as of the close of business on the third (3rd) Business Day following the date on which the related dividend is paid by the Company on REIT Shares. The Cumulative Unpaid Priority Distribution Amount of a Redeeming Partner shall be reduced by the value of the aggregate Consideration paid by the Partnership or the Company, as applicable, in respect of any Cumulative Unpaid Priority Distribution Amount attributable to any Common Units redeemed by the Partnership or purchased by the Company pursuant to Section 8.6 hereof.

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Declaration of Trust means the Amended and Restated Declaration of Trust of the Company, as amended.

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

Effective Date means , 2005 (i.e., the date of closing of the Merger pursuant to the Merger Agreement).

Exchange Ratio shall have the meaning ascribed thereto in the Merger Agreement.

General Partner means the Camden Summit, Inc., in its capacity as the general partner of the Partnership, or its successors as general partner of the Partnership.

General Partner Interest means a Partnership Interest held by the General Partner, in its capacity as general partner. A General Partner Interest may be expressed as a number of Partnership Units.

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

Immediate Family means, with respect to any natural Person, such natural Person's spouse and such natural Person's natural or adoptive parents, descendants, nephews, nieces, brothers, and sisters.

Incapacity or Incapacitated means, (i) as to any individual Partner, death, total physical disability or entry by a court of competent jurisdiction adjudicating him incompetent to manage his Person or his estate; (ii) as to any corporation which is a Partner, the filing of a certificate of dissolution, or its equivalent, for the corporation or the revocation of its charter; (iii) as to any partnership which is a Partner, the dissolution and commencement of winding up of the partnership; (iv) as to any estate which is a Partner, the distribution by the fiduciary of the estate's entire interest in the Partnership; (v) as to any trustee of a trust which is a Partner, the termination of the trust (but not the substitution of a new trustee); or (vi) as to any Partner, the bankruptcy of such Partner. For purposes of this definition, bankruptcy of a Partner shall be deemed to have occurred when (a) the Partner commences a voluntary proceeding seeking liquidation, reorganization or other relief under any bankruptcy, insolvency or other similar law now or hereafter in effect; (b) the Partner is adjudged as bankrupt or insolvent, or a final and nonappealable order for relief under any bankruptcy, insolvency or similar law now or hereafter in effect has been entered against the Partner; (c) the Partner executes and delivers a general assignment for the benefit of the Partner's creditors; (d) the Partner files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against the Partner in any proceeding of the nature described in clause (b) above; (e) the Partner seeks, consents to or acquiesces in the appointment of a trustee, receiver or liquidator for the Partner or for all or any substantial part of the Partner's properties; (f) any proceeding seeking liquidation, reorganization or other relief of or against such Partner under any bankruptcy, insolvency or other similar law now or hereafter in effect has not been dismissed within one hundred twenty (120) days after the commencement thereof; (g) the appointment without the Partner's consent or acquiescence of a trustee, receiver or liquidator has not been vacated or stayed within ninety (90) days of such appointment; or (h) an appointment referred to in clause (g) which has been stayed is not vacated within ninety (90) days after the expiration of any such stay.

Indemnitee means (i) any Person made a party to a proceeding by reason of (A) his status as the General Partner, or as a director, trustee, trust manager or officer of the Partnership or the General Partner, or (B) his or its liabilities, pursuant to a loan guarantee or otherwise, for any indebtedness of the

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Partnership or any Subsidiary of the Partnership (including, without limitation, any indebtedness which the Partnership or any Subsidiary of the Partnership has assumed or taken assets subject to); and (ii) such other Persons (including Affiliates of the General Partner or the Partnership) as the General Partner may designate from time to time (whether before or after the event giving rise to potential liability), in its sole and absolute discretion.

Limited Partner means the General Partner, the Company and any other Person named as a Limited Partner in Exhibit A attached hereto, as such Exhibit may be amended from time to time, or any Substituted Limited Partner or Additional Limited Partner, in such Person's capacity as a Limited Partner of the Partnership.

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

Liquidating Event has the meaning set forth in Section 13.1.

Liquidator has the meaning set forth in Section 13.2.

Merger has the meaning set forth in the recitals to this Agreement.

Merger Agreement means that certain Agreement and Plan of Merger Agreement dated as of October 4, 2004 among the General Partner and the Original General Partner.

Net Income means, for any taxable period, the excess, if any, of the Partnership's items of income and gain for such taxable period over the Partnership's items of loss and deduction for such taxable period. The items included in the calculation of Net Income shall be determined in accordance with federal income tax accounting principles, subject to the specific adjustments provided for in Exhibit B.

Net Loss means, for any taxable period, the excess, if any, of the Partnership's items of loss and deduction for such taxable period over the Partnership's items of income and gain for such taxable period. The items included in the calculation of Net Loss shall be determined in accordance with federal income tax accounting principles, subject to the specific adjustments provided for in Exhibit B.

Nonrecourse Built-in Gain means, with respect to any Contributed Properties or Adjusted Properties that are subject to a mortgage or negative pledge securing a Nonrecourse Liability, the amount of any taxable gain that would be allocated to the Partners pursuant to Section 2.B of Exhibit C if such properties were disposed of in a taxable transaction in full satisfaction of such liabilities and for no other consideration.

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

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

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

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

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

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

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Partner Nonrecourse Deductions has the meaning set forth in Regulations Section 1.704-2(i)(2), and the amount of Partner Nonrecourse Deductions with respect to a Partner Nonrecourse Debt for a Partnership taxable year shall be determined in accordance with the rules of Regulations Section 1.704-2(i)(2).

Partnership means the limited partnership formed under the Act and pursuant to this Agreement, as it may be amended and restated, and any successor thereto.

Partnership Interest means an ownership interest in the Partnership representing a Capital Contribution by either a Limited Partner or the General Partner and includes any and all benefits to which the holder of such a Partnership Interest may be entitled as provided in this Agreement, together with all obligations of such Person to comply with the terms and provisions of this Agreement. A Partnership Interest may be expressed as a number of Partnership Units.

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

Partnership Record Date means the record date established by the General Partner for the distribution of Available Cash pursuant to Section 5.1 hereof, which record date shall be the same as the record date established by the Company for the corresponding dividend distribution to its shareholders, or, if no such record date is established by the Company, the payment date of such distribution.

Partnership Unit or **Unit** means a fractional, undivided share of the Partnership Interests of all Partners issued pursuant to Sections 4.1 and 4.2 (and includes any series or class of Preferred Units). The number of Partnership Units outstanding and (in the case of Common Units) the Percentage Interest in the Partnership represented by such Units are set forth in Exhibit A attached hereto, as such Exhibit may be amended from time to time. The ownership of Partnership Units shall be evidenced by such form of certificate for units as the General Partner adopts from time to time unless the General Partner determines that the Partnership Units shall be uncertificated securities.

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

Percentage Interest means, as to a Partner, its percentage interest as a Common Unitholder determined by dividing the Common Units owned by such Partner by the total number of Common Units then outstanding and as specified in Exhibit A attached hereto, as such Exhibit may be amended from time to time.

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

Pre-Liquidation Period has the meaning set forth in Section 13.6 hereof.

Preferred Unit means a limited partnership interest (of any series), other than a Common Unit, represented by a fractional, undivided share of the Partnership Interests of all Partners issued hereunder and which is designated as a Preferred Unit (or as a particular class or series of Preferred Units) herein and which has the rights, preferences and other privileges designated herein (including by way of a Certificate of Designations) in respect of a Preferred Unitholder. The allocation of Preferred Units among the Partners shall be set forth on Exhibit A, as may be amended from time to time.

Preferred Unitholder means a Partner that holds Preferred Units (of any class or series).

Prime Rate means, on any date, a fluctuating rate of interest per annum equal to the rate of interest most recently established by JPMorgan Chase (or, at the General Partner's election, another major lender to the Company or the Partnership, at the office with which the Company or the Partnership deals) as its prime rate of interest for loans in United States dollars.

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Priority Distribution Amount means with respect to the Common Units held by a Partner (other than the General Partner, the Company, or any of their respective Subsidiaries or Affiliates) on a Partnership Record Date for distribution of Available Cash, a cash amount equal in value to the aggregate cash dividends, cash distributions or other cash amounts that would have been payable to such holder of Common Units in the event that such Partner owned REIT Shares equal in number to the REIT Shares Amount attributable to all of such Partner's Common Units as of such Partnership Record Date.

Recapture Income means any gain recognized by the Partnership upon the disposition of any property or asset of the Partnership, which gain is characterized as non-capital gain income because it represents the recapture of deductions previously taken with respect to such property or asset.

Redeeming Partner has the meaning set forth in Section 8.6(a) hereof.

Redemption Right has the meaning set forth in Section 8.6(a) hereof.

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

REIT means a real estate investment trust under Section 856 of the Code.

REIT Share means a common share of beneficial interest of the Company, par value \$0.01 per share.

REIT Shares Amount means a number of REIT Shares equal to the product of the number of Common Units offered for redemption by a Redeeming Partner, multiplied by the Conversion Factor, provided that in the event the Company issues to all holders of REIT Shares rights, options, warrants or convertible or exchangeable securities entitling the shareholders to subscribe for or purchase REIT Shares, or any other securities or property (collectively, the **rights**), then the REIT Shares Amount shall also include such rights that a holder of that number of REIT Shares would be entitled to receive.

Residual Gain or **Residual Loss** means any item of gain or loss, as the case may be, of the Partnership recognized for federal income tax purposes resulting from a sale, exchange or other disposition of Contributed Property or Adjusted Property, to the extent such item of gain or loss is not allocated pursuant to Section 2.B.1(a) or 2.B.2(a) of Exhibit C to eliminate Book-Tax Disparities.

704(c) Value of any Contributed Property means with respect to any Contributed Property contributed to the Partnership prior to the Effective Date the value of such property as set forth in Schedule 2 attached hereto and with respect to all other Contributed Properties, the fair market value of such property or other consideration at the time of contribution, as determined by the General Partner using such reasonable method of valuation as it may adopt. Subject to Exhibit B hereof, the General Partner shall, in its sole and absolute discretion, use such method as it deems reasonable and appropriate to allocate the aggregate of the 704(c) Values of Contributed Properties in a single or integrated transaction among the separate properties on a basis proportional to their respective fair market values.

Specified Redemption Date means the tenth (10th) Business Day after receipt by the Company of a Notice of Redemption; provided that if the Company combines its outstanding REIT Shares, no Specified Redemption Date shall occur after the record date of such combination of REIT Shares and prior to the effective date of such combination.

Subordinated Amounts means any and all payments of the Partnership that are attributable to (i) any payment of principal or interest with respect to any indebtedness owing by the Partnership to the General Partner, the Company or any of their respective Subsidiaries or Affiliates; (ii) any payments by the Partnership to the General Partner, the Company or any of their respective Subsidiaries or Affiliates with respect to any reimbursement of expenses incurred by the General Partner, the Company or any of their respective Subsidiaries or Affiliates; (iii) any compensation paid by the Partnership to the General Partner or its Affiliates for services rendered and (iv) any other amounts owed to or being paid to the Company or any of its respective Subsidiaries or Affiliates.

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Subsidiary means, with respect to any Person, any corporation, partnership or other entity of which a majority of (i) the voting power of the voting equity securities; or (ii) the outstanding equity interests, is owned, directly or indirectly, by such Person.

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

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

Unrealized Gain attributable to any item of Partnership property means, as of any date of determination, the excess, if any, of (i) the fair market value of such property (as determined under Exhibit B hereof) as of such date; over (ii) the Carrying Value of such property (prior to any adjustment to be made pursuant to Exhibit B hereof) as of such date.

Unrealized Loss attributable to any item of Partnership property means, as of any date of determination, the excess, if any, of (i) the Carrying Value of such property (prior to any adjustment to be made pursuant to Exhibit B hereof) as of such date; over (ii) the fair market value of such property (as determined under Exhibit B hereof) as of such date.

Valuation Date means the date of receipt by the General Partner of a Notice of Redemption or, if such date is not a Business Day, the first Business Day thereafter.

Value means, with respect to a REIT Share, the average of the daily market price for the ten (10) consecutive trading days immediately preceding the Valuation Date. The market price for each such trading day shall be: (i) if the REIT Shares are listed or admitted to trading on any securities exchange or the NASDAQ-National Market System, the closing price on such day, or if no such sale takes place on such day, the average of the closing bid and asked prices on such day; (ii) if the REIT Shares are not listed or admitted to trading on any securities exchange or the NASDAQ-National Market System, the last reported sale price on such day or, if no sale takes place on such day, the average of the closing bid and asked prices on such day, as reported by a reliable quotation source designated by the General Partner; or (iii) if the REIT Shares are not listed or admitted to trading on any securities exchange or the NASDAQ-National Market System and no such last reported sale price or closing bid and asked prices are available, the average of the reported high bid and low asked prices on such day, as reported by a reliable quotation source designated by the General Partner, or if there shall be no bid and asked prices on such day, the average of the high bid and low asked prices, as so reported, on the most recent day (not more than ten (10) days prior to the date in question) for which prices have been so reported; provided that if there are no bid and asked prices reported during the ten (10) days prior to the date in question, the Value of the REIT Shares shall be determined by the General Partner acting in good faith on the basis of such quotations and other information as it considers, in its reasonable judgment, appropriate. In the event the REIT Shares Amount includes rights that a holder of REIT Shares would be entitled to receive, then the Value of such rights shall be determined by the General Partner acting in good faith on the basis of such quotations and other information as it considers, in its reasonable judgment, appropriate.

ARTICLE 2

ORGANIZATIONAL MATTERS

SECTION 2.1 Formation

Effective as of January 29, 1994, the Partnership was formed as a limited partnership under and pursuant to the Act. Except as expressly provided herein to the contrary, the rights and obligations of the Partners and the administration and termination of the Partnership shall be governed by the Act. The Partnership Interest of each Partner shall be personal property for all purposes.

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SECTION 2.2 Name

Prior to the Effective Date, the name of the Partnership was Summit Properties Partnership, L.P. From and after the Effective Date, the name of the Partnership shall be Camden Summit Partnership, L.P. and, immediately following the Merger, an Amendment to the Partnership's Certificate of Limited Partnership was filed to reflect the change in the name and the change in the General Partner. The Partnership's business may be conducted under any other name or names deemed advisable by the General Partner, including the name of the General Partner or any Affiliate thereof. The words Limited Partnership, L.P., Ltd. or similar words or letters shall be included in the Partnership's name where necessary for the purposes of complying with the laws of any jurisdiction that so requires. The General Partner in its sole and absolute discretion may change the name of the Partnership at any time and from time to time and shall notify the Limited Partners of such change in the next regular communication to the Limited Partners.

SECTION 2.3 Registered Office and Agent; Principal Office

The address of the registered office of the Partnership in the State of Delaware and the name and address of the registered agent for service of process on the Partnership in the State of Delaware is The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801. The principal office of the Partnership shall be Three Greenway Plaza, Suite 1300, Houston, Texas 77046, or such other place as the General Partner may from time to time designate by notice to the Limited Partners. The Partnership may maintain offices at such other place or places within or outside the State of Delaware as the General Partner deems advisable.

SECTION 2.4 Power of Attorney

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

(1) execute, swear to, acknowledge, deliver, file and record in the appropriate public offices (a) all certificates, documents and other instruments (including, without limitation, this Agreement and the Certificate and all amendments or restatement thereof) that the General Partner or the Liquidator deems appropriate or necessary to form, qualify or continue the existence or qualification of the Partnership as a limited partnership (or a partnership in which the Limited Partners have limited liability) in the State of Delaware and in all other jurisdictions in which the Partnership may or plans to conduct business or own property; (b) all instruments that the General Partner deems appropriate or necessary to reflect any amendment, change, modification or restatement of this Agreement in accordance with its terms; (c) all conveyances and other instruments or documents that the General Partner or the Liquidator deems appropriate or necessary to reflect the dissolution and liquidation of the Partnership pursuant to the terms of this Agreement, including, without limitation, a certificate of cancellation; (d) all instruments relating to the admission, withdrawal, removal or substitution of any Partner pursuant to, or other events described in, Article 11, 12 or 13 hereof or the Capital Contribution of any Partner; and (e) all certificates, documents and other instruments relating to the determination of the rights, preferences and privileges of Partnership Interest; and

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

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

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(b) The foregoing power of attorney is hereby declared to be irrevocable and a power coupled with an interest, in recognition of the fact that each of the Partners will be relying upon the power of the General Partner and any Liquidator to act as contemplated by this agreement in any filing or other action by it on behalf of the Partnership, and it shall survive and not be affected by the subsequent Incapacity of any Limited Partner or Assignee and the transfer of all or any portion of such Limited Partner's or Assignee's Partnership Units and shall extend to such Limited Partner's or Assignee's heirs, successors, assigns and personal representatives. Each such Limited Partner or Assignee hereby agrees to be bound by any representation made by the General Partner or any Liquidator, acting in good faith pursuant to such power of attorney, and each such Limited Partner or Assignee hereby waives any and all defenses which may be available to contest, negate or disaffirm the action of the General Partner or any Liquidator, taken in good faith under such power of attorney. Each Limited Partner or Assignee shall execute and deliver to the General Partner or the Liquidator, within fifteen (15) days after receipt of the General Partner's or Liquidator's request therefor, such further designation, powers of attorney and other instruments as the General Partner or the Liquidator, as the case may be, deems necessary to effectuate this Agreement and the purposes of the Partnership.

SECTION 2.5 Term

The term of the Partnership commenced on January 29, 1994 and shall continue until December 31, 2093, unless, the Partnership is dissolved sooner pursuant to the provisions of Article 13 or as otherwise provided by law.

ARTICLE 3

PURPOSE

SECTION 3.1 Purpose and Business

The purpose and nature of the business to be conducted by the Partnership is (i) to conduct any business that may be lawfully conducted by a limited partnership organized pursuant to the Act; provided, however, that such business shall be limited to and conducted in such a manner as to permit the Company at all times to be classified as a REIT, unless the Company ceases to qualify as a REIT for reasons other than the conduct of the business of the Partnership; (ii) to enter into any partnership, joint venture or other similar arrangement to engage in any of the foregoing or to own interests in any entity engaged in any of the foregoing; and (iii) to do anything necessary or incidental to the foregoing. In connection with the foregoing, and without limiting the Company's right, in its sole discretion, to cease qualifying as a REIT, the Partners acknowledge the Company's current status as a REIT inures to the benefit of all of the Partners and not solely the Company or the General Partner.

SECTION 3.2 Powers

The Partnership is empowered to do any and all acts and things necessary, appropriate, proper, advisable, incidental to or convenient for the furtherance and accomplishment of the purposes and business described herein and for the protection and benefit of the Partnership; provided, however, that the Partnership shall not take, or refrain from taking, any action which, in the judgment of the General Partner, in its sole and absolute discretion, (i) could adversely affect the ability of the Company to continue to qualify as a REIT; (ii) could subject the Company to any additional taxes under Section 857 or Section 4981 of the Code; or (iii) could violate any law or regulation of any governmental body or agency having jurisdiction over the Company or its securities, unless such action (or inaction) shall have been specifically consented to by the General Partner in writing.

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ARTICLE 4

CAPITAL CONTRIBUTIONS

SECTION 4.1 *Capital Contributions of the Partners*

Prior to the Effective Date, the Partners have made Capital Contributions to the Partnership as reflected on Schedule 3 attached hereto. On the Effective Date, (i) the Original General Partner merged with and into the General Partner, with the General Partner succeeding by operation of law to the Partnership Interests held by the Original General Partner, and (ii) upon the effectiveness of such merger, this Agreement became effective and replaced the Original Agreement in its entirety. In connection with the amendments effected by this Agreement, among other things, the number of Common Units held by each Partner were adjusted by multiplying the number of Common Units held by such Partner immediately prior to the effective time of the Merger by the final Exchange Ratio at the effective time of the Merger, after taking into account any adjustments thereto, and the provisions of the Agreement were amended, among other things, to reflect that the REIT Shares Amount payable to a Redeeming Partner in connection with an exercise of the Redemption Right pursuant to Section 8.6 hereof shall be comprised of REIT Shares (as opposed to common stock of the Original General Partner). As of the Effective Date (after taking into account the Merger and any Capital Contributions or redemptions relating thereto as well as the adjustment of Common Units as described above), (i) the number and class of Partnership Units held by each Partner, (ii) the Capital Account balance of each Partner and (iii) the Percentage Interest of each Partner are as set forth on Exhibit A attached hereto, which Percentage Interest shall be adjusted in Exhibit A from time to time by the General Partner to the extent necessary to reflect accurately redemptions, additional Capital Contributions, the issuance of additional Partnership Units (pursuant to any merger or otherwise), or similar events having an effect on any Partner's Percentage Interest. To the extent the Partnership acquires any property by the merger of any other Person into the Partnership, Persons who receive Partnership Interests in exchange for their interests in the Person merging into the Partnership shall become Partners and shall be deemed to have made Capital Contributions as provided in the applicable merger agreement and as set forth in Exhibit A, as amended to reflect such deemed Capital Contributions. The number of Common Units held by the General Partner, in its capacity as general partner, (equal to one percent (1%) of all outstanding Common Units from time to time) shall be deemed to be the General Partner Interest. All other Common Units held by the General Partner shall be held in its capacity as a Limited Partner. Except as provided in Sections 4.2 and 10.5, the Partners shall have no obligation to make any additional Capital Contributions or loans to the Partnership.

SECTION 4.2 *Issuances of Additional Partnership Interests*

The General Partner is hereby authorized to cause the Partnership from time to time to issue to the Partners (including the General Partner) or other Persons additional Partnership Units or other Partnership Interests in one or more classes, or one or more series of any of such classes, with such designations, preferences and relative, participating, optional or other special rights, powers and duties, including rights, powers and duties senior to Limited Partner Interests, all as shall be determined by the General Partner in its sole and absolute discretion subject to Delaware law, including, without limitation, (i) the allocations of items of Partnership income, gain, loss, deduction and credit to each such class or series of Partnership Interests; (ii) the right of each such class or series of Partnership Interests to share in Partnership distributions; and (iii) the rights of each such class or series of Partnership Interests upon dissolution and liquidation of the Partnership; provided that no such additional Partnership Units or other Partnership Interests shall be issued to the Company, the General Partner or any of their respective Subsidiaries or Affiliates, unless either (x) the Company, the General Partner or their Subsidiary or Affiliate, as applicable, shall make a Capital Contribution to the Partnership in an amount equal to the fair market value of such Partnership Units or other Partnership Interests (as determined in good faith by the General Partner, provided, however, that for purposes hereof the fair market value of a Common Unit of the same class of Common Units held by the Summit Limited Partners shall be equal to (A) the Value of that number of REIT Shares (or fraction thereof) comprising the REIT Shares Amount attributable to a single Common Unit of such class as of the date of issuance of such Common Unit or (B) with respect

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to issuances on the Effective Date, the Cash Consideration (as defined in the Merger Agreement), or (y) the additional Partnership Units or other Partnership Interests are issued to all Partners in proportion to their respective Percentage Interests; and provided further that no such additional Partnership Units or other Partnership Interests shall be issued to the Company, the General Partner or one of their respective Subsidiaries or Affiliates, with rights to distributions during the operation or upon liquidation of the Partnership that are senior to the distributions of the Summit Limited Partners during the operation or upon the liquidation of the Partnership or with rights to Net Losses that would result in a change in the priority of allocation of Net Losses pursuant to Section 6.1(b) hereof in a manner that has an adverse effect upon any of the Summit Limited Partners.

SECTION 4.3 Preemptive Rights

No Person shall have any preemptive, preferential or other similar purchase right with respect to (i) additional Capital Contributions or loans to the Partnership; or (ii) the issuance or sale of any Partnership Units or other Partnership Interests.

ARTICLE 5

DISTRIBUTIONS

SECTION 5.1 Requirement and Characterization of Distributions

Subject to Sections 5.3 and 5.4 hereof and subject to the rights and preferences of any outstanding class or series of Preferred Units as set forth in the Certificates of Designations therefor attached hereto or executed by the General Partner, or as otherwise provided herein with respect to Partnership Interests other than Common Units, the General Partner shall distribute at least quarterly an amount equal to one hundred percent (100%) of Available Cash generated by the Partnership during such quarter or shorter period as follows:

(a) first, to the Common Unitholders (other than the General Partner, the Company or any of their respective Subsidiaries or Affiliates) who are Partners on the Partnership Record Date with respect to such distribution, pro rata among them in proportion to the Cumulative Unpaid Accrued Return Amount, if any, of each such Common Unitholder until the Cumulative Unpaid Accrued Return Amount of each Common Unitholder is reduced to zero;

(b) second, to the Common Unitholders (other than the General Partner, the Company or any of their respective Subsidiaries or Affiliates) who are Partners on the Partnership Record Date with respect to such distribution pro rata among them in proportion to the Cumulative Unpaid Priority Distribution Amount, if any, of each such Common Unitholder until the Cumulative Unpaid Priority Distribution Amount of each such Common Unitholder is reduced to zero;

(c) third, to the Common Unitholders (other than the General Partner, the Company or any of their respective Subsidiaries or Affiliates) who are Partners on the Partnership Record Date with respect to such distribution, pro rata among them in proportion to the Priority Distribution Amount, if any, of each such Common Unitholder, until each such Common Unitholder has received an amount equal to the Priority Distribution Amount with respect to such distribution;

(d) thereafter, one hundred percent (100%) to the General Partner, the Company and their respective Subsidiaries and Affiliates (and any permitted transferee under Section 11.2 hereof) pro rata in proportion to the Common Units held by the General Partner, the Company and their respective Subsidiaries and Affiliates (and any permitted transferee under Section 11.2 hereof).

Notwithstanding the foregoing, in no event may a Partner receive a distribution of Available Cash with respect to a Common Unit if such Partner is entitled to receive a distribution with respect to a REIT Share for which such Common Unit has been redeemed or exchanged. No Partner shall receive any distributions in respect of, and no Cumulative Unpaid Accrued Return Amount shall accrue with respect to, any failure of such Partner to timely receive any Priority Distribution Amount

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due to the Partner's failure to provide the General Partner with accurate information regarding its address for payment of distributions hereunder. The General Partner shall take such reasonable efforts, as determined by it in its sole and absolute discretion and consistent with the Company's qualification as a REIT, to distribute Available Cash to the Limited Partners so as to preclude any such distribution or portion thereof from being treated as part of a sale of property to the Partnership by a Limited Partner under Section 707 of the Code or the Regulations thereunder; provided that the General Partner and the Partnership shall not have liability to a Limited Partner under any circumstances as a result of any distribution to a Limited Partner being so treated.

SECTION 5.2 Amounts Withheld

All amounts withheld pursuant to the Code or any provisions of any state or local tax law and Section 10.5 hereof with respect to any allocation, payment or distribution to the Partners or Assignees shall be treated as amounts distributed to the Partners or Assignees pursuant to Section 5.1 for all purposes under this Agreement.

SECTION 5.3 Distributions Upon Liquidation

Proceeds from a Terminating Capital Transaction and any other cash received or reductions in reserves made after commencement of the liquidation of the Partnership shall be distributed to the Partners in accordance with Section 13.2

SECTION 5.4 Subordinated Amounts. Notwithstanding any other provision of this Agreement to the contrary, the Partnership shall not pay any Subordinated Amounts unless and until the Cumulative Accrued Unpaid Return Amounts and Cumulative Unpaid Priority Distribution Amounts of all of the holders of Common Units (other than the Company, the General Partner and their respective Subsidiaries and Affiliates) have been reduced to zero.

ARTICLE 6

ALLOCATIONS

SECTION 6.1 Allocations For Capital Account Purposes

For purposes of maintaining the Capital Accounts and in determining the rights of the Partners among themselves, the Partnership's items of income, gain, loss and deduction (computed in accordance with Exhibit B hereof) shall be allocated among the Partners in each taxable year (or portion thereof) as provided herein below.

(a) Net Income. Net Income shall be allocated:

(i) first, to the General Partner to the extent that Net Losses previously allocated to the General Partner pursuant to Section 6.1(b)(iv) below for all prior taxable years exceed Net Income previously allocated to the General Partner pursuant to this Section 6.1(a)(i) for all prior taxable years;

(ii) second, to Partners holding Preferred Units to the extent that Net Losses previously allocated to such Partners pursuant to Section 6.1(b)(iii) below for all prior taxable years exceed Net Income previously allocated to such Partners pursuant to this Section 6.1(a)(ii) for all prior taxable years;

(iii) third, to Partners holding Common Units to the extent that Net Losses previously allocated to such Partners pursuant to Section 6.1(b)(ii) below for all prior taxable years exceed Net Income previously allocated to such Partners pursuant to this Section 6.1(a)(iii) for all prior taxable years;

(iv) fourth, to Partners holding Preferred Units in accordance with the rights of any such class of Partnership Interests until each such Preferred Unit has been allocated Net Income equal to the excess of (x) the cumulative amount of preferred distributions such Partners are entitled to receive to the last day of the current taxable year or to the date of redemption to the extent such Partnership Interests are redeemed during such taxable year over (y) the cumulative Net Income

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allocated to such Partners, pursuant to this Section 6.1(a)(iv) for all prior taxable years (and, within each such class, pro rata in proportion to the respective share of such Units each Partner holds as of the last day of the period for which such allocation is being made);

(v) fifth, to Partners holding Common Units pro rata in proportion to and up to the amount of any distributions received by each such Partner pursuant to Section 5.1 hereof for the current taxable year or other taxable period (provided that for purposes of this Section 6.1(a)(v) the General Partner may include in the calculation of distributions received by a Partner during any taxable year or other taxable period of the Partnership any distributions received by the Partner on or before the thirtieth (30th) day following the end of the particular taxable year or other period of the Partnership, provided further that, if the General Partner elects to include the distribution in any such calculation, any such distribution shall be disregarded for purposes of determining allocations of income in the year in which it is actually made); and

(vi) sixth, the remaining Net Income of the Partnership shall be allocated one hundred percent (100%) to the General Partner, the Company and their respective Subsidiaries and Affiliates (and any permitted transferee under Section 11.2 hereof) pro rata in proportion to the Common Units held by the General Partner, the Company and their respective Subsidiaries and Affiliates (and any permitted transferee under Section 11.2 hereof).

(b) Net Losses. After giving effect to the special allocations set forth in Section 1 of Exhibit C attached hereto, Net Losses shall be allocated:

(i) first, to the General Partner and the Company to the extent Net Income previously allocated to the General Partner and the Company pursuant to Section 6.1(a)(vi) above for all prior tax years exceeds Net Losses allocated to the General Partner and the Company under this Section 6.1(b)(i) for all prior taxable years;

(ii) second, with respect to Common Units, pro rata in proportion to each Partner's respective Adjusted Capital Account as of the last day of the period for which such allocation is being made until the Adjusted Capital Account (ignoring for this purpose any amounts a Partner is obligated to contribute to the capital of the Partnership or is deemed obligated to contribute pursuant to Regulations Section 1.704-1(b)(2)(ii)(c)(2)) of each Partner with respect to such Common Units is reduced to zero;

(iii) third, to the Partners holding Preferred Units in accordance with the rights of such class of Preferred Units (and, if there is more than one class of such Preferred Units, then in the reverse order of their preferences in distributions), until the Adjusted Capital Account (modified in the same manner as in the parenthetical in the immediately preceding clause (i)) of each such Partner with respect to such Preferred Units is reduced to zero; and

(iv) fourth, to the General Partner.

(c) For purposes of Regulations Section 1.752-3(a), the Partners agree, that except as otherwise expressly agreed to in a separate written agreement between the General Partner and one or more Limited Partners, that Nonrecourse Liabilities of the Partnership in excess of the sum of (i) the amount of Partnership Minimum Gain; and (ii) the total amount of Nonrecourse Built-in Gain shall be allocated among the Partners in accordance with their respective Percentage Interests.

(d) Any gain allocated to the Partners upon the sale or other taxable disposition of any Partnership asset shall, to the extent possible, after taking into account other required allocations of gain pursuant to Exhibit C, be characterized as Recapture Income in the same proportions and to the same extent as such Partners have been allocated any deductions directly or indirectly giving rise to the treatment of such gains as Recapture Income.

(e) Notwithstanding anything to the contrary in this Article 6, following the occurrence of a Liquidating Event (and, if applicable, the failure of the Partners to elect to continue the Partnership), items of income, gain, loss and deduction for the current fiscal year (and if necessary, the prior fiscal year

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if such event occurs before the due date, without regard for any extension of time, for filing the federal income tax return for the Partnership for such prior year) shall be specially allocated to the Summit Limited Partners who are then Partners and/or other Partners to the extent necessary to cause the Capital Account of each such Summit Limited Partner to equal an amount that, if distributed in cash (taking into account all prior distributions to such Summit Limited Partner for all periods since the Effective Date in respect to the Units held by them at the time of the Liquidating Event), would result in such Summit Limited Partner receiving aggregate distributions in respect of the Units held by them at the time of the Liquidating Event or revaluation equal to the Value of the REIT Shares Amount attributable to those Units as of the Effective Date (as determined immediately following consummation of the Merger and the conversion of the outstanding Common Units as described in Section 4.1 hereof) plus an return thereon that results in the Summit Limited Partner having received an internal rate of return equal to 8% per annum. In the event of any revaluation of Partnership property pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(f), items of book income, gain, loss and deduction shall be allocated to the Summit Limited Partners who are then Partners and/or other Partners in a manner consistent with this Section 6.1(e).

SECTION 6.2 Substantial Economic Effect

It is the intent of the Partners that the allocations of Net Income and Net Losses under this Agreement have substantial economic effect (or be consistent with the Partners' interests in the Partnership in the case of the allocation of losses attributable to nonrecourse debt) within the meaning of Section 704(b) of the Code as interpreted by the Regulations promulgated pursuant thereto. Article VI and other relevant provisions of this Agreement shall be interpreted in a manner consistent with such intent.

ARTICLE 7

MANAGEMENT AND OPERATIONS OF BUSINESS

SECTION 7.1 Management

(a) Except as otherwise expressly provided in this Agreement, all management powers over the business and affairs of the Partnership are and shall be exclusively vested in the General Partner, and no Limited Partner shall have any right to participate in or exercise control or management power over the business and affairs of the Partnership. The General Partner may not be removed by the Limited Partners with or without cause. In addition to the powers now or hereafter granted a general partner of a limited partnership under applicable law or which are granted to the General Partner under any other provision of this Agreement, the General Partner, subject to Section 7.3 hereof and shall have full power and authority to do all things deemed necessary or desirable by it to conduct the business of the Partnership, to exercise all powers set forth in Section 3.2 hereof and to effectuate the purposes set forth in Section 3.1 hereof, including, without limitation:

(1) the making of any expenditures, the lending or borrowing of money (including, without limitation, making prepayments on loans and borrowing money to permit the Partnership to make distributions to its Partners in such amounts as will permit the Company (so long as the Company qualifies as a REIT) to avoid the payment of any federal income tax (including, for this purpose, any excise tax pursuant to Section 4981 of the Code) and to make distributions to its shareholders in amounts sufficient to permit the Company to maintain REIT status), the assumption or guarantee of, or other contracting for, indebtedness and other liabilities, the issuance of evidence of indebtedness (including the securing of the same by deed, mortgage, deed of trust or other lien or encumbrance on the Partnership's assets) and the incurring of any obligations it deems necessary for the conduct of the activities of the Partnership;

(2) the making of tax, regulatory and other filings, or rendering of periodic or other reports to governmental or other agencies having jurisdiction over the business or assets of the Partnership;

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(3) the acquisition, disposition, mortgage, pledge, encumbrance, hypothecation or exchange of any assets of the Partnership (including the exercise or grant of any conversion, option, privilege, or subscription right or other right available in connection with any assets at any time held by the Partnership) or the merger or other combination of the Partnership with or into another entity (all of the foregoing subject to any prior approval only to the extent required by Section 7.3 hereof);

(4) the use of the assets of the Partnership (including, without limitation, cash on hand) for any purpose consistent with the terms of this Agreement and on any terms it sees fit, including, without limitation, the financing of the conduct of the operations of the Company, the Partnership or any of the Partnership's Subsidiaries, the lending of funds to other Persons (including, without limitation, the Company or the Subsidiaries of the Partnership and/or the Company) and the repayment of obligations of the Partnership and its Subsidiaries and any other Person in which it has an equity investment, and the making of capital contributions to its Subsidiaries;

(5) the management, operation, leasing, landscaping, repair, alteration, demolition or improvement of any real property or improvements owed by the Partnership or any Subsidiary of the Partnership;

(6) the negotiation, execution, and performance of any contracts, conveyances or other instruments that the General Partner considers useful or necessary to the conduct of the Partnership's operations or the implementation of the General Partner's powers under this Agreement, including contracting with contractors, developers, consultants, accountants, legal counsel, other professional advisors and other agents and the payment of their expenses and compensation out of the Partnership's assets;

(7) the distribution of Partnership cash or other Partnership assets in accordance with this Agreement;

(8) holding, managing, investing and reinvesting cash and other assets of the Partnership;

(9) the collection and receipt of revenues and income of the Partnership;

(10) the establishment of one or more divisions of the Partnership, the selection and dismissal of employees of the Partnership (including, without limitation, employees having titles such as president, vice president, secretary and treasurer of the Partnership), and agents, outside attorneys, accountants, consultants and contractors of the Partnership, and the determination of their compensation and other terms of employment or hiring;

(11) the maintenance of such insurance for the benefit of the Partnership and the Partners as it deems necessary or appropriate;

(12) the formation of, or acquisition of an interest in, and the contribution of property to, any further limited or general partnerships, joint ventures or other relationships that it deems desirable (including, without limitation, the acquisition of interests in, and the contributions of property to, its Subsidiaries and any other Person in which it has an equity investment from time to time);

(13) the control of any matters affecting the rights and obligations of the Partnership, including the settlement, compromise, submission to arbitration or any other form of dispute resolution, or abandonment of, any claim, cause of action, liability, debt or damages, due or owing to or from the Partnership, the commencement or defense of suits, legal proceedings, administrative proceedings, arbitration or other forms of dispute resolution, and the representation of the Partnership in all suits or legal proceedings, administrative proceedings, arbitrations or other forms of dispute resolution, the incurring of legal expense, and the indemnification of any Person against liabilities and contingencies to the extent permitted by law;

(14) the undertaking of any action in connection with the Partnership's direct or indirect investment in its Subsidiaries or any other Person (including, without limitation, the contribution or loan of funds by the Partnership to such Persons);

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(15) the determination of the fair market value of any Partnership property distributed in kind using such reasonable method of valuation as the General Partner may adopt;

(16) the exercise, directly or indirectly, through any attorney-in-fact acting under a general or limited power of attorney, of any right, including the right to vote, appurtenant to any asset or investment held by the Partnership;

(17) the exercise of any of the powers of the General Partner enumerated in this Agreement on behalf of or in connection with any Subsidiary of the Partnership or any other Person in which the Partnership has a direct or indirect interest, or jointly with any such Subsidiary or other Person;

(18) the exercise of any of the powers of the General Partner enumerated in this Agreement on behalf of any Person in which the Partnership does not have an interest pursuant to contractual or other arrangements with such Person;

(19) the making, execution and delivery of any and all deeds, leases, notes, mortgages, deeds of trust, security agreements, conveyances, contracts, guarantees, warranties, indemnities, waivers, releases or legal instruments or agreements in writing necessary or appropriate, in the judgment of the General Partner, for the accomplishment of any of the powers of the General Partner enumerated in this Agreement; and

(20) the issuance of additional Partnership Units, as appropriate, in connection with Capital Contributions by Additional Limited Partners and additional Capital Contributions by Partners pursuant to Article 4 hereof.

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

(c) The General Partner may cause the Partnership to establish and maintain at any and all times working capital accounts and other cash or similar balances in such amounts as the General Partner, in its sole and absolute discretion, deems appropriate and reasonable from time to time.

(d) Except as otherwise expressly agreed to in a separate written agreement between the General Partner and one or more Limited Partners, in exercising its authority under this Agreement, the General Partner may, but shall be under no obligation to, take into account the tax consequences to any Partner of any action taken by it. Except as otherwise expressly agreed to in a separate written agreement between the General Partner and one or more Limited Partners, the General Partner and the Partnership shall not have liability to a Limited Partner under any circumstances as a result of an income tax liability incurred by such Limited Partner as a result of an action (or inaction) by the General Partner taken pursuant to its authority under this Agreement and in accordance with the terms of Section 7.3.

SECTION 7.2 *Certificate of Limited Partnership*

Effective as of January 29, 1994, the Certificate was filed with the Secretary of State of Delaware as required by the Act. As of the Effective Date, the Certificate shall be amended to reflect the Merger and the change in the Partnership's name. The General Partner shall use all reasonable efforts to cause to be filed such other certificates or documents as may be reasonable and necessary or appropriate for the formation, continuation, qualification and operation of a limited partnership (or a partnership in which the limited partners have limited liability) in the State of Delaware and any other state, or the District of Columbia, in which the Partnership may elect to do business or own property. To the extent that such action is determined by the General Partner to be reasonable and necessary or appropriate, the General

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Partner shall file amendments to and restatements of the Certificate and do all of the things to maintain the Partnership as a limited partnership (or a partnership in which the limited partners have limited liability) under the laws of the State of Delaware and each other state, or the District of Columbia, in which the Partnership may elect to do business or own property. Subject to the terms of Section 8.5(a)(4) hereof, the General Partner shall not be required, before or after filing, to deliver or mail a copy of the Certificate or any amendment thereto to any Limited Partner.

SECTION 7.3 Restrictions on General Partner Authority

(a) The General Partner may not take any action in contravention of an express prohibition or limitation of this Agreement without the written Consent of Limited Partners holding a majority of the Percentage Interests of the Limited Partners (including Limited Partner Percentage Interests held by the General Partner), or such other percentage of the Limited Partners as may be specifically provided for under a provision of this Agreement.

(b) Except as provided in Article 13 hereof, the General Partner may not cause the Partnership to liquidate, without the Consent of Limited Partners holding majority of the Percentage Interests of the Limited Partners (other than Limited Partner Interests held by the General Partner, the Company or any Subsidiary or Affiliate of the Company).

(c) Except as provided in Article 14 hereof, the General Partner will not make any amendments to this Agreement without the Consent of Limited Partners holding a majority of the Percentage Interests of the Limited Partners (other than Limited Partner Interests held by the General Partner, the Company or any Subsidiary or Affiliate of the Company).

(d) The General Partner shall not transfer or assign its General Partner Interest to any Person other than the Company or a direct or indirect wholly owned Subsidiary of the Company without the Consent of Limited Partners holding a majority of the Percentage Interests of the Limited Partners (other than Limited Partner Interests held by the General Partner, the Company or any Subsidiary or Affiliate of the Company).

(e) The General Partner shall not cause the Partnership to merge or consolidate with or into any other Person without the Consent of Limited Partners holding a majority of the Percentage Interests of the Limited Partners (other than Limited Partner Interests held by the General Partner, the Company or any Subsidiary or Affiliate of the Company), except in a transaction in which the Summit Limited Partners are granted economic rights that are identical to their economic rights under this Agreement (provided, however, for purposes of this Section 7.3(e), any changes in the form of such rights of the Summit Limited Partners required to reflect a change in the issuer of the REIT Shares or a change in the capital structure of the Company or the Partnership, e.g., adjustment to the Conversion Factor, change of the securities which the Common Units may receive upon exercise of their Redemption Right, a change of Common Units into common units in the new limited partnership, shall not result in the economic rights granted to the Original Limited Partners not being identical to their economic rights hereunder). Notwithstanding the foregoing, in the event that the General Partner proposes to merge or consolidate the Partnership with or into any other Person in connection with a transaction that constitutes a Triggering Event pursuant to Section 16.1 hereof, the General Partner and the Partnership shall comply with the applicable provisions of Article 16 hereof with respect to such Triggering Event.

(f) The General Partner shall not cause the Partnership to commence a voluntary proceeding seeking liquidation, reorganization or other relief under any bankruptcy, insolvency or other similar law or to consent to the filing of any involuntary proceeding seeking liquidation, reorganization or other relief under any bankruptcy, insolvency or other similar law, without the Consent of Limited Partners holding a majority of the Percentage Interests of the Limited Partners (other than Limited Partner Interests held by the General Partner, the Company or any Subsidiary or Affiliate of the Company).

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SECTION 7.4 Reimbursement of the General Partner and the Company

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

(b) The General Partner and the Company, shall be reimbursed on a monthly basis, or such other basis as they may determine in their reasonable discretion, for all reasonable expenses that they incur relating to the ownership and operation of, or for the benefit of, the Partnership; provided that the amount of any such reimbursement shall be reduced by any interest earned by the General Partner or the Company with respect to bank accounts or other instruments or accounts held by them on behalf of the Partnership. Such reimbursement shall be in addition to any reimbursement made as a result of indemnification pursuant to Section 7.7 hereof.

(c) The General Partner and its Affiliates may receive reasonable compensation for services rendered to or for the benefit of the Partnership.

SECTION 7.5 Outside Activities of the General Partner

The General Partner shall not directly or indirectly enter into or conduct any business other than in connection with the ownership, acquisition and disposition of Partnership Interests and the management of the business of the Partnership, and such activities as are incidental thereto. The General Partner and any Affiliates of the General Partner may acquire Limited Partner Interests and shall be entitled to exercise all rights of a Limited Partner relating to such Limited Partner Interests.

SECTION 7.6 Contracts with Affiliates

(a) The Partnership may lend or contribute funds or other assets to its Affiliates or Subsidiaries or other Persons in which it has an equity investment and such Persons may borrow funds from the Partnership, on terms and conditions established in the sole and absolute discretion of the General Partner. The foregoing authority shall not create any right or benefit in favor of any Subsidiary or any other Person.

(b) The Partnership may transfer assets to joint ventures, other partnerships, corporations or other business entities in which it is or thereby becomes a participant upon such terms and subject to such conditions consistent with this Agreement and applicable law as the General Partner, in its sole and absolute discretion, believes are advisable.

(c) Except as expressly permitted by this Agreement, neither the General Partner nor any of its Affiliates shall sell, transfer or convey any property to, or purchase any property from, the Partnership, directly or indirectly, except pursuant to transactions that are determined by the General Partner in good faith to be fair and reasonable.

(d) The General Partner, in its sole and absolute discretion and without the approval of the Limited Partners, may propose and adopt, on behalf of the Partnership, employee benefit plans, stock option plans, and similar plans funded by the Partnership for the benefit of employees of the General Partner, the Partnership, Subsidiaries of the Partnership or any Affiliate of any of them in respect of services performed, directly or indirectly, for the benefit of the Partnership, the General Partner, or any Subsidiaries of the Partnership.

(e) The General Partner is expressly authorized to enter into, in the name and on behalf of the Partnership, a right of first opportunity arrangement and other conflict avoidance agreements with various Affiliates of the Partnership and the General Partner, on such terms as the General Partner, in its sole and absolute discretion, believes are advisable.

SECTION 7.7 Indemnification

(a) To the fullest extent permitted by Delaware law, the Partnership shall indemnify each Indemnitee from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including, without limitation, attorneys fees and other legal fees and expenses), judgments, fines,

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settlements, and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, that relate to the operations of the Partnership or the General Partner as set forth in this Agreement, in which such Indemnitee may be involved, or is threatened to be involved, as a party or otherwise. Without limitation, the foregoing indemnity shall extend to any liability of any Indemnitee, pursuant to a loan guaranty or otherwise for any indebtedness of the Partnership or any Subsidiary of the Partnership (including without limitation, any indebtedness which the Partnership or any Subsidiary of the Partnership has assumed or taken subject to), and the General Partner is hereby authorized and empowered, on behalf of the Partnership, to enter into one or more indemnity agreements consistent with the provisions of this Section 7.7 in favor of any Indemnitee having or potentially having liability for any such indebtedness. Any indemnification pursuant to this Section 7.7 shall be made only out of the assets of the Partnership, and neither the General Partner nor any Limited Partner shall have any obligation to contribute to the capital of the Partnership, or otherwise provide funds, to enable the Partnership to fund its obligations under this Section 7.7.

(b) Reasonable expenses incurred by an Indemnitee who is a party to a proceeding shall be paid or reimbursed by the Partnership in advance of the final disposition of the proceeding.

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

(d) The Partnership may, but shall not be obligated to, purchase and maintain insurance, on behalf of the Indemnitees and such other Persons as the General Partner shall determine, against any liability that may be asserted against or expenses that may be incurred by such Person in connection with the Partnership's activities, regardless of whether the Partnership would have the power to indemnify such Person against such liability under the provisions of this Agreement.

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

(f) In no event may an Indemnitee subject any of the Partners to personal liability by reason of the indemnification provisions set forth in this Agreement.

(g) An Indemnitee shall not be denied indemnification in whole or in part under this Section 7.7 because the Indemnitee had an interest in the transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement.

(h) The provisions of this Section 7.7 are for the benefit of the Indemnitees, their heirs, successors, assigns and administrators and shall not be deemed to create any rights for the benefit of any other Persons. Any amendment, modification or repeal of this Section 7.7 or any provision hereof shall be prospective only and shall not in any way affect the Partnership's liability to any Indemnitee under this Section 7.7, as in effect immediately prior to such amendment, modification, or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

SECTION 7.8 *Liability of the General Partner*

(a) Notwithstanding anything to the contrary set forth in this Agreement, the General Partner and its officers, directors and/or trust managers shall not be liable for monetary damages to the Partnership, any

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Partners or any Assignees for losses sustained or liabilities incurred as a result of errors in judgment or of any act or omission if the General Partner acted in good faith.

(b) The Limited Partners and the Company expressly acknowledge that the General Partner is acting on behalf of both the Limited Partners and the shareholders of the Company collectively; that, except as provided to the contrary in written agreements between the Limited Partners and the General Partner and/or the Partnership (including without limitation that certain Tax, Asset and Income Support Agreement as of the date hereof), the General Partner is under no obligation to consider separately the interests of the Limited Partners (except as otherwise provided herein) in deciding whether to cause the Partnership to take (or decline to take) any actions, and that, except as provided to the contrary in written agreements between the Limited Partners and the General Partner and/or the Partnership (including without limitation that certain Tax, Asset and Income Support Agreement as of the date hereof), the General Partner shall not be liable for monetary damages for losses sustained, liabilities incurred, or benefits not derived by Limited Partners in connection with such decisions, provided that the General Partner has acted in good faith.

(c) Subject to its obligations and duties as General Partner set forth in Section 7.1(a) hereof, the General Partner may exercise any of the powers granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through its agents. The General Partner shall not be responsible for any misconduct or negligence on the part of any such agent appointed by the General Partner in good faith.

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

SECTION 7.9 Other Matters Concerning the General Partner

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

(b) The General Partner may consult with legal counsel, accountants, appraisers, management consultants, investment bankers, architects, engineers, environmental consultants and other consultants and advisers selected by it, and any act taken or omitted to be taken in reliance upon the opinion of such Persons as to matters which such General Partner reasonably believes to be within such Person's professional or expert competence shall be conclusively presumed to have been done or omitted in good faith and in accordance with such opinion.

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

(d) Notwithstanding any other provisions of this Agreement or the Act, any action of the General Partner on behalf of the Partnership or any decision of the General Partner to refrain from acting on behalf of the Partnership, undertaken in the good faith belief that such action or omission is necessary or advisable in order (i) to protect the ability of the Company to continue to qualify as a REIT; or (ii) to avoid the Company incurring any taxes under Section 857 or Section 4981 of the Code, is expressly authorized under this Agreement and is deemed approved by all of the Limited Partners.

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SECTION 7.10 *Title to Partnership Assets*

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

SECTION 7.11 *Reliance by Third Parties*

Notwithstanding anything to the contrary in this Agreement, any Person dealing with the Partnership shall be entitled to assume that the General Partner has full power and authority, without consent or approval of any other Partner or Person, to encumber, sell or otherwise use in any manner any and all assets of the Partnership and to enter into any contracts on behalf of the Partnership, and take any and all actions on behalf of the Partnership and such Person shall be entitled to deal with the General Partner as if the General Partner were the Partnership's sole party in interest, both legally and beneficially. Each Limited Partner hereby waives any and all defenses or other remedies which may be available against such Person to contest, negate or disaffirm any action of the General Partner in connection with any such dealing. In no event shall any Person dealing with the General Partner or its representatives be obligated to ascertain that the terms of this Agreement have been complied with or to inquire into the necessity or expedience of any act or action of the General Partner or its representatives. Each and every certificate, document or other instrument executed on behalf of the Partnership by the General Partner or its representatives shall be conclusive evidence in favor of any and every Person relying thereon or claiming thereunder that (i) at the time of the execution and delivery of such certificate, document or instrument, this Agreement was in full force and effect; (ii) the Person executing and delivering such certificate, document or instrument was duly authorized and empowered to do so for and on behalf of the Partnership; and (iii) such certificate, document or instrument was duly executed and delivered in accordance with the terms and provisions of this Agreement and is binding upon the Partnership.

ARTICLE 8

RIGHTS AND OBLIGATIONS OF LIMITED PARTNERS

SECTION 8.1 *Limitation of Liability*

The Limited Partners shall have no liability under this Agreement except as expressly provided in this Agreement, including Section 10.5 hereof, or under the Act.

SECTION 8.2 *Management of Business*

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

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SECTION 8.3 *Outside Activities of Limited Partners*

Subject to any agreements entered into pursuant to Section 7.6(e) hereof and any other agreements entered into by a Limited Partner or its Affiliates with the Partnership or any of its Subsidiaries, any Limited Partner (other than the General Partner) and any officer, director, trust manager, employee, agent, trustee, Affiliate or shareholder of any Limited Partner (other than the General Partner) shall be entitled to and may have business interests and engage in business activities in addition to those relating to the Partnership, including business interests and activities that are in direct competition with the Partnership or that are enhanced by the activities of the Partnership. Neither the Partnership nor any Partners shall have any rights by virtue of this Agreement in any business ventures of any Limited Partner or Assignee. None of the Limited Partners nor any other Person shall have any rights by virtue of this Agreement or the Partnership relationship established hereby in any business ventures of any other Person and such Person shall have no obligation pursuant to this Agreement to offer any interest in any such business ventures to the Partnership, any Limited Partner or any such other Person, even if such opportunity is of a character which, if presented to the Partnership, any Limited Partner or such other Person, could be taken by such Person.

SECTION 8.4 *Return of Capital*

Except pursuant to the right of redemption set forth in Section 8.6, no Limited Partner shall be entitled to the withdrawal or return of its Capital Contribution, except to the extent of distributions made pursuant to this Agreement or upon termination of the Partnership as provided herein. Except to the extent provided by Exhibit C hereof or as otherwise expressly provided in this Agreement, no Limited Partner or Assignee shall have priority over any other Limited Partner or Assignee, either as to the return of Capital Contributions or as to profits, losses or distributions.

SECTION 8.5 *Rights of Limited Partners Relating to the Partnership*

(a) In addition to the other rights provided by this Agreement or by the Act, and except as limited by Section 8.5(c) hereof, each Limited Partner shall have the right, for a purpose reasonably related to such Limited Partner's interest as a limited partner in the Partnership, upon written demand with a statement of the purpose of such demand and at such Limited Partner's own expense (including such copying and administrative charges as the General Partner may establish from time to time):

(1) to obtain a copy of the most recent annual and quarterly reports filed with the Securities and Exchange Commission by the Company pursuant to the Securities Exchange Act of 1934;

(2) to obtain a copy of the Partnership's federal, state and local income tax returns for each Partnership Year;

(3) to obtain a current list of the name and last known business, residence or mailing address of each Partner;

(4) to obtain a copy of this Agreement and the Certificate and all amendments thereto, together with executed copies of all powers of attorney pursuant to which this Agreement, the Certificate and all amendments thereto have been executed; and

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

(b) The Partnership shall notify each Limited Partner, upon request, of the then current Conversion Factor.

(c) Notwithstanding any other provision of this Section 8.5, the General Partner may keep confidential from the Limited Partners, for such period of time as the General Partner determines in its sole and absolute discretion to be reasonable, any information that (i) the General Partner reasonably believes to be in the nature of trade secrets or other information, the disclosure of which the General Partner in good faith believes is not in the best interests of the Partnership or could damage the

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Partnership or its business; or (ii) the Partnership is required by law or by agreements with an unaffiliated third party to keep confidential.

SECTION 8.6 *Redemption Right*

(a) Subject to Sections 8.6(b), 8.6(c), 8.6(d) and 8.6(e) hereof, at all times prior to the expiration of the Pre-Liquidation Period, each Limited Partner (other than the General Partner, the Company or any Subsidiary of the Company) shall have the right (the "Redemption Right") to require the Partnership to redeem on a Specified Redemption Date all or a portion of the Common Units held by such Limited Partner at a redemption price equal to and in the form of the Consideration to be paid by the Partnership. The Redemption Right shall be exercised pursuant to a Notice of Redemption delivered to the Partnership (with a copy to the Company) by the Limited Partner who is exercising the redemption right (the "Redeeming Partner"); provided, however, that the Partnership shall not be obligated to satisfy such Redemption Right if the Company elects to purchase the Common Units subject to the Notice of Redemption pursuant to Section 8.6(b). A Limited Partner may not exercise the Redemption Right for less than two thousand (2,000) Common Units or, if such Limited Partner holds less than two thousand (2,000) Common Units, all of the Common Units held by such Partner. The Redeeming Partner shall have no right, with respect to any Common Units so redeemed, to receive any distributions paid on or after the Specified Redemption Date. The Assignee of any Limited Partner may exercise the rights of such Limited Partner pursuant to this Section 8.6, and such Limited Partner shall be deemed to have assigned such rights to such Assignee and shall be bound by the exercise of such rights by such Assignee. In connection with any exercise of such rights by an Assignee on behalf of a Limited Partner, the Consideration shall be paid by the Partnership directly to such Assignee and not to such Limited Partner and neither the Partnership nor the General Partner shall have any liability to such Limited Partner for making the foregoing payment to such Assignee.

(b) Notwithstanding the provisions of Section 8.6(a), a Limited Partner that exercises the Redemption Right shall be deemed to have offered to sell the Common Units described in the Notice of Redemption to the Company, and the Company may, in its sole and absolute discretion, elect to purchase directly and acquire such Common Units by paying to the Redeeming Partner the Consideration on the Specified Redemption Date, whereupon the Company shall acquire the Common Units offered for redemption by the Redeeming Partner and shall be treated for all purposes of this Agreement as the owner of such Common Units. If the Company shall elect to exercise its right to purchase Common Units under this Section 8.6(b) with respect to a Notice of Redemption, it shall so notify the Redeeming Partner within five Business Days after the receipt by it of such Notice of Redemption. Unless the Company (in its sole and absolute discretion) shall exercise its right to purchase Common Units from the Redeeming Partner pursuant to this Section 8.6(b), following delivery by the Partnership of the Consideration to the Redeeming Partner the Company shall not have any obligation to the Redeeming Partner or the Partnership with respect to the Redeeming Partner's exercise of the Redemption Right. In the event the Company shall exercise its right to purchase Common Units with respect to the exercise of a Redemption Right in the manner described in the first sentence of this Section 8.6(b), the Partnership shall have no obligation to pay any amount to the Redeeming Partner with respect to such Redeeming Partner's exercise of such Redemption Right, and each of the Redeeming Partner, the Partnership, and the Company shall treat the transaction between the Company and the Redeeming Partner, for federal income tax purposes, as a sale of the Redeeming Partner's Common Units to the Company. In such event, the Company shall become the holder of the Common Units and shall have all of the rights as a Limited Partner hereunder with respect to such Common Units (including being considered for all purposes hereunder as the owner of the Percentage Interests attributable to such Common Units); provided, however, that notwithstanding the foregoing the Company shall not be entitled to receive any Priority Distribution Amounts, Cumulative Unpaid Accrued Return Amount or Cumulative Unpaid Priority Distribution Amounts with respect to such Common Units. Each Redeeming Partner agrees to execute such documents as the Company may reasonably require in connection with the issuance of REIT Shares upon exercise of the Redemption Right.

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(c) Notwithstanding the provisions of Section 8.6(a) and Section 8.6(b), a Partner shall not be entitled to exercise the Redemption Right pursuant to Section 8.6(a) if the delivery of REIT Shares to such Partner on the Specified Redemption Date by the Company pursuant to Section 8.6(b) (regardless of whether or not the Company would in fact exercise its rights under Section 8.6(b)) would be prohibited under the Declaration of the Trust of the Company.

(d) In the event that the Company (under Section 8.6(b) above), elects to pay the applicable REIT Shares Amount to the Redeeming Partner or Assignee hereunder and such REIT Shares Amount is not a whole number of REIT Shares, the Redeeming Partner or Assignee shall be paid (i) that number of REIT Shares which equals the nearest whole number less than such amount, plus (ii) an amount of cash in lieu of the fractional REIT Share that would otherwise be payable to the Redeeming Partner or the Assignee equal to the product of the percentage of a REIT Share represented by a such fractional REIT Share and the Value on the Valuation Date of a REIT Share.

(e) Each Redeeming Partner covenants and agrees with the Partnership and the Company that all Common Units delivered in connection with the exercise of the Redemption Right shall be delivered to the Partnership or the Company, respectively, free and clear of all liens, encumbrances, liabilities, claims or charges of any kind, and notwithstanding anything contained herein to the contrary, neither the Partnership nor the Company shall be under any obligation to acquire any Redeeming Partner's Common Units, (1) to the extent that any such Common Units are subject to any liens, encumbrances, liabilities, claims or charges of any kind that shall not be released prior to the delivery of such Common Units to the Partnership or the Company or (2) in the event that any such Redeeming Partner shall fail to give adequate assurances that such Common Units will be delivered to the Partnership or the Company free and clear of any such liens, encumbrances, liabilities, claims or charges or any kind or shall fail to agree to fully indemnify the Partnership and the Company from any such liens, encumbrances, liabilities, claims or charges of any kind.

(f) In connection with the exercise of the Redemption Right by a Redeeming Partner the Partnership or, as applicable the Company, shall deliver the REIT Shares Amount or the Cash Amount but not a combination of the REIT Shares Amount and the Cash Amount with respect to the Common Units redeemed or purchased hereunder. Notwithstanding the foregoing, the Partnership or the Company may elect to pay the Consideration to a Redeeming Partner in the form of the REIT Shares Amount and pay to such Redeeming Partner cash in lieu of any fractional REIT Share in accordance with Section 8.6(d) hereof.

ARTICLE 9

BOOKS, RECORDS, ACCOUNTING AND REPORTS

SECTION 9.1 Records and Accounting

The General Partner shall keep or cause to be kept at the principal office of the Partnership those records and documents required to be maintained by the Act and other books and records deemed by the General Partner to be appropriate with respect to the Partnership's business, including, without limitation, all books and records necessary to provide to the Limited Partners any information, lists and copies of documents required to be provided pursuant to Section 9.3 hereof. Any records maintained by or on behalf of the Partnership in the regular course of its business may be kept on, or be in the form of, punch cards, magnetic tape, photographs, micrographics or any other information storage device, provided that the records so maintained are convertible into clearly legible written form within a reasonable period of time. The books of the Partnership shall be maintained, for financial and tax reporting purposes, on an accrual basis in accordance with generally accepted accounting principles, or such other basis as the General Partner determines to be necessary or appropriate.

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SECTION 9.2 Fiscal Year

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

SECTION 9.3 Reports

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

(b) As soon as practicable, but in no event later than one hundred five (105) days after the close of each calendar quarter (except the last calendar quarter of each year), the General Partner shall cause to be mailed to each Limited Partner as of the last day of the calendar quarter, a report containing unaudited financial statements of the Partnership, or of the Company, if such statements are prepared solely on a consolidated basis with the Company, and such other information as may be required by applicable law or regulation, or as the General Partner determines to be appropriate.

ARTICLE 10

TAX MATTERS

SECTION 10.1 Preparation of Tax Returns

The General Partner shall arrange for the preparation and timely filing of all returns of Partnership income, gains, deductions, losses and other items required of the Partnership for federal and state income tax purposes and shall use all reasonable efforts to furnish, within ninety (90) days of the close of each taxable year, the tax information reasonably requested by Limited Partners for federal and state income tax reporting purposes.

SECTION 10.2 Tax Elections

Except as otherwise provided herein or as otherwise agreed to in a written agreement between the General Partner and one or more Limited Partners, the General Partner shall, in its sole and absolute discretion, determine whether to make or revoke any available election pursuant to the Code (including, without limitation the election under Section 754 of the Code).

SECTION 10.3 Tax Matters Partner

(a) The General Partner shall be the tax matters partner of the Partnership for federal income tax purposes. Pursuant to Section 6230(e) of the Code, upon receipt of notice from the IRS of the beginning of an administrative proceeding with respect to the Partnership, the tax matters partner shall furnish the IRS with the name, address, taxpayer identification number, and profit interest of each of the Limited Partners and the Assignees; provided, however, that such information is provided to the Partnership by the Limited Partners and the Assignees.

(b) The tax matters partner is authorized, but not required.

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

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notice partner (as defined in Section 6231(a)(8) of the Code) or a member of a notice group (as defined in Section 6223(b)(2) of the Code);

(2) in the event that a notice of a final administrative adjustment at the Partnership level of any item required to be taken into account by a Partner for tax purposes (a final adjustment) is mailed to the tax matters partner, to seek judicial review of such final adjustment, including the filing of a petition for readjustment with the Tax Court or the filing of a complaint for refund with the United States Claims Court or the District Court of the United States for the district in which the Partnership's principal place of business is located;

(3) to intervene in any action brought by any other Partner for judicial review of a final adjustment;

(4) to file a request for an administrative adjustment with the IRS and, if any part of such request is not allowed by the IRS, to file an appropriate pleading (petition or complaint) for judicial review with respect to such request;

(5) to enter into an agreement with the IRS to extend the period for assessing any tax which is attributable to any item required to be taken account of by a Partner for tax purposes, or an item affected by such item; and

(6) to take any other action on behalf of the Partners or the Partnership in connection with any tax audit or judicial review proceeding to the extent permitted by applicable law or regulations.

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

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

SECTION 10.4 Organizational Expenses

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

SECTION 10.5 Withholding

Each Limited Partner hereby authorizes the Partnership to withhold from, or pay on behalf of or with respect to, such Limited Partner any amount of federal, state, local, or foreign taxes that the General Partner determines that the Partnership is required to withhold or pay with respect to any amount distributable or allocable to such Limited Partner pursuant to this Agreement, including, without limitation, any taxes required to be withheld or paid by the Partnership pursuant to Sections 1441, 1442, 1445, or 1446 of the Code. Any amount paid on behalf of or with respect to a Limited Partner shall constitute a loan by the Partnership to such Limited Partner, which loan shall be repaid by such Limited Partner within fifteen (15) days after notice from the General Partner that such payment must be made unless (i) the Partnership withholds such payment from a distribution which would otherwise be made to the Limited Partner; or (ii) the General Partner determines, in its sole and absolute discretion, that such payment may be satisfied out of the available funds of the Partnership which would, but for such payment, be distributed to the Limited Partner. Any amounts withheld pursuant to the foregoing clauses (i) or (ii) shall be treated as having been distributed to such Limited Partner. Each Limited Partner hereby unconditionally and irrevocably grants to the Partnership a security interest in such Limited Partner's Partnership Interest to secure such Limited Partner's obligation to pay to the Partnership any amounts

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required to be paid pursuant to this Section 10.5. In the event that a Limited Partner fails to pay any amounts owed to the Partnership pursuant to this Section 10.5 when due, the General Partner may, in its sole and absolute discretion, elect to make the payment to the Partnership on behalf of such defaulting Limited Partner, and in such event shall be deemed to have loaned such amount to such defaulting Limited Partner and shall succeed to all rights and remedies of the Partnership as against such defaulting Limited Partner. Without limitation, in such event the General Partner shall have the right to receive distributions that would otherwise be distributable to such defaulting Limited Partner until such time as such loan, together with all interest thereon, has been paid in full, and any such distributions so received by the General Partner shall be treated as having been distributed to the defaulting Limited Partner and immediately paid by the defaulting Limited Partner to the General Partner in repayment of such loan. Any amounts payable by a Limited Partner hereunder shall bear interest at the lesser of (A) the base rate on corporate loans at large United States money center commercial banks, as published from time to time in the Wall Street Journal, plus four (4) percentage points, or (B) the maximum lawful rate of interest on such obligation, such interest to accrue from the date such amount is due (i.e., fifteen (15) days after demand) until such amount is paid in full. Each Limited Partner shall take such actions as the Partnership or the General Partner shall request in order to perfect or enforce the security interest created hereunder.

ARTICLE 11

TRANSFERS AND WITHDRAWALS

SECTION 11.1 Transfer

(a) The term *transfer*, when used in this Article 11 with respect to a Partnership Unit, shall be deemed to refer to a transaction by which the General Partner purports to assign all or any part of its General Partner Interest to another Person or by which a Limited Partner purports to assign all or any part of its Limited Partner Interest to another Person, and includes a sale, assignment, gift, pledge, encumbrance, hypothecation, mortgage, exchange or any other disposition by law or otherwise. The term *transfer* when used in this Article 11 does not include any redemption of Partnership Interests by the Partnership from a Limited Partner or any acquisition of Partnership Units from a Limited Partner by the Company pursuant to Section 8.6.

(b) No Partnership Interest shall be transferred, in whole or in part, except in accordance with the terms and conditions set forth in this Article 11. Any transfer or purported transfer of a Partnership Interest not made in accordance with this Article 11 shall be null and void.

SECTION 11.2 Transfer of General Partner Interest and Limited Partner Interest

The General Partner may not (x) transfer any of its General Partner Interest or withdraw as General Partner, or (y) if such transfer would result in the General Partner and its direct or indirect wholly-owned Subsidiaries owning less than 50% of the outstanding Common Units transfer any of its Limited Partner Interest, unless Limited Partners holding a majority of the Percentage Interests of the Limited Partners (other than Limited Partner Interests held by the General Partner, the Company or any Subsidiary or Affiliate of the Company) consent to such transfer or withdrawal or such transfer is to the Company or a direct or indirect wholly-owned Subsidiary of the Company. In the event that the General Partner transfers any of its Limited Partner Interest, the transferee (and any and all subsequent transferees) shall be entitled to the same rights to distributions (of operating cash flow as well as liquidation proceeds), with regard to such Limited Partner Interest as the General Partner hereunder. In addition, the Company may not own, directly or indirectly, less than 100% of the capital stock or, directly or indirectly, control less than all voting securities of the General Partner unless Limited Partners holding a majority of the Percentage Interests (other than Limited Partner Interests held by the General Partner, the Company or any Subsidiary or Affiliate of the Company) consent to the related transfer of such interests. For purposes of this Section 11.2 only, the term *transfer* shall include, in addition to the actions described in Section 11.1(a), the issuance of voting stock of the General Partner to a Person other than the Company

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or a direct or indirect wholly-owned Subsidiary of the Company or any other transaction (except any transaction effected in compliance with Section 7.3 or Article 16 hereof or any other transaction expressly permitted by this Agreement) which has the substantive effect of reducing the Company's (together with its Subsidiaries) economic interest or control of the General Partner below 100%.

SECTION 11.3 *Limited Partners' Rights to Transfer*

(a) Subject to the provisions of Sections 11.3(c), 11.3(d), 11.3(e), 11.4, a Limited Partner may transfer, with or without the consent of the General Partner, all or any portion of its Partnership Interest, or any of such Limited Partner's economic rights as a Limited Partner.

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

(c) The General Partner may prohibit any transfer by a Limited Partner of its Partnership Units if, in the opinion of legal counsel to the Partnership, such transfer would require filing of a registration statement under the Securities Act of 1933 or would otherwise violate any federal or state securities laws or regulations applicable to the Partnership or the Partnership Units.

(d) No transfer by a Limited Partner of its Partnership Units may be made to any Person if (i) in the opinion of legal counsel for the Partnership, it would result in the Partnership being treated as an association taxable as a corporation, or (ii) such transfer is effectuated through an established securities market or a secondary market (or the substantial equivalent thereof) within the meaning of Section 7704 of the Code.

(e) No transfer of any Partnership Units may be made to a lender to the Partnership or any Person who is related (within the meaning of Section 1.752-4(b) of the Regulations) to any lender to the Partnership whose loan constitutes a Nonrecourse Liability, without the consent of the General Partner, in its sole and absolute discretion; provided that as a condition to such consent the lender will be required to enter into an arrangement with the Partnership and the General Partner to exchange or redeem for the Cash Amount any Partnership Units to be transferred to the lender simultaneously with the time at which such lender would be deemed to be a partner in the Partnership for purposes of allocating liabilities to such lender under Section 752 of the Code.

SECTION 11.4 *Substituted Limited Partners*

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

(b) A transferee who has been admitted as a Substituted Limited Partner in accordance with this Article 11 shall have all the rights and powers and be subject to all the restrictions and liabilities of a Limited Partner under this Agreement.

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

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SECTION 11.5 Assignees

If the General Partner, in its sole and absolute discretion, does not consent to the admission of any permitted transferee as a Substituted Limited Partner, as described in Section 11.4, such transferee shall be considered an Assignee for purposes of this Agreement. An Assignee shall be deemed to have had assigned to it, and shall be entitled to receive distributions from the Partnership and the share of Net Income, Net Losses, Recapture Income, and any other items, gain, loss deduction and credit of the Partnership attributable to the Partnership Units assigned to such transferee, but shall not be deemed to be a holder of Partnership Units for any other purpose under this Agreement, and shall not be entitled to vote such Partnership Units in any matter presented to the Limited Partners for a vote (such Partnership Units being deemed to have been voted on such matter in the same proportion as all other Partnership Units held by Limited Partners are voted). In the event any such transferee desires to make a further assignment of any such Partnership Units, such transferee shall be subject to all of the provisions of this Article 11 to the same extent and in the same manner as any Limited Partner desiring to make an assignment of Partnership Units.

SECTION 11.6 General Provisions

(a) No Limited Partner may withdraw from the Partnership other than as a result of a permitted transfer of all of such Limited Partner's Partnership Units in accordance with this Article 11 or pursuant to redemption of all of its Partnership Units under Section 8.6.

(b) Any Limited Partner who shall transfer all of its Partnership Units in a transfer permitted pursuant to this Article 11 shall cease to be a Limited Partner upon the admission of all Assignees of such Partnership Units as Substitute Limited Partners. Similarly, any Limited Partner who shall transfer all of its Partnership Units pursuant to a redemption of all of its Partnership Units under Section 8.6 shall cease to be a Limited Partner.

(c) Except as otherwise authorized by the General Partner, transfers pursuant to this Article 11 may only be made on the first day of a fiscal quarter of the Partnership.

(d) If any Partnership Interest is transferred or assigned during any quarterly segment of the Partnership's fiscal year in compliance with the provisions of this Article 11 or redeemed or transferred pursuant to Section 8.6 on any day other than the first day of a Partnership Year, then Net Income, Net Losses, each item thereof and all other items attributable to such interest for such Partnership Year shall be divided and allocated between the transferor Partner and the transferee Partner by taking into account their varying interests during the Partnership Year in accordance with Section 706(d) of the Code, using the interim closing of the books method. All distributions of Available Cash attributable to such Partnership Unit with respect to which the Partnership Record Date is before the date of such transfer, assignment, or redemption shall be made to the transferor Partner or the Redeeming Partner, as the case may be, and in the case of a transfer or assignment other than a redemption, all distributions of Available Cash thereafter attributable to such Partnership Unit shall be made to the transferee Partner.

ARTICLE 12

ADMISSION OF PARTNERS

SECTION 12.1 Admission of Successor General Partner

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

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Interest for such Partnership Year shall be allocated between the transferring General Partner and such successor as provided in Section 11.6(d) hereof.

SECTION 12.2 Admission of Additional Limited Partners

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

(b) Notwithstanding anything to the contrary in this Section 12.2, no Person shall be admitted as an Additional Limited Partner without the consent of the General Partner, which consent may be given or withheld in the General Partner's sole and absolute discretion. The admission of any Person as an Additional Limited Partner shall become effective on the date upon which the name of such Person is recorded on the books and records of the Partnership, following the consent of the General Partner to such admission.

(c) If any Additional Limited Partner is admitted to the Partnership on any day other than the first day of a Partnership Year, then Net Income, Net Losses, each item thereof and all other items allocable among Partners and Assignees for such Partnership Year shall be allocated among such Additional Limited Partner and all other Partners and Assignees by taking into account their varying interests during the Partnership Year in accordance with Section 706(d) of the Code, using the interim closing of the books method. Solely for purposes of making such allocations, each of such item for the calendar month in which an admission of any Additional Limited Partner occurs shall be allocated among all of the Partners and Assignees, including such Additional Limited Partner, assuming the admission occurred as of the last day of the month. All distributions of Available Cash with respect to which the Partnership Record Date is before the date of such admission shall be made solely to Partners and Assignees, other than the Additional Limited Partner, and all distributions of Available Cash thereafter shall be made to all of the Partners and Assignees, including such Additional Limited Partner.

SECTION 12.3 Amendment of Agreement and Certificate of Limited Partnership

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

ARTICLE 13

DISSOLUTION, LIQUIDATION AND TERMINATION

SECTION 13.1 Dissolution

The Partnership shall not be dissolved by the admission of Substituted Limited Partners or Additional Limited Partners or by the admission of a successor General Partner in accordance with the terms of this Agreement. Upon the withdrawal of the General Partner, any successor General Partner shall continue the business of the Partnership. The Partnership shall dissolve, and its affairs shall be wound up, only upon the first to occur of any of the following (each a Liquidating Event):

(a) the expiration of its term as provided in Section 2.5 hereof;

(b) an event of withdrawal of the General Partner, as defined in the Act (other than an event of bankruptcy), unless, within ninety (90) days after such event of withdrawal a majority in interest of the

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remaining Partners agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of withdrawal, of a successor General Partner;

(c) from and after the date of this Agreement an election to dissolve the Partnership made by the General Partner with the Consent of Partners holding a majority of the Percentage Interests of the Limited Partners (other than Limited Partner Interests held by the General Partner, the Company or any Subsidiary or Affiliate of the Company).

(d) entry of a decree of judicial dissolution of the Partnership pursuant to the provisions of the Act;

(e) the sale of all or substantially all of the assets and properties of the Partnership; or

(f) a final and non-appealable judgment is entered by a court of competent jurisdiction ruling that the General Partner is bankrupt or insolvent, or a final and non-appealable order for relief is entered by a court with appropriate jurisdiction against the General Partner, in each case under any federal or state bankruptcy or insolvency laws as now or hereafter in effect, unless prior to the entry of such order or judgment all of the remaining Partners agree in writing to continue the business of the Partnership and to the appointment, effective as of a date prior to the date of such order or judgment, of a substitute General Partner.

SECTION 13.2 Winding Up

(a) Upon the occurrence of a Liquidating Event, the Partnership shall continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors and Partners. No Partner shall take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Partnership's business and affairs. The General Partner, or, in the event there is no remaining General Partner, any Person elected by a majority in interest of the Limited Partners (the General Partner or such other Person being referred to herein as the Liquidator), shall be responsible for overseeing the winding up and dissolution of the Partnership and shall take full account of the Partnership's liabilities and property and the Partnership property shall be liquidated as promptly as is consistent with obtaining the fair value thereof, and the proceeds therefrom (which may, to the extent determined by the General Partner, include shares of common stock in the Company) shall be applied and distributed in the following order:

(1) First, to the payment and discharge of all of the Partnership's debts and liabilities to creditors other than the Partners;

(2) Second, to the Summit Limited Partners in proportion to and up to the amount of their respective Capital Accounts, after giving effect to any allocation pursuant to Section 6.1(e) hereof.

(3) Third, to the payment and discharge of all of the Partnership's debts and liabilities to the General Partner;

(4) Fourth, to the payment and discharge of all of the Partnership's debts and liabilities to the other Partners; and

(5) The balance, if any, to the General Partner and Limited Partners (other than the Summit Limited Partners) in accordance with their Capital Accounts, after giving effect to all contributions, distributions, and allocations for all periods.

The General Partner shall not receive any additional compensation for any services performed pursuant to this Article 13.

(b) Notwithstanding the provisions of Section 13.2(a) hereof which require liquidation of the assets of the Partnership, but subject to the order of priorities set forth therein, if prior to or upon dissolution of the Partnership the Liquidator determines that an immediate sale of part or all of the Partnership's assets would be impractical or would cause undue loss to the Partners, the Liquidator may, in its sole and absolute discretion, defer for a reasonable time the liquidation of any assets except those necessary to satisfy liabilities of the Partnership (including to those Partners as creditors) and/or distribute to the

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Partners, in lieu of cash, as tenants in common and in accordance with the provisions of Section 13.2(a) hereof, undivided interests in such Partnership assets as the Liquidator deems not suitable for liquidation. Any such distributions in kind shall be made only if, in the good faith judgment of the Liquidator, such distributions in kind are in the best interest of the Partners, and shall be subject to such conditions relating to the disposition and management of such properties as the Liquidator deems reasonable and equitable and to any agreements governing the operation of such properties at such time. The Liquidator shall determine the fair market value of any property distributed in kind using such reasonable method of valuation as it may adopt.

(c) In the discretion of the Liquidator, a pro rata portion of the distributions that would otherwise be made to the General Partner and Limited Partners pursuant to this Article 13 may be:

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

(2) withheld or escrowed to provide a reasonable reserve for Partnership liabilities (contingent or otherwise) and to reflect the unrealized portion of any installment obligations owed to the Partnership, provided that such withheld or escrowed amounts shall be distributed to the General Partner and Limited Partners in the manner and order of priority set forth in Section 13.2(a) as soon as practicable.

SECTION 13.3 Compliance with Timing Requirements of Regulations

In the event the Partnership is liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g), distributions shall be made pursuant to this Article 13 to the General Partner and Limited Partners who have positive Capital Accounts in compliance with Regulations Section 1.704-1(b)(2)(ii)(b)(2). If any Partner has a deficit balance in his Capital Account (after giving effect to all contributions, distributions and allocations for all taxable years, including the year during which such liquidation occurs), such Partner shall have no obligation to make any contribution to the capital of the Partnership with respect to such deficit, and such deficit shall not be considered a debt owed to the Partnership or to any other Person for any purpose whatsoever.

SECTION 13.4 Deemed Distribution and Recontribution

Notwithstanding any other provision of this Article 13, in the event the Partnership is considered liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g), but no Liquidating Event has occurred, the Partnership's property shall not be liquidated, the Partnership's liabilities shall not be paid or discharged, and the Partnership's affairs shall not be wound up. Instead, for federal income tax purposes and for purposes of maintaining Capital Accounts pursuant to Exhibit B hereto, the Partnership shall be deemed to have contributed its assets in kind to a new partnership in return for interests in such partnership that correspond to the outstanding interests in the Partnership and then, distributed the interests in such new partnership to the General Partner and Limited Partners in accordance with their respective interests in the Partnership in liquidation of the Partnership.

SECTION 13.5 Rights of Limited Partners

Except as otherwise provided in this Agreement, each Limited Partner shall look solely to the assets of the Partnership for the return of its Capital Contributions and shall have no right or power to demand or receive property other than cash from the Partnership. Except as otherwise provided in this Agreement, no Limited Partner shall have priority over any other Partner as to the return of its Capital Contributions, distributions, or allocations.

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SECTION 13.6 Notice of Dissolution

In the event a Liquidating Event occurs or an event occurs that would, but for the provisions of an election or objection by one or more Partners pursuant to Section 13.1, result in a dissolution of the Partnership, the General Partner shall, within thirty (30) days thereafter, provide written notice thereof to each of the Partners (a Liquidation Notice). The General Partner shall not make any liquidating distributions to the Partners prior to the expiration of thirty (30) days following delivery by the General Partner of a Liquidation Notice to the Partners (such thirty (30) day period is referred to herein as the Pre-Liquidation Period). During the Pre-Liquidation Period, each Partner may exercise the Redemption Right.

SECTION 13.7 Termination of Partnership and Cancellation of Certificate of Limited Partnership

Upon the completion of the liquidation of the Partnership's assets, as provided in Section 13.2 hereof, the Partnership shall be terminated, a certificate of cancellation shall be filed, and all qualifications of the Partnership as a foreign limited partnership in jurisdictions other than the State of Delaware shall be canceled and such other actions as may be necessary to terminate the Partnership shall be taken.

SECTION 13.8 Reasonable Time for Winding-Up

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

SECTION 13.9 Waiver of Partition

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

ARTICLE 14

AMENDMENT OF PARTNERSHIP AGREEMENT; MEETINGS

SECTION 14.1 Amendments

(a) Amendments to this Agreement may be proposed by the General Partner or by any Limited Partners (other than the General Partner) holding twenty percent (20%) or more of the Partnership Interests. Following such proposal, the General Partner shall submit any proposed amendment to the Limited Partners. The General Partner shall seek the written vote of the Partners on the proposed amendment or shall call a meeting to vote thereon and to transact any other business that it may deem appropriate. For purposes of obtaining a written vote, the General Partner may require a response within a reasonable specified time, but not less than fifteen (15) days, and failure to respond in such time period shall constitute a vote which is consistent with the General Partner's recommendation with respect to the proposal. Except as provided in Section 7.3(a), 7.3(b), 13.1(c), 14.1(b), 14.1(c) or 14.1(d), a proposed amendment shall be adopted and be effective as an amendment hereto if it is approved by the General Partner and it receives the Consent of Partners holding a majority of the Percentage Interests of the Limited Partners (including Limited Partner Percentage Interests held by the General Partner, the Company or their respective Subsidiaries or Affiliates).

(b) Notwithstanding Section 14.1(a), the General Partner shall have the power, without the consent of the Limited Partners, to amend this Agreement as may be required to facilitate or implement any of the following purposes:

(1) to add to the obligations of the General Partner or surrender any right or power granted to the General Partner or any Affiliate of the General Partner for the benefit of the Limited Partners;

(2) to reflect the admission, substitution, termination, or withdrawal of Partners in accordance with this Agreement;

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(3) to set forth the designations, rights, powers, duties, and preferences of the holders of any additional Partnership Interests issued pursuant to Section 4.2 hereof;

(4) to reflect a change that is of an inconsequential nature and does not adversely affect the Limited Partners in any material respect, or to cure any ambiguity, correct or supplement any provision in this Agreement not inconsistent with law or with other provisions, or make other changes with respect to matters arising under this Agreement that will not be inconsistent with law or with the provisions of this Agreement; and

(5) to satisfy any requirements, conditions, or guidelines contained in any order, directive, opinion, ruling or regulation of a federal or state agency or contained in federal or state law.

The General Partner shall provide notice to the Limited Partners when any action under this Section 14.1(b) is taken.

(c) Notwithstanding Section 14.1(a) and 14.1(b) hereof, this Agreement shall not be amended without the Consent of each Partner adversely affected if such amendment would (i) convert a Limited Partner's interest in the Partnership into a General Partner Interest; (ii) modify the limited liability of a Limited Partner in a manner adverse to such Limited Partner; (iii) alter rights of the Partner to receive distributions pursuant to Article 5 or Article 13, or the allocations specified in Article 6 (except as permitted pursuant to Section 4.2 and Section 14.1(b)(3) hereof); (iv) except as permitted by Article XVI hereof, alter or modify the Redemption Right and REIT Shares Amount as set forth in Section 8.6 and the related definitions, in a manner adverse to such Partner; (v) cause the termination of the Partnership prior to the time set forth in Sections 2.5 or 13.1; or (vi) amend this Section 14.1(c). Further, no amendment may alter the restrictions on the General Partner's authority set forth in Section 7.3. without the Consent specified in that section.

(d) Notwithstanding Section 14.1(a) or Section 14.1(b) hereof, the General Partner shall not amend Sections 4.2, 7.5, 7.6, 11.2 or 14.2 without the Consent of Limited Partners holding a majority of the Percentage Interests of the Limited Partners, excluding Limited Partner Interests held by the General Partner, the Company or any Subsidiary of the Company.

SECTION 14.2 Meetings of the Partners

(a) Meetings of the Partners may be called by the General Partner and shall be called upon the receipt by the General Partner of a written request by Limited Partners (other than the Company) holding twenty percent (20%) or more of the Partnership Interests. The request shall state the nature of the business to be transacted. Notice of any such meeting shall be given to all Partners not less than seven (7) days nor more than thirty (30) days prior to the date of such meeting. Partners may vote in person or by proxy at such meeting. Whenever the vote or Consent of the Partners is permitted or required under this Agreement, such vote or Consent may be given at a meeting of the Partners or may be given in accordance with the procedure prescribed in Section 14.1(a) hereof. Except as otherwise expressly provided in this Agreement, the Consent of holders of a majority of the Percentage Interests held by Limited Partners (including Limited Partnership Interests held by the General Partner, the Company and their respective Subsidiaries and Affiliates) shall control.

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

(c) Each Limited Partner may authorize any Person or Persons to act for him by proxy on all matters in which a Limited Partner is entitled to participate, including waiving notice of any meeting, or voting or participating at a meeting. Every proxy must be signed by the Limited Partner or his attorney-in-

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fact. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the Limited Partner executing it, such revocation to be effective upon the Partnership's receipt of written notice of such revocation from the Limited Partner executing such proxy.

(d) Each meeting of the Partners shall be conducted by the General Partner or such other Person as the General Partner may appoint pursuant to such rules for the conduct of the meeting as the General Partner or such other Person deems appropriate. Without limitation, meetings of Partners may be conducted in the same manner as meetings of the shareholders of the Company and may be held at the same time, and as part of, meetings of the shareholders of the Company.

ARTICLE 15

GENERAL PROVISIONS

SECTION 15.1 Addresses and Notice

Any notice, demand, request or report required or permitted to be given or made to a Partner or Assignee under this Agreement shall be in writing and shall be deemed given or made when delivered in person or when sent by first class United States mail or by other means of written communication to the Partner or Assignee at the address set forth in Exhibit A or such other address of which the Partner shall notify the General Partner in writing.

SECTION 15.2 Titles and Captions

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

SECTION 15.3 Pronouns and Plurals

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

SECTION 15.4 Further Action

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

SECTION 15.5 Binding Effect

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, administrators, successors, legal representatives and permitted assigns.

SECTION 15.6 Creditors

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

SECTION 15.7 Waiver

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

SECTION 15.8 Counterparts

This Agreement may be executed in counterparts, all of which together shall constitute one agreement binding on all of the parties hereto, notwithstanding that all such parties are not signatories to the original

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or the same counterpart. Each party shall become bound by this Agreement immediately upon affixing its signature hereto.

SECTION 15.9 Applicable Law

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

SECTION 15.10 Invalidity of Provisions

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

SECTION 15.11 Entire Agreement

This Agreement contains the entire understanding and agreement among the Partners with respect to the subject matter hereof and supersedes any other prior written or oral understandings or agreements among them with respect thereto; provided that the General Partner and the Partnership may enter into separate written agreements with certain of the Limited Partners relating to their rights and obligations under this Agreement and such separate agreements shall not be superseded by this Agreement but shall supplement and be considered part of this Agreement.

SECTION 15.12 {Intentionally Omitted}

{Intentionally Omitted}

ARTICLE 16

CONSOLIDATION, MERGER OR SALE OF ASSETS OF THE COMPANY

SECTION 16.1 Triggering Events

For the purposes of this Article 16, each of the following events shall be deemed to be a Triggering Event : (v) if the Company consolidates with, or merges into, any other Person, and the Company is not the continuing or surviving corporation of such consolidation or merger, (w) the Company engages in a transaction that constitutes a going private transaction within the meaning of Rule 13e-3 under the Exchange Act, (x) if any Person consolidates with, or merges into, the Company, and the Company is the continuing or surviving corporation of such consolidation or merger and, in connection with such consolidation or merger, all or part of the outstanding REIT Shares are converted into stock or other securities of any other Person or cash or any other property, (y) if any Person becomes the Beneficial Owner (as hereinafter defined) of 33.3% or more of the then outstanding REIT Shares or (z) if the Company sells or otherwise transfers (or one or more of its Subsidiaries sells or otherwise transfers) to any Person or Persons, in one or more transactions, assets aggregating more than 50% of the value of the assets (based on either the fair market value of the assets or cash flow generated by the assets) of the Company and its Subsidiaries, as a whole. Beneficial Owner means any Person who, together with such Person's affiliates (as defined in Rule 12b-2 of the Securities Exchange Act of 1934, as amended (including any rules and regulations thereunder, (the Exchange Act)) and associates (as defined in Rule 12b-2 of the Exchange Act), (i) would be considered a beneficial owner under Rule 13d-3 of the Exchange Act, other than (A) as a result of a revocable proxy given in response to a proxy or consent solicitation made pursuant to, and in accordance with, the Exchange Act or (B) as would not be reportable by such Person on Schedule 13D under the Exchange Act, or (ii) has entered into any agreement, arrangement or understanding (whether or not in writing) for the purpose of acquiring (whether such right is exercisable immediately or only after the passage of time or upon the satisfaction of conditions) owning, voting (except pursuant to a revocable proxy or consent solicitation made pursuant to, and in accordance with, the Exchange Act) or disposing of REIT Shares, including upon the exercise of conversion rights, exchange rights, rights, warrants or options or otherwise.

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SECTION 16.2 *From and After the Occurrence of a Triggering Event*

Effective on the date of each Triggering Event, the Redemption Right shall be adjusted as provided in this Section 16.2.

(a) From and after the occurrence of a Triggering Event (each such occurrence, a Trigger Occurrence) and until the occurrence, if any, of a subsequent Triggering Event (in which case a further adjustment shall be made pursuant to this Section 16.2), each and every reference contained in this Agreement to a REIT Share or REIT Shares shall be deemed to be a reference to a share or shares, respectively (each, a Replacement Share ; collectively, Replacement Shares), of: (i) if, as a result of any Triggering Event, all of the REIT Shares are converted solely into Registered Common Shares (as hereinafter defined), such Registered Common Shares and (ii) in all other cases, the common shares, or, if such Person shall have no common shares, the equity securities or other equity interests having power to control or direct the management (the Common Shares) of (a) in the event of a Triggering Event described in clause (w) or (x) of the first sentence of Section 16.1, (1) the Person that is the issuer of any securities into which the REIT Shares are converted in such merger or consolidation, or, if there is more than one such issuer, the issuer who has the highest Market Capitalization (as hereinafter defined) and (2) if no securities are so issued, the Person that is the other party to such merger or consolidation, or if there is more than one such Person, the Person who has the highest Market Capitalization or (b) in the event of a Triggering Event described in clause (y) or (z) of the first sentence of Section 16.1, the Person that is the party becoming the Beneficial Owner of the largest percentage of the outstanding REIT Shares or receiving the largest portion of the value of assets (with such value determined based on either the fair market value of the assets or the cash flow generated by the assets) transferred pursuant to such transaction or transactions, or, if each Person that is a party to such transaction or transactions or if the Person becoming the Beneficial Owner of the largest portion of the REIT Shares or receiving the largest portion of the assets cannot be determined, whichever Person has the highest Market Capitalization; provided, however, that in any such case, (1) if the Common Shares of such Person are not at such time and have not been continuously over the preceding twelve-month period registered (Registered Common Shares) under Section 12 of the Exchange Act, or such Person is not a corporation or a state-chartered real estate investment trust, and such Person is a direct or indirect Subsidiary of another Person that has Registered Common Shares outstanding, Replacement Shares shall mean the Common Shares of such other Person; (2) if the Common Shares of such Person are not Registered Common Shares or such Person is not a corporation or a state-chartered real estate investment trust, and such Person is a direct or indirect Subsidiary of another Person but is not a direct or indirect Subsidiary of another Person which has Registered Common Shares outstanding, Replacement Shares shall mean Common Shares of the ultimate parent entity of such first-mentioned Person; (3) if the Common Shares of such Person are not Registered Common Shares or such Person is not a corporation or a state-chartered real estate investment trust, and such Person is directly or indirectly controlled by more than one Person, and one of such other Persons has Registered Common Shares outstanding, Replacement Shares shall mean Common Shares of whichever of such other Persons is the issuer having the highest Market Capitalization; and (4) if the Common Shares of such Person are not Registered Common Shares or such Person is not a corporation, or a state-chartered real estate investment trust, and such Person is directly or indirectly controlled by more than one Person, and none of such other Persons have Registered Common Shares outstanding, Replacement Shares shall mean Common Shares of whichever ultimate parent entity is the corporation, or a state-chartered real estate investment trust having the highest aggregate shareholders equity or, if no such ultimate parent entity is a corporation or a state-chartered real estate investment trust, shall be deemed to refer to Common Shares of whichever ultimate parent entity is the entity having the greatest net assets. Any issuer of Replacement Shares shall be referred to as an Issuer .

Market Capitalization means the dollar figure equal to the product of the number of Common Shares issued and outstanding on the date of the Trigger Occurrence in question, on a fully diluted basis, not held by affiliates (as defined under the Exchange Act) multiplied by the Average Trading Price (as hereinafter defined). The holders of a majority of the Common Units held by the Limited Partners (excluding the Common Units held by the General Partner, the Company or any Subsidiary of the Company) may, within 90 days after the occurrence of a Triggering Event described in clause (y) of the first sentence of

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Section 16.1 involving a purchase of less than all of the then outstanding REIT Shares, waive, in writing, the adjustment to the Redemption Right provided for in this Section 16.2; provided, that (i) the Redemption Right shall remain in full force and effect as provided in Section 8.6, (ii) such election shall be binding on all of the Limited Partners and (iii) if the adjustment to the Redemption Right has previously been waived pursuant to this sentence, a new Triggering Event shall be deemed to occur each time a Person who is the Beneficial Owner of at least 33.3% of the outstanding REIT Shares becomes the Beneficial Owner of an additional 2% or more of the outstanding REIT Shares.

(b) From and after a Trigger Occurrence, the Conversion Factor shall be adjusted by multiplying the Conversion Factor existing on the day immediately prior to such Trigger Occurrence as follows: (i) if the REIT Shares, as a result of the Trigger Occurrence, have been converted solely into the right to receive Registered Common Shares, by the number of Registered Common Shares which the holder of a single REIT Share was entitled to receive as a result of the Trigger Occurrence or (ii) in all other cases, by a fraction, the numerator of which shall be the Average Trading Price of a REIT Share as of such Trigger Occurrence and the denominator of which shall be the Average Trading Price of a Replacement Share as of such Trigger Occurrence. Following a Trigger Occurrence, the Conversion Factor shall be further adjusted as set forth in the definition of Conversion Factor contained in Article 1 of this Agreement and as provided in this Section 16.2.

(c) For the purpose of any computation hereunder, the Average Trading Price per share of Common Stock on any date shall be deemed to be the average of the daily closing prices per share of such shares for the ten consecutive trading days immediately prior to the third trading day prior to such date; provided, however, in the event the Triggering Event occurs as part of a series of related transactions which also includes a tender offer, the ten trading day period shall be the ten consecutive trading day period immediately prior to the day REIT Shares are accepted for payment pursuant to such tender offer; provided, however, further, if prior to the expiration of such requisite ten trading day period the issuer announces either (A) a dividend or distribution on such shares payable in such shares or securities convertible into such shares or (B) any subdivision, combination or reclassification of such shares, then, following the ex-dividend date for such dividend or the record date for such subdivision, as the case may be, the Average Trading Price shall be properly adjusted to take into account such event. The closing price for each day shall be, if the shares are listed and admitted to trading on a national securities exchange, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which such shares are listed or admitted to trading or, if such shares are not listed or admitted to trading on any national securities exchange, the last quoted price or, if not so quoted, the high bid price in the over-the-counter market, as reported by the NASDAQ National Market System or such other system then in use, or, if on any such date such shares are not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in such shares selected by the holders of a majority of the Common Units held by the Limited Partners (excluding the Common Units held by the General Partner). If such shares are not publicly held or not so listed or traded or if, for the ten days prior to such date, no market maker is making a market in such shares, the Average Trading Price of such shares on such date shall be deemed to be the fair value of such shares as determined as set forth in Section 16.2(d). The term trading day shall mean, if such shares are listed or admitted to trading on any national securities exchange, a day on which the principal national securities exchange on which such shares are listed or admitted to trading is open for the transaction of business or, if such shares are not so listed or admitted, a Business Day.

(d) In the event that on the date of a Trigger Occurrence, the shares of a Person are not publicly held or not so listed or traded or if, for the ten days prior to such date, no market maker is making a market in the shares of a Person, the Average Trading Price of the shares of such Person shall be the fair value of the shares as determined in good faith by the holders of a majority of the Common Units held by the Limited Partners (excluding the Common Units held by the General Partner, the Company or any Subsidiary of the Company) and by the General Partner, which determination shall be binding on all of the Limited Partners. If the holders of a majority of the Common Units held by the Limited Partners

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(excluding the Common Units held by the General Partner, the Company or any Subsidiary of the Company) and General Partner have not agreed on the fair value of the shares and executed and delivered between them an agreement setting forth the same within twenty (20) days after the Trigger Occurrence in question, then either the General Partner or the holders of a majority of the Common Units held by the Limited Partners (excluding the Common Units held by the General Partner, the Company or any Subsidiary of the Company) may notify the other that they or it desire to invoke the following arbitration procedure:

(1) Notice of the holders of a majority of the Common Units held by the Limited Partners (excluding the Common Units held by the General Partner, the Company or any Subsidiary of the Company) or by the General Partner of such parties' intention to seek arbitration shall be delivered to the other parties within ten (10) days, after which all parties shall, in good faith, attempt to agree on a single arbitrator to determine the fair value of the shares (the Arbitrator). If the holders of a majority of the Common Units held by the Limited Partners (excluding the Common Units held by the General Partner, the Company or any Subsidiary of the Company) and the General Partner have not agreed on the Arbitrator within ten (10) days after the giving of the Arbitration Notice, then either party, on behalf of both, may apply to the local office of the American Arbitration Association or any organization which is the successor thereof (the AAA) for appointment of the Arbitrator, or, if the AAA shall not then exist or shall fail, refuse or be unable to act such that the Arbitrator is not appointed by the AAA within ten (10) days after application therefor, then either party may apply to any court of competent jurisdiction in the State of Texas (the Court) for the appointment of the Arbitrator and the other party shall not raise any question as to the Court's full power and jurisdiction to entertain the application and make the appointment. The date on which the Arbitrator is appointed, by the agreement of the parties, by appointment by the AAA or by appointment by the Court, is referred to herein as the Appointment Date. If any Arbitrator appointed hereunder shall be unwilling or unable, for any reason, to serve, or continue to serve, a replacement arbitrator shall be appointed in the same manner as the original Arbitrator.

(2) The arbitration shall be conducted in accordance with the then prevailing commercial arbitration rules of the AAA, modified as follows:

(i) To the extent that any statute imposes requirements different than those of the AAA in order for the decision of the Arbitrator to be enforceable in the courts of the State of Texas, such requirements shall be complied with in the arbitration.

(ii) The Arbitrator shall be disinterested and impartial, shall not be affiliated with the Limited Partners, the General Partner or their Affiliates and shall have at least ten (10) years experience in the market in which the applicable Person transacts the majority of its business.

(iii) Before hearing any testimony or receiving any evidence, the Arbitrator shall be sworn to hear and decide the controversy faithfully and fairly by an officer authorized to administer an oath and a written copy thereof shall be delivered to each of the Limited Partners and the General Partner.

(iv) Within twenty (20) days after the Appointment Date, the holders of a majority of the Common Units held by the Limited Partners (excluding the Common Units held by the General Partner, the Company or any Subsidiary of the Company) and the General Partner shall deliver to the Arbitrator two (2) copies of their respective written determinations of the fair value of the shares (each, a Determination) together with such affidavits, appraisals, reports and other written evidence relating thereto as the submitting party deems appropriate. After the submission of any Determination, the submitting party may not make any additions to or deletions from, or otherwise change, such Determination or the affidavits, appraisals, reports and other written evidence delivered therewith. If either party fails to so deliver its Determination within such time period, time being of the essence with respect thereto, such party shall be deemed to have irrevocably waived its right to deliver a Determination and the Arbitrator, without holding a hearing, shall accept the Determination of the submitting party as the fair value of the shares. If

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each party submits a Determination with respect to the fair value of the shares within the twenty (20) day period described above, the Arbitrator shall, promptly after its receipt of the second Determination, deliver a copy of each party's Determination to the other party.

(v) Not less than ten (10) days nor more than twenty (20) days after the earlier to occur of (x) the expiration of the twenty (20) day period provided for in clause (iv) of this subparagraph or (y) the Arbitrator's receipt of both of the Determinations from the parties (such earlier date is referred to herein as the Submission Date) and upon not less than five (5) days notice to the parties, the Arbitrator shall hold one or more hearings with respect to the determination of the fair value of the shares. The hearings shall be held in the Houston metropolitan area of Texas at such location and time as shall be specified by the Arbitrator. Each of the parties shall be entitled to present all relevant evidence and to cross-examine witnesses at the hearings. The Arbitrator shall have the authority to adjourn any hearing to such later date as the Arbitrator shall specify, provided that in all events all hearings with respect to the determination of the fair value of the shares shall be concluded not later than thirty (30) days after the Submission Date.

(vi) The Arbitrator shall be instructed, and shall be empowered only, to select as the fair value of the shares that one of the Determinations which the Arbitrator believes is the more accurate determination of the Average Trading Price of the shares. Without limiting the generality of the foregoing, in rendering his or her decision, the Arbitrator shall not add to, subtract from or otherwise modify the provisions of this Agreement or either of the Determinations.

(vii) The Arbitrator shall render his or her determination as to the selection of a Determination in a signed and acknowledged written instrument, original counterparts of which shall be sent simultaneously to Limited Partners and the General Partner, within ten (10) days after the conclusion of the hearing(s) required by clause (v) of this Section.

(3) This provision shall constitute a written agreement to submit any dispute regarding the determination of the Average Trading Price of the shares of a Person to arbitration.

(4) The arbitration decision, determined as provided in this Article, shall be conclusive and binding on the parties, shall constitute an award by the Arbitrator within the meaning of the AAA rules and applicable law, and judgment may be entered thereon in any court of competent jurisdiction.

(5) The holders of a majority of the Common Units (other than the General Partner, the Company or any Subsidiary of the Company) shall pay all fees and expenses relating to the arbitration (including, without limitation, the reasonable fees and expenses of one counsel chosen by the holders of a majority of the Common Units held by the Limited Partners (excluding the Common Units held by the General Partner, the Company or any Subsidiary of the Company) and of experts and witnesses retained or called by the Limited Partners). The Limited Partners' counsel chosen as set forth in the preceding sentence shall represent the interests of all of the Limited Partners and the choice of counsel shall be binding on all of the Limited Partners.

(e) From and after a Trigger Occurrence, each and every reference to the Company in Section 8.6 shall be deemed to be a reference to the Issuer of the Replacement Shares. From and after a Trigger Occurrence, the Issuer shall assume or unconditionally guaranty the performance of the Partnership's obligation to pay the Consideration to a Redeeming Partner under Section 8.6 of this Agreement pursuant to an instrument in form and substance reasonably satisfactory to the holders of a majority of the Common Units held by the Limited Partners (excluding the Common Units held by the General Partner, the Company or any Subsidiary of the Company). From and after a Trigger Occurrence, the Average Trading Price of a REIT Share or a Replacement Share, as applicable shall be substituted for the Value of the same for the purposes of determining the Cash Amount.

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SECTION 16.3 Additional Issuer Covenants

(a) From and after a Trigger Occurrence, in the event a dividend or distribution consisting of cash or property (other than Replacement Shares) or both is paid by the Issuer in respect of the Replacement Shares, the General Partner shall cause the Partnership to distribute, in respect of each Common Unit, the same amount of cash or property the holder of a Common Unit would have received had such holder exercised its Redemption Right and received Replacement Shares prior to such dividend or distribution.

(b) In the event that the Company proposes to engage in a transaction that constitutes a Triggering Event, the prior Consent of Partners holding a majority of the Percentage Interests of the Limited Partners (other than the General Partner, the Company or any Subsidiary of the Company) shall be required unless the Issuer of Replacement Shares agrees to provide the Summit Limited Partners with economic rights that are identical to the economic rights of such Summit Limited Partners hereunder (provided, however, that for purposes of this Section 16.3(b) any changes to the rights of the Summit Limited Partners required to reflect a change in the issuer of the REIT Shares or a change in the capital structure of the Company, e.g., adjustment to the Conversion Factor, change of the securities which the Common Units may receive upon exercise of the Redemption Right, and any other changes effected expressly in accordance with Section 16.2 hereof shall not result in the economic rights of the Summit Limited Partners not being identical to their economic rights hereunder); provided further that, notwithstanding the foregoing, if the Replacement Shares are not listed on a national securities exchange or on the Nasdaq National Market, the economic rights of the Summit Limited Partners shall be deemed not to be identical following the Triggering Event.

SECTION 16.4 Application to Later Transactions

This Article 16 shall apply to the initial Triggering Event and shall continue to apply to each subsequent Triggering Event.

SECTION 16.5 Waivers and Amendments

(a) The provisions of this Article 16 may be waived only upon the written consent of the holders of a majority of the Common Units held by the Summit Limited Partners (excluding the Common Units held by the General Partner, the Company and any Subsidiary of the Company).

(b) This Article 16 shall only be amended as provided in Section 14.1(d) of this Agreement and shall be deemed included in such section for all purposes.

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

GENERAL PARTNER:

CAMDEN SUMMIT, INC.,
a Delaware corporation

By:

Name:

Title:

LIMITED PARTNERS:

By: CAMDEN SUMMIT, INC.,
a Delaware corporation
as Attorney-in-Fact for the Limited Partners

By:

Name:

Title:

The undersigned has executed this Agreement for the purposes of Sections 7.8(b), 8.6 and 11.2 only.

CAMDEN PROPERTY TRUST,
a Texas real estate investment trust

By:

Name:

Title:

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LIMITED PARTNER SIGNATURE PAGE

The undersigned, desiring to become one of the within named Limited Partners of Camden Summit Partnership, L.P., hereby becomes a party to the Second Amended and Restated Agreement of Limited Partnership of Camden Summit Partnership, L.P. by and among Camden Summit, Inc. and such Limited Partners, dated as of _____, 2005. The undersigned agrees that this signature page may be attached to any counterpart of said Agreement of Limited Partnership.

Signature line for Limited Partner

Address of Limited Partner

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Exhibit A

Partners, Outstanding Partnership Units and

Percentage Interests

(as of _____, 2005)

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Exhibit B

Capital Account Maintenance

1. Capital Accounts of the Partners

A. The Partnership shall maintain for each Partner a separate Capital Account in accordance with the rules of Regulations Section 1.704-1(b)(2)(iv). Such Capital Account shall be increased by (i) the amount of all Capital Contributions and any other deemed contributions made by such Partner to the Partnership pursuant to this Agreement; and (ii) all items of Partnership income and gain (including income and gain exempt from tax) computed in accordance with Section 1.B hereof and allocated to such Partner pursuant to Section 6.1(a) of the Agreement and Exhibit C hereof, and decreased by (x) the amount of cash or Agreed Value of all actual and deemed distributions of cash or property made to such Partner pursuant to this Agreement; and (y) all items of Partnership deduction and loss computed in accordance with Section 1.B hereof and allocated to such Partner pursuant to Section 6.1(b) of the Agreement and Exhibit C hereof.

B. For purposes of computing the amount of any item of income, gain, deduction or loss to be reflected in the Partners' Capital Accounts, unless otherwise specified in this Agreement, the determination, recognition and classification of any such item shall be the same as its determination, recognition and classification for federal income tax purposes determined in accordance with Section 703(a) of the Code (for this purpose all items of income, gain, loss or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be included in taxable income or loss), with the following adjustments:

(1) Except as otherwise provided in Regulations Section 1.704-1(b)(2)(iv)(m), the computation of all items of income, gain, loss and deduction shall be made without regard to any election under Section 754 of the Code which may be made by the Partnership, provided that the amounts of any adjustments to the adjusted bases of the assets of the Partnership made pursuant to Section 734 of the Code as a result of the distribution of property by the Partnership to a Partner (to the extent that such adjustments have not previously been reflected in the Partners' Capital Accounts) shall be reflected in the Capital Accounts of the Partners in the manner and subject to the limitations prescribed in Regulations Section 1.704-1(b)(2)(iv)(m)(5).

(2) The computation of all items of income, gain, and deduction shall be made without regard to the fact that items described in Sections 705(a)(1)(B) or 705(a)(2)(B) of the Code are not includable gross income or are neither currently deductible nor capitalized for federal income tax purposes.

(3) Any income, gain or loss attributable to the taxable disposition of any Partnership property shall be determined as if the adjusted basis of such property as of such date of disposition were equal in amount to the Partnership's Carrying Value with respect to such property as of such date.

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

(5) In the event the Carrying Value of any Partnership Asset is adjusted pursuant to Section 1.D hereof, the amount of any such adjustment shall be taken into account as gain or loss from the disposition of such asset.

(6) Any items specifically allocated under Section 2 of Exhibit C hereof shall not be taken into account.

C. Generally, a transferee (including an Assignee) of a Partnership Unit shall succeed to a pro rata portion of the Capital Account of the transferor; provided, however, that, if the transfer causes a termination of the Partnership under Section 708(b)(1)(B) of the Code, the Partnership shall be deemed to have contributed its assets in kind to a new partnership in return for interests in such partnership that

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correspond to the outstanding interests in the Partnership, and then, distributed the interests in such new partnership to the General Partner and the Limited Partners in accordance with their respective interests in the Partnership in liquidation of the Partnership. In such event, the Carrying values of the Partnership properties shall be adjusted upon such deemed contribution to the new partnership pursuant to Section 1.D(2) hereof. The Capital Accounts of such reconstituted Partnership shall be maintained in accordance with the principles of this Exhibit B.

D. (1) Consistent with the provisions of Regulations Section 1.704-1(b)(2)(iv)(f), and as provided in Section 1.D(2), the Carrying Value of all Partnership assets shall be adjusted upward or downward to reflect any Unrealized Gain or Unrealized Loss attributable to such Partnership property, as of the times of the adjustments provided in Section 1.D(2) hereof, as if such Unrealized Gain or Unrealized Loss had been recognized on an actual sale of each such property and allocated pursuant to Section 6.1 of the Agreement.

(2) Such adjustments shall be made as of the following times: (a) immediately prior to the acquisition of an additional interest in the Partnership by any new or existing Partner in exchange for more than a de minimis Capital Contribution; (b) immediately prior to the distribution by the Partnership to a Partner of more than a de minimis amount of property as consideration for an interest in the Partnership; and (c) immediately prior to the liquidation of the Partnership within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g) provided, however, that adjustments pursuant to clauses (a) and (b) above shall be made only if the General Partner determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership, including any significant special allocations that would be made pursuant to Section 6.1(e).

(3) In accordance with Regulations Section 1.704-1(b)(2)(iv)(e), the Carrying Value of Partnership assets distributed in kind shall be adjusted upward or downward to reflect any Unrealized Gain or Unrealized Loss attributable to such Partnership property, as of the time any such asset is distributed.

(4) In determining Unrealized Gain or Unrealized Loss for purposes of this Exhibit B, the aggregate cash amount and fair market value of all Partnership assets (including cash or cash equivalents) shall be determined by the General Partner using such reasonable method of valuation as it may adopt, or in the case of a liquidating distribution pursuant to Article 13 of the Agreement, shall be determined and allocated by the Liquidator using such reasonable methods of valuation as it may adopt. The General Partner, or the Liquidator, as the case may be, shall allocate such aggregate value among the assets of the Partnership (in such manner as it determines in its sole and absolute discretion to arrive at a fair market value for individual properties).

E. The provisions of this Agreement (including this Exhibit B and other Exhibits to this Agreement) relating to the maintenance of Capital Accounts are intended to comply with Regulations Section 1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. Except as otherwise set forth in a written agreement between the General Partner and/or the Partnership and one or more Limited Partners (including without limitation the certain Tax, Asset and Income Support Agreement as of the date hereof), in the event the General Partner shall determine that it is prudent to modify (i) the manner in which the Capital Accounts, or any debits or credits thereto (including, without limitation, debits or credits relating to liabilities which are secured by contributed or distributed property or which are assumed by the Partnership, the General Partner, or the Limited Partners) are computed; or (ii) the manner in which items are allocated among the Partners for federal income tax purposes in order to comply with such Regulations or to comply with Section 704(c) of the Code, the General Partner may make such modification without regard to Article 14 of the Agreement, provided that it is not likely to have a material effect on the amounts distributable to any Person pursuant to Article 13 of the Agreement upon the dissolution of the Partnership. The General Partner also shall (i) make any adjustments that are necessary or appropriate to maintain equality between the Capital Accounts of the Partners and the amount of Partnership capital reflected on the Partnership's balance sheet, as computed for book purposes, in accordance with Regulations Section 1.704-1(b)(2)(iv)(q); and (ii) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with

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Regulations Section 1.704-1(b). In addition, except as otherwise set forth in a written agreement between the General Partner and/or the Partnership and one or more Limited Partners (including without limitation that certain Tax, Asset and Income Support Agreement as of the date hereof), the General Partner may adopt and employ such methods and procedures for (i) the maintenance of book and tax capital accounts; (ii) the determination and allocation of adjustments under Sections 704(c), 734 and 743 of the Code; (iii) the determination of Net Income, Net Loss, taxable loss and items thereof under this Agreement and pursuant to the Code; (iv) the adoption of reasonable conventions and methods for the valuation of assets and the determination of tax basis; (v) the allocation of asset value and tax basis; and (vi) conventions for the determination of cost recovery, depreciation and amortization deductions, as it determines in its sole discretion are necessary or appropriate to execute the provisions of this Agreement, to comply with federal and state tax laws, and are in the best interest of the Partners.

2. No Interest

No interest shall be paid by the Partnership on Capital Contributions or on balances in Partners' Capital Accounts.

3. No Withdrawal

No Partner shall be entitled to withdraw any part of his Capital Contribution or his Capital Account or to receive any distribution from the Partnership, except as provided in Articles 4, 5, 7 and 13 of the Agreement.

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Exhibit C

Special Allocation Rules

1. Special Allocation Rules.

Notwithstanding any other provision of the Agreement or this Exhibit C, the following special allocations shall be made in the following order:

A. Minimum Gain Chargeback. Notwithstanding the provisions of Section 6.1 of the Agreement or any other provisions of this Exhibit C, if there is a net decrease in Partnership Minimum Gain during any Partnership taxable year, each Partner shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Partner's share of the net decrease in Partnership Minimum Gain, as determined under Regulations Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2(f)(6). This Section 1.A is intended to comply with the minimum gain chargeback requirements in Regulations Section 1.704-2(f) and shall be interpreted consistently therewith. Solely for purposes of this Section 1.A, each Partner's Adjusted Capital Account Deficit shall be determined prior to any other allocations pursuant to Section 6.1 of Partner Minimum Gain during such Partnership taxable year.

B. Partner Minimum Gain Chargeback. Notwithstanding any other provision of Section 6.1 of this Agreement or any other provisions of this Exhibit C (except Section 1.A hereof), if there is a net decrease in Partner Minimum Gain attributable to a Partner Nonrecourse Debt during any Partnership taxable year, each Partner who has a share of the Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Regulations Section 1.702-2(i)(5), shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Partner's share of the net decrease in Partner Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i)(5). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be so allocated shall be determined in accordance with Regulations Section 1.704-2(i)(4). This Section 1.B is intended to comply with the minimum gain chargeback requirement in such Section of the Regulations and shall be interpreted consistently therewith. Solely for purposes of the Section 1.B, each Partner's Adjusted Capital Account Deficit shall be determined prior to any other allocations pursuant to Section 6.1 of the Agreement or this Exhibit with respect to such Partnership taxable year, other than allocations pursuant to Section 1.A hereof.

C. Qualified Income Offset. In the event any Partner unexpectedly receives any adjustments, allocations or distributions described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), or 1.704-1(b)(2)(ii)(d)(6), and after giving effect to the allocations required under Sections 1.A and 1.B hereof such Partner has an Adjusted Capital Account Deficit, items of Partnership income and gain (consisting of a pro rata portion of each item of Partnership income, including gross income and gain for the Partnership taxable year) shall be specifically allocated to such Partner in an amount and manner sufficient to eliminate, to the extent required by the Regulations, its Adjusted Capital Account Deficit created by such adjustments, allocations or distributions as quickly as possible.

D. Nonrecourse Deductions. Nonrecourse Deductions for any Partnership taxable year shall be allocated to the Partners in accordance with their respective Percentage Interests. If the General Partner determines in its good faith discretion that the Partnership's Nonrecourse Deductions must be allocated in a different ratio to satisfy the safe harbor requirements of the Regulations promulgated under Section 704(b) of the Code, the General Partner is authorized, upon notice to the Limited Partners, to revise the prescribed ratio to the numerically closest ratio for such Partnership taxable year which would satisfy such requirements.

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E. Partner Nonrecourse Deductions. Any Partner Nonrecourse Deductions for any Partnership taxable year shall be specially allocated to the Partner who bears the economic risk of loss with respect to the Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i).

F. Code Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Partnership asset pursuant to Section 734(b) or 743(b) of the Code is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis, and such item of gain or loss shall be specially allocated to the Partners in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Regulations.

G. Curative Allocations. The allocations set forth in Section 1.A through 1.F of this Exhibit C (the Regulatory Allocations) are intended to comply with certain requirements of the Regulations under Section 704(b) of the Code. The Regulatory Allocations may not be consistent with the manner in which the Partners intend to divide Partnership distributions. Accordingly, the General Partner is hereby authorized to divide other allocations of income, gain, deduction and loss among the Partners so as to prevent the Regulatory Allocations from distorting the manner in which Partnership distributions will be divided among the Partners. In general, the Partners anticipate that this will be accomplished by specially allocating other items of income, gain, loss and deduction among the Partners so that the net amount of the Regulatory Allocations and such special allocations to each person is zero. However, the General Partner will have discretion to accomplish this result in any reasonable manner; provided, however, that no allocation pursuant to this Section 1.G shall cause the Partnership to fail to comply with the requirements of Regulations Sections 1.704-1(b)(2)(ii)(d), 1.704-2(e) or 1.704-2(i).

2. Allocations for Tax Purposes

A. Except as otherwise provided in the Code and Regulations, for federal income tax purposes, each item of income, gain, loss and deduction shall be allocated among the Partners in the same manner as its correlative item of book income, gain, loss or deduction is allocated pursuant to Section 6.1 of the Agreement and Section 1 of this Exhibit C.

B. In an attempt to eliminate Book-Tax Disparities attributable to a Contributed Property or Adjusted Property, items of income, gain, loss, and deduction shall be allocated for federal income tax purposes among the Partners as follows:

(1) (a) In the case of a Contributed Property, such items attributable thereto shall be allocated among the Partners, consistent with the principles of Section 704(c) of the Code and the Regulations thereunder, to take into account the variation between the 704(c) Value of such property and its adjusted basis at the time of contribution; and

(b) any item of Residual Gain or Residual Loss attributable to a Contributed Property shall be allocated among the Partners in the same manner as its correlative item of book gain or loss is allocated pursuant to Section 6.1 of the Agreement and Section 1 of this Exhibit C.

(2) (a) In the case of an Adjusted Property, such items shall

(1) first, be allocated among the Partners in a manner consistent with the principles of Section 704(c) of the Code and the Regulations thereunder to take into account the Unrealized Gain or Unrealized Loss attributable to such property and the allocations thereof pursuant to Exhibit B; and

(2) second, in the event such property was originally a Contributed Property, be allocated among the Partners in a manner consistent with Section 2.B(1) of this Exhibit C; and

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(b) any item of Residual Gain or Residual Loss attributable to an Adjusted Property shall be allocated among the Partners in the same manner its correlative item of book gain or loss is allocated pursuant to Section 6.1 of the Agreement and Section 1 of this Exhibit C.

(3) all other items of income, gain, loss and deduction shall be allocated among the Partners the same manner as their correlative item of book gain or loss is allocated pursuant to Section 6.1 of the Agreement and Section 1 of this Exhibit C.

C. Subject to the further provisions of this Section 2.C, to the extent that the Treasury Regulations promulgated pursuant to Section 704(c) of the Code permit the Partnership to utilize alternative methods to eliminate the disparities between the Carrying Value of property and its adjusted basis, the General Partner shall have the authority to elect the method to be used by the Partnership and such election shall be binding on all Partners.

3. No Withdrawal

No Partner shall be entitled to withdraw any part of his Capital Contribution or his Capital Account or to receive any distribution from the Partnership, except as provided in Articles 4, 5, 8 and 13 of the Agreement.

4. Agreements

To the extent permitted by law, the General Partner and one or more Limited Partners may enter into separate written agreements modifying the provisions of this Exhibit C.

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Exhibit D

Notice OF Redemption

The undersigned Limited Partner hereby irrevocably (i) redeems Common Units in Camden Summit Partnership, L.P. in accordance with the terms of the Second Amended and Restated Agreement of Limited Partnership of Camden Summit Partnership, L.P. and the Redemption Right referred to therein; (ii) surrenders such Common Units and all right, title and interest therein; and (iii) directs that the Cash Amount or REIT Shares Amount (as determined by the Partnership or the Company) deliverable upon exercise of the Redemption Right be delivered to the address specified below, and if REIT Shares are to be delivered, such REIT Shares be registered or placed in the name(s) and at the address(es) specified below. The undersigned hereby, represents, warrants, and certifies that the undersigned (a) has marketable and unencumbered title to such Common Units, free and clear of the rights or interests of any other person or entity; (b) has the full right, power, and authority to redeem and surrender such Common Units as provided herein; and (c) has obtained the consent or approval of all persons or entities, if any, having the right to consent or approve such redemption and surrender.

Dated:

Name of Limited Partner:

Please Print

(Signature of Limited Partner)

(Street Address)

(City)

(State)

(Zip Code)

Signature Guaranteed by:

If REIT Shares are to be issued, issue to:

Name:

Please insert social security or identifying number:

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Schedule 1

Agreed Value of Contributed Properties

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Schedule 2

704(c) Value of Contributed Properties

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Schedule 3

Capital Contributions of Partners

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ANNEX C

FORM OF TAX, ASSET AND INCOME

SUPPORT AGREEMENT

This TAX, ASSET AND INCOME SUPPORT AGREEMENT (this Agreement) is dated as of _____, by and among Camden Property Trust, a Texas real estate investment trust (the Company), Camden Summit, Inc. (formerly known as Camden Sparks, Inc.), a Delaware corporation and wholly-owned subsidiary of the Company (the General Partner), Camden Summit Partnership, L.P., a Delaware limited partnership (the Partnership) and each of the limited partners of the Partnership who have executed a signature page hereto (each, a Summit Limited Partner and collectively, the Summit Limited Partners).

WHEREAS, as of the date hereof, Summit Properties Inc., a Maryland corporation merged with and into the General Partner (the Merger), with the General Partner as the surviving entity and the successor to the general partner interest in the Partnership;

WHEREAS, in connection with the Merger, the Second Amended and Restated Agreement of Limited Partnership (the Partnership Agreement) of the Partnership was approved by the Summit Limited Partners in accordance with Section 14 of the Partnership Agreement, and became effective as of the date hereof immediately subsequent to the effective time of the Merger;

WHEREAS, as an inducement to their approval of the Partnership Agreement, the Company and the General Partner have agreed to enter into this Agreement with the Summit Limited Partners to provide certain protections with respect to the economic rights of the Summit Limited Partners under the Partnership Agreement.

NOW THEREFORE, in consideration of the mutual agreements and covenants herein contained, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned parties hereby agree as follows:

SECTION 1. *Defined Terms*

Best Efforts shall mean the execution of a Person's best efforts within the common law meaning of such phrase, and incorporating the requirement to use financial resources to achieve the desired objective.

Closing Date shall mean the date of this Agreement.

Common Unit shall have the meaning ascribed thereto in the Partnership Agreement.

Consideration shall have the meaning ascribed thereto in the Partnership Agreement.

FFO Ratio shall mean the ratio of the funds from operations (determined using the NAREIT definition) of the Partnership for the most recently completed fiscal quarter to the aggregate quarterly Priority Distribution Amount on the Common Units with respect to the most recent fiscal quarter.

Make Whole Amount shall mean, with respect to any Protected Party and any Disposition of all or any portion of any Protected Asset, the sum of: (1) the product of the aggregate income or gain recognized by such Protected Party in respect of such Disposition, multiplied by the federal, state and local income tax rate to which such Protected Party is subject (assuming for these purposes that the income recognized by such Protected Party with respect to which the Make Whole Amount is calculated is the last income recognized by such Protected Party for the pertinent taxable year); plus (2) the aggregate federal, state and local income taxes payable by such Protected Party as a result of the receipt of the Make Whole Payment (including, without limitation, payments received pursuant to this clause (2) and computed using the tax rates and assumptions above).

Person shall mean an individual, corporation, limited liability company, partnership, association, trust, unincorporated organization, other entity or group (as defined in Section 13(d) of the Exchange Act) and such Person's successors and assigns.

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Priority Distribution Amount shall have the meaning ascribed thereto in the Partnership Agreement.

Protected Assets shall mean those assets of the Partnership set forth on Schedule A attached hereto, and any assets which become Protected Assets pursuant to Section 2(b) hereof.

Protected Parties shall mean each Summit Limited Partner, each direct or indirect owner of a Summit Limited Partner that is required to include in its taxable income any portion of the income or gains of the Partnership on a current basis (a Flow Through Owner), and each person who acquires an interest in the Partnership from a Summit Limited Partner or Flow Through Owner in a transaction in which such person's adjusted basis in such interest for federal income tax purposes is determined in whole or in part by reference either to such person's basis in other property or the Summit Limited Partner's or Flow Through Owner's basis in such interest, in each case other than the Company or any affiliate of the Company.

Redeeming Partner shall have the meaning ascribed thereto in the Partnership Agreement.

REIT Shares Amount shall have the meaning ascribed thereto in the Partnership Agreement.

Subsidiary shall mean, with respect to any Person, any corporation more than 50% of whose outstanding voting securities, or any partnership, joint venture or other entity more than 50% of whose total equity interest, is directly or indirectly owned by such Person.

Value shall have the meaning ascribed thereto in the Partnership Agreement.

SECTION 2. *Tax Matters*

(a) Section 704(c) Allocations. Except as otherwise required by a change in applicable law:

(i) The Partnership and each entity in which the Partnership holds a direct or indirect interest shall, with respect to each asset comprising the Protected Assets, use the traditional method under Section 704(c) of the Internal Revenue Code of 1986, as amended (the Code), and the Treasury regulations promulgated thereunder (the Treasury Regulations) with no curative or remedial allocations under Section 704(c) of the Code.

(ii) The Partnership shall cause any entity that is treated as a partnership for federal income tax purposes to which any of the Protected Assets is transferred in a transaction in which the transferee's adjusted basis in the Protected Assets is determined in whole or in part by reference to the transferor's basis in such Protected Asset (a) to use the traditional method without curative allocations or remedial allocations under Section 704(c) of the Code with respect to such Protected Asset and (b) to agree, for the benefit of the Protected Parties, to be bound by the provisions of this Section 2(a) and Section 2(f) hereof as though such entity were the Partnership.

(b) Lock Out. Except as expressly permitted herein, neither the Partnership nor any entity in which the Partnership holds a direct or indirect interest shall, directly or indirectly, sell, transfer or otherwise dispose of or permit the disposition of any of the Protected Assets or any direct or indirect interest therein (a Disposition) prior to the 1st anniversary of the Closing Date (the period from the Closing Date through such anniversary, the Protection Period). Notwithstanding the foregoing, the Partnership shall have the right, during the Protection Period: (i) to consummate a Disposition of all or any portion of any Protected Asset in one or more transactions that are taxable in whole or in part if, but only if, prior to or concurrently with the closing of that Disposition, the Partnership delivers to each Protected Party (as defined below) that recognizes gain under Sections 704(c) or 737 of the Code, or analogous provisions of state or local tax law, in connection with such Disposition, cash (any such payment, a Make Whole Payment) in an amount equal to the Make Whole Amount in respect thereof; or (ii) to consummate any Disposition of all or any part of the Protected Assets in a transaction with respect to which no income or gain would be required to be recognized by the Protected Parties pursuant to an applicable provision of the Code and any applicable state or local tax law (a Tax-Deferred Exchange). The payment of a Make Whole Payment to a Protected Party shall not be treated as a distribution on the Units held by such party

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and shall not affect the calculation of the distributions otherwise payable in respect of such Units. In situations where the Partnership engages in a wholly or partially Tax-Deferred Exchange involving a Protected Asset, the property (or as applicable, the portion thereof) received in such exchange shall be treated as a Protected Asset for all purposes under this Agreement.

(c) Debt Allocations And Related Matters. The Partnership shall, at all times during the Protection Period, maintain nonrecourse indebtedness that is properly allocable to each Summit Limited Partner pursuant to Section 752 of the Code and the Treasury Regulations thereunder in an amount at least equal to the amount of income and gain that would be required to be recognized by such Summit Limited Partner pursuant to Section 731(a)(1) of the Code (including by reason of Section 752(b) of the Code) if no Partnership nonrecourse liabilities were properly allocable to such Summit Limited Partner (the Required Nonrecourse Debt Amount). Notwithstanding the foregoing, in the event of a material adverse change in the Code or treasury regulations that materially reduces the amount of nonrecourse indebtedness that can be properly allocated to a Summit Limited Partner pursuant to Section 752 of the Code and the treasury regulations thereunder, the parties will negotiate in good faith to promptly amend this Agreement as necessary to preserve as best as possible the intended benefits of this Section 2(c). For purposes of this Section 2(c), Summit Limited Partner shall include each person who acquires an interest in the Partnership from a Summit Limited Partner in a transaction in which such person's adjusted basis in such interest for federal income tax purposes is determined in whole or in part by reference either to such person's basis in other property or the Summit Limited Partner's basis in such interest, in each case other than the Company or any affiliate of the Company

(d) Periods after the Protection Period. At all times after the Protection Period, the Partnership shall use its Best Efforts to (i) prevent any income or gain from being recognized by the Partnership with respect to the Tax Protected Assets that would be allocated to any Protected Party pursuant to Sections 704(c) or 737 of the Code, or analogous provisions of state or local tax law, and (ii) ensure that the amount of nonrecourse indebtedness of the Partnership properly allocable to each Summit Limited Partner is at least equal to the Required Nonrecourse Debt Amount.

(e) Partnership Tax Status. Partnership shall not, without the written consent of Summit Limited Partners owning at least 80% of the Common Units held by Summit Limited Partners, elect to be treated as an association taxable as a corporation for U.S. federal or any applicable state tax purposes, and the General Partner and the Company shall take all actions, and refrain from taking any actions, as necessary to prevent the Partnership from being treated as an association taxable as a corporation for U.S. federal or any applicable state income tax purposes.

(f) Damages. If the Partnership breaches any obligation set forth in this Section 2, then concurrently with the consummation of the transaction or the occurrence of the event giving rise to such breach, the Partnership shall immediately pay to each Protected Party an amount equal to the sum of: (i) the product of the aggregate income or gain recognized by such Protected Party in respect of such transaction or event, multiplied by the federal, state and local income tax rate to which such Protected Party is subject (assuming for these purposes, that the income recognized by such Protected Party as a result of such breach is the last income recognized by such Protected Party for the pertinent taxable year); plus (ii) the aggregate federal, state and local income taxes payable by such Protected Party as a result of the receipt of the payments required by this Section 2(f) (including this clause (ii) and computed using the tax rates and assumptions above).

SECTION 3. *Covenants*

(a) Distributions. If at any time, the Partnership has failed to distribute cash to the Summit Limited Partners in accordance with Article 5 of the Amended Partnership Agreement equal to the applicable Priority Distribution Amount on a current basis (*i.e.*, if a Cumulative Unpaid Priority Distribution Amount is created) and any portion of such undistributed Priority Distribution Amount (the Accrued Amount) remains outstanding and unpaid for twelve (12) months, Commodore agrees to contribute cash as a capital contribution to the Partnership within one (1) business day following such twelve-month anniversary in an amount equal to the aggregate Accrued Amount plus the aggregate Cumulative Unpaid Accrued Return

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Amount outstanding at such time. Such contribution will be made as a contribution to capital of the Partnership and the Company may receive additional Partnership Units therefor in accordance with the Partnership Agreement. Immediately following the receipt of such contribution, the General Partner shall cause such cash to be distributed to the Limited Partners in satisfaction of their aggregate outstanding Cumulative Unpaid Accrued Return Amount and Accrued Amount.

(b) Maintenance of FFO Ratio. At all times following the Closing Date, the Company and the General Partner will cause the Partnership to maintain an FFO Ratio of no less than 8 to 1.

(c) Covenant Compliance Certification. Within ninety (90) days of the end of each fiscal year, the Company will deliver to each of the Summit Limited Partners a certificate executed by its Chief Financial Officer certifying that Section 3(b) has been complied with and that no breaches have occurred since the last such certification (or the date hereof for the first certification) and that, to the best knowledge of such officers, no facts or circumstances exist as of the date of such certification that would be reasonably expected to cause a breach of such covenant.

(d) Guarantee of Redemption Right. The Company hereby unconditionally guarantees the obligation of the Partnership to pay the Consideration to a Redeeming Partner pursuant to Section 8.6 of the Partnership Agreement.

SECTION 4. *Notices*. Except as otherwise specifically provided herein, all notices, requests, claims, demands and other communications under this Agreement will be in writing and will be deemed given upon delivery if delivered personally or one Business Day after it is sent by overnight courier (providing proof of delivery) to the Company, the General Partner or the Partnership at the address of such party set forth below, and to the Limited Partners at the address set forth on the signature pages hereto (or at such other address for a party as specified by like notice):

if to Company, General Partner or the Partnership:

Camden Property Trust
3 Greenway Plaza, Suite 1300
Houston, TX 77046
Attention: Richard J. Campo
Facsimile: (713) 572-4440

with a copy to:

Locke Liddell & Sapp LLP
2200 Ross Avenue, Suite 2200
Dallas, TX 75201
Attention: Bryan L. Goolsby
Facsimile: (214) 740-8800

Any party may give any notice, request, demand, claim or other communication hereunder using any other means (including personal delivery, expedited courier, messenger service, telecopy, telex, ordinary mail or electronic mail), but no such notice, request, demand, claim or other communication shall be deemed to have been duly given unless and until it actually is received by the party for whom it is intended. Any party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other parties notice in the manner herein set forth.

SECTION 5. *Interpretation*. When a reference is made in this Agreement to a Section, or an Exhibit, such reference will be to a Section of, or an Exhibit to, this Agreement unless otherwise indicated. Whenever the words include, includes or including are used in this Agreement, they will be deemed to be followed by the words without limitation. The words hereof, herein and hereunder and words of similar import when used in this Agreement will refer to this Agreement as a whole and not to any particular provision of this Agreement. The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such term.

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SECTION 6. *Counterparts.* This Agreement may be executed in one or more counterparts, all of which will be considered one and the same agreement and will become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties. An executed counterpart of this Agreement (or any amendment hereto in accordance with Section 7 below) may be delivered by facsimile, and a signature delivered by facsimile shall be deemed to constitute an original signature for all purposes.

SECTION 7. *Amendment; Assignment.* Except with respect to Section 2 hereof, this Agreement may be amended or modified in an instrument in writing signed by, or on behalf of, the Company, the General Partner and Summit Limited Partners who own in the aggregate 66.67% of the Common Units held by the Summit Limited Partners. Section 2 of this Agreement may be amended or modified in an instrument in writing signed by, or on behalf of, the Company, the General Partner and Summit Limited Partners who own in the aggregate 80% of the Common Units held by the Summit Limited Partners. Neither this Agreement nor any of the rights, interests or obligations under this Agreement may be assigned, in whole or in part, by the Company, the General Partner or the Partnership without the prior written consent of the other parties; provided that notwithstanding the foregoing, this Agreement may be assigned, including by operation of law, by the Partnership, the General Partner or the Company to a successor in any merger, consolidation, sale of all or substantially all assets or similar transaction effected in compliance with Section 7.3 and Article 16 of the Partnership Agreement. Any assignment in violation of the preceding sentence will be void *ab initio*. *Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of, and be enforceable by, the parties hereto and their respective successors and assigns. Notwithstanding anything in this Agreement to the contrary, the benefits of this Agreement shall inure to any Person to whom a Summit Limited Partner shall assign or otherwise transfer a Common Unit, provided that the benefits of Section 2 shall only inure to assignees or transferees in a carryover basis transaction (i.e., assignees or transferees whose adjusted basis in such Common Unit is determined in whole or in part by reference to the Summit Limited Partner's adjusted basis in such Common Unit).*

SECTION 8. *Execution as Partners.* The General Partner acknowledges that it is executing this Agreement in its capacity as the general partner of the Partnership and the Summit Limited Partners are executing this Agreement in their capacities as limited partners of the Partnership, subject to the Delaware Revised Uniform Limited Partnership Act and with such duties to each other relating to the provisions hereof as if the provisions herein were contained within the Partnership Agreement.

SECTION 9. *Entire Agreement.* This Agreement constitutes, together with the Partnership Agreement and the Registration Rights Agreement, the entire agreement and supersedes all of the prior agreements and understandings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof.

SECTION 10. *Specific Performance.* The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in the federal and state courts located in Delaware, this being in addition to any other remedy to which they are entitled at law or in equity.

SECTION 11. *Governing Law.* This Agreement will be governed by, and construed in accordance with, the internal laws of the State of Delaware regardless of the laws that might otherwise govern under applicable principles of conflict of laws.

SECTION 12. *Consent to Venue.* Each of the parties hereto hereby irrevocably and unconditionally consents to submit to the sole and exclusive jurisdiction of the courts of the State of Delaware and of the United States District Court for the District of Delaware (the Delaware Courts) for any litigation arising out of or relating to this Agreement, or the negotiation, validity or performance of this Agreement, or the transactions contemplated hereby (and agrees not to commence any litigation relating thereto except in such courts), waives an objection to the laying of venue of any such litigation in the Delaware

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Courts and agrees not to plead or claim in any Delaware Court that such litigation brought therein has been brought in an inconvenient forum. Each of the parties hereto agrees, (a) to the extent such party is not otherwise subject to service of process in the State of Delaware, to appoint and maintain an agent in the State of Delaware as such party's agent for acceptance of legal process, and (b) that service of process may also be made on such party by prepaid certified mail with a proof of mailing receipt validated by the United States Postal Service constituting evidence of valid service. Service made pursuant to (a) or (b) above shall have the same legal force and effect as if served upon such party personally within the State of Delaware.

SECTION 13. *Severability*. If any provision of this Agreement, or the application thereof to any person or circumstance is held invalid or unenforceable, the remainder of this Agreement, and the application of such provision to other persons or circumstances, shall not be affected thereby, and to such end, the provisions of this Agreement are agreed to be severable

[Remainder of page intentionally left blank]

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed as of the date first written above.

THE COMPANY:

CAMDEN PROPERTY TRUST

By:

Name:

Title:

THE GENERAL PARTNER:

CAMDEN SUMMIT, INC.

By:

Name:

Title:

THE PARTNERSHIP:

CAMDEN SUMMIT PARTNERSHIP, L.P.

BY: CAMDEN SUMMIT, INC.
its General Partner

By:

Name:

Title:

THE LIMITED PARTNERS:

Name:

Address:

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ANNEX D

FORM OF REGISTRATION RIGHTS AGREEMENT

by and among

CAMDEN PROPERTY TRUST, and

THE HOLDERS NAMED HEREIN

This Registration Rights Agreement (this Agreement) is entered into as of _____, 2005 by and among Camden Property Trust, a Texas real estate investment trust (the Company), and the persons named on Exhibit A hereto (collectively the Holders and each individually as a Holder).

WHEREAS, pursuant to the terms of that certain Agreement and Plan of Merger (the Merger Agreement), dated as of October 4, 2004 by and among the Company, Camden Summit, Inc. (formerly Camden Sparks, Inc.), a Delaware corporation, and Summit Properties Inc., a Maryland corporation, the Company has agreed to grant the limited partners of Camden Summit Partnership, L.P. (the Partnership) certain registration rights with respect to the common shares of beneficial interest, par value \$.01 per share (the Common Shares), of the Company to be received by the Holders pursuant to any conversion of the Units into Common Shares, whether by exercise of a redemption right or otherwise;

NOW, THEREFORE, in consideration of the foregoing, the mutual promises and agreements set forth herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Certain Definitions.

As used in this Agreement, in addition to the other terms defined herein, the following capitalized defined terms shall have the following meanings:

Affiliate shall mean a Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with a specified Person.

Affiliate Holder shall mean a Holder that is an Affiliate of the Company (or that would be an Affiliate of the Company if all Units held by such Holder were exchanged for Common Shares).

Common Shares shall have the meaning set forth in the recitals to this Agreement.

Company shall have the meaning set forth in the preamble to this Agreement.

Demand Notice shall have the meaning set for in Section 2(c) hereof.

Demand Registration shall have the meaning set forth in Section 2(c) hereof.

Exchange Act shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

Fair Market Value shall mean the closing sales price, or the closing sales bid if no sales were reported, of the Common Shares as quoted on the NYSE on the date immediately preceding the date of calculation or if there are no sales or bids for such date, then for the last preceding business day for such sales or bids, as reported in *The Wall Street Journal* or similar publication.

Holder or Holders shall have the meaning set forth in the preamble to this Agreement.

Indemnitee shall have the meaning set forth in Section 6 hereof.

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Issuance Registration Expiration Date shall have the meaning set forth in Section 2(a) hereof.

Issuance Registration Statement shall have the meaning set forth in Section 2(a) hereof.

Merger Agreement shall have the meaning set forth in the recitals to this Agreement.

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NASD shall mean the National Association of Securities Dealers, Inc.

NYSE shall mean the New York Stock Exchange.

Partnership shall have the meaning set forth in the recitals to this Agreement.

Person shall mean an individual, partnership, corporation, trust, or unincorporated organization, or a government or agency or political subdivision thereof.

Prospectus shall mean the prospectus included in a Registration Statement, including any preliminary prospectus, as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Shares covered by such Registration Statement, and by all other amendments and supplements to such prospectus, including post-effective amendments, and in each case including all material incorporated by reference therein.

Registrable Shares (a) when used with respect to a non-Affiliate Holder, shall mean all Shares of such Holder, excluding (i) Shares for which a Registration Statement relating to the issuance or sale thereof shall have become effective under the Securities Act and which have been issued or disposed of, as applicable, under such Registration Statement, (ii) Shares sold pursuant to Rule 144 or (iii) Shares eligible for sale pursuant to Rule 144(k) (or any successor provision); (b) when used with respect to an Affiliate Holder, shall mean the Shares of such Affiliate Holder, excluding (i) Shares for which a Registration Statement relating to the sale thereof by such Holder shall have become effective under the Securities Act and which have been disposed of under such Registration Statement, (ii) Shares sold pursuant to Rule 144, or (iii) Shares eligible for sale pursuant to Rule 144(k) (or any successor provision); and (c) when used without reference to a Holder, shall mean the Registrable Shares of all Holders. For clarification, it is understood that once Shares have been issued to a non-Affiliate Holder under an effective Registration Statement, such Shares are no longer Registrable Shares no matter who holds such Shares, and, accordingly, neither the non-Affiliate Holder nor any subsequent holder (whether or not such holder is an Affiliate of the Company) of such Shares has any further registration rights with respect to such Shares under this Agreement.

Registration Expenses shall mean any and all expenses incident to the performance of or compliance with this Agreement, including without limitation: (a) all registration and filing fees; (b) all fees and expenses associated with a required listing of the Registrable Shares on any securities exchange; (c) fees and expenses with respect to filings required to be made with the NYSE or the NASD; (d) fees and expenses of compliance with securities or blue sky laws (including reasonable fees and disbursements of counsel for the underwriters or holders of securities in connection with blue sky qualifications of the securities and determination of their eligibility for investment under the laws of such jurisdictions); (e) printing expenses, messenger, telephone and delivery expenses; (f) fees and disbursements of counsel for the Company and customary fees and expenses for independent certified public accountants retained by the Company (including the expenses of any comfort letters or costs associated with the delivery by independent certified public accountants of a comfort letter or comfort letters); (g) securities acts liability insurance, if the Company so desires; (h) all internal expenses of the Company (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties); (i) the expense of any annual audit; (j) reasonable legal fees and expenses of one (1) counsel to the Holders up to a maximum of \$10,000; and (k) the fees and expenses of any person, including special experts, retained by the Company; provided, however, that Registration Expenses shall not include, and the Company shall not have any obligation to pay any other expenses incurred by the Holders in connection with the conversion of their Units, including, without limitation, any underwriting fees, discounts, or commissions attributable to the sale of such Registrable Shares, legal fees and expenses of more than one (1) counsel to the Holders or in an amount exceeding \$10,000, brokerage fees and sales commissions, and any transfer taxes.

Registration Statement shall mean any registration statement of the Company which covers the issuance or resale of any of the Registrable Shares under the Securities Act on an appropriate form, and all amendments and supplements to such registration statement, including post-effective amendments, in

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each case including the Prospectus contained therein, all exhibits thereto and all materials incorporated by reference therein.

Resale Shelf Registration Expiration Date shall have the meaning set forth in Section 2(b) hereof.

Resale Shelf Registration Statement shall have the meaning set forth in Section 2(b) hereof.

Rule 144 means Rule 144 under the Securities Act (or any successor provision).

SEC shall mean the Securities and Exchange Commission.

Securities Act shall mean the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

Shares shall mean all Common Shares issued or issuable to all Holders upon redemption or in exchange for Units held by such Holders and any other Common Shares issued as a dividend with respect to, or in exchange for or in replacement of such Common Shares.

Suspension Event shall have the meaning set forth in Section 9(b) hereof.

Units shall mean the units of limited partner interests in the Partnership held by the Holders (or any other interests issued on account of those units as a result of a unit split, combination, distribution or other similar recapitalization event applying to all such units).

Value means an amount per share of Common Share equal to the average of the daily market price for the ten (10) consecutive trading days immediately preceding the date of determination. The market price for each such trading day shall be: (a) if the Common Shares are listed or admitted to trading on any securities exchange or the NASDAQ National Market System, the closing price on such day, or if no such sale takes place on such day, the average of the closing bid and asked prices on such day; (b) if the Common Shares are not listed or admitted to trading on any securities exchange or the NASDAQ National Market System, the last reported sale price on such day or, if no sale takes place on such day, the average of the closing bid and asked prices on such day, as reported by a reliable quotation source designated by the Company; or (c) if the Common Shares are not listed or admitted to trading on any securities exchange or the NASDAQ National Market System and no such last reported sale price or closing bid and asked prices are available, the average of the reported high bid and low asked prices on such day, as reported by a reliable quotation source designated by the Company, or if there shall be no bid and asked prices on such day, the average of the high bid and low asked prices, as so reported, on the most recent day (not more than ten (10) days prior to the date in question) for which prices have been so reported; provided that if there are no bid and asked prices reported during the ten (10) days prior to the date in question, the Value of the Common Shares shall be determined by the Company acting in good faith on the basis of such quotations and other information as it considers, in its reasonable judgment, appropriate.

2. Registration.

(a) Filing of Issuance Registration Statement. In connection with the Merger, the Company has filed with the SEC a registration statement relating to the issuance of Common Shares to the Holders of the Shares in exchange for the Units and the sale of such Shares by Affiliate Holders (the Issuance Registration Statement), which registration statement was declared effective on . If necessary to ensure the shares are registered on a shelf basis under Rule 415 of the Securities Act, the Company shall, as soon as practicable after the date hereof (but in any event within five (5) business days), cause a post-effective amendment to the Issuance Registration Statement to be filed on Form S-3 or a prospectus under Rule 424 of the Securities Act to be filed. The Company agrees to use its best efforts to keep the Issuance Registration Statement continuously effective until the date on which all Shares (whether outstanding or issuable upon exchange or redemption of common units of limited partnership interest of the Partnership) are no longer Registrable Shares (the Issuance Registration Expiration Date).

(b) Registration Statement Covering Resale of Common Shares. Unless all Registrable Shares have been included in the filing of an Issuance Registration Statement and if the Issuance Registration

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Statement is not available at any time, the Company shall use its best efforts to file with the SEC a Registration Statement on Form S-3 (a Resale Shelf Registration Statement) under Rule 415 of the Securities Act relating to the resale by the Holders of their Registrable Shares as soon as is practicable after the date hereof or, if applicable, after the date such Issuance Registration Statement becomes unavailable. The Company shall use its best efforts to cause such Resale Shelf Registration Statement to be declared effective by the SEC as soon as practicable thereafter. The Company agrees to use its best efforts to keep the Resale Shelf Registration Statement, after its date of effectiveness, continuously effective until the date (the Resale Shelf Registration Expiration Date) on which all Shares (whether outstanding or issuable upon exchange or redemption of common units of limited partnership interest of the Partnership) are no longer Registrable Shares.

(c) Demand Registration. At any time any Units exchangeable for Registrable Shares are outstanding and a Registration Statement covering the resale of such Registrable Shares is not available, the Company shall, at the written request of any Holder or Holders (a Demand Notice), cause to be filed as soon as practicable (but in any event within thirty (30) days) after the date of such request by such Holder a Registration Statement in accordance with Rule 415 under the Securities Act (or its successor) relating to the sale by such Holder of all or a portion of the Registrable Shares held by such Holder in accordance with the terms hereof, and shall use its best efforts to cause such Registration Statement to be declared effective by the SEC as soon as practicable thereafter (a Demand Registration); provided, however, that the Company shall provide reasonable notice to all other Holders and provide such other Holders with the opportunity to elect to have all or any portion of their Shares included on such Registration Statement.

The Company agrees to use its best efforts to keep the Demand Registration continuously effective, after its date of effectiveness, with respect to the Registrable Shares of the requesting Holder or Holders until the earlier of (i) the date on which such Holder no longer holds any Registrable Shares or (ii) the date on which all of the Registrable Shares held by such Holder have become eligible for sale pursuant to Rule 144(k) (or any successor provision).

Notwithstanding the foregoing, (A) the Company shall not be obligated to effect more than two Demand Registrations for Holders in any 12-month period, and (B) the number of Registered Shares proposed to be sold by the Holders making such written request shall have estimated market value of at least \$5,000,000.

Upon receipt by the Company of a Demand Notice, the Company may, but is not obligated to, purchase from any Holder so requesting registration all, but not less than all, of the Registrable Shares that are the subject of the request at a price per share equal to the Value of the Common Shares immediately preceding the date of the registration request. In the event that the Company elects to purchase the Registrable Shares, that are the subject of the Demand Registration, the Company shall notify the Holder within five business days of the date of receipt of the request by the Company, which notice shall indicate (I) that the Company will purchase the Registrable Shares held by such Holder that are the subject of the request, (II) the price per Registrable Share, calculated in accordance with the previous sentence, that the Company will pay the Holder and (III) the date upon which the Company shall repurchase such Registrable Shares, which date shall not be later than the tenth business day after receipt of the Demand Notice. If the Company so elects to purchase the Registrable Shares that are the subject of a Demand Notice made pursuant to this Section 2(c), then upon such purchase the Company shall be relieved of its obligations under this Section 2(c) with respect to such Registrable Shares or as a result of the Demand Notice.

(d) Notification and Distribution of Materials. The Company shall promptly notify the Holder in writing of the effectiveness of any Registration Statement applicable to the Shares and shall furnish to the Holders, without charge, such number of copies of the Registration Statement (including any amendments, supplements and exhibits), the Prospectus contained therein (including each preliminary prospectus and all related amendments and supplements) and any documents incorporated by reference in the Registration Statement or such other documents as the Holders may reasonably request in order to facilitate the sale of the Registrable Shares in the manner described in the Registration Statement.

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(e) Amendments and Supplements. The Company shall promptly prepare and file with the SEC from time to time such amendments and supplements to the Registration Statement and Prospectus used in connection therewith as may be necessary to keep the Registration Statement effective and to comply with the provisions of the Securities Act with respect to the disposition of all the Registrable Shares until the earlier of (i) such time as all of the Registrable Shares have been issued or disposed of in accordance with the intended methods of disposition by the Holders or issuance by the Company as set forth in the Registration Statement or (ii) the date on which the Registration Statement is no longer required to be effective under the terms of this Agreement. Upon ten (10) business days' notice, the Company shall file any supplement or post-effective amendment to the Registration Statement with respect to the plan of distribution or a Holder's ownership interests in his, her or its Registrable Shares that is reasonably necessary to permit the sale of such Holder's Registrable Shares pursuant to the Registration Statement. Concurrently with the effectiveness of any Registration Statement, or amendment or supplement thereto, required to be filed by the Company hereunder, the Company shall file any necessary listing applications or amendments to the existing applications to cause the Shares registered under any Registration Statement to be then listed or quoted on the NYSE or such other primary exchange or quotation system on which the Common Shares are then listed or quoted.

(f) Notice of Certain Events. The Company shall promptly notify the Holders of, and confirm in writing, any request by the SEC for any amendment or supplement to, or additional information in connection with, any Registration Statement required to be prepared and filed hereunder (or Prospectus relating thereto). The Company shall promptly notify each Holder of, and confirm in writing, the filing of the Registration Statement or any Prospectus, amendment or supplement related thereto or any post-effective amendment to the Registration Statement and the effectiveness of any post-effective amendment.

At any time when a Prospectus relating to the Registration Statement is required to be delivered under the Securities Act by a Holder to a transferee, the Company shall immediately notify the Holders of the happening of any event as a result of which the Prospectus included in such Registration Statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. In such event, the Company shall promptly, and in any event within ten (10) business days, prepare and furnish to the Holders a reasonable number of copies of a supplement to or an amendment of such Prospectus as may be necessary so that, as thereafter delivered to the purchasers of Registrable Shares sold under the Prospectus, such Prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading. The Company shall, if necessary, promptly, and in any event within ten (10) business days, amend the Registration Statement of which such Prospectus is a part to reflect such amendment or supplement.

3. State Securities Laws. Subject to the conditions set forth in this Agreement, the Company shall, in connection with the filing of any Registration Statement hereunder, file such documents as may be necessary to register or qualify the Registrable Shares under the securities or Blue Sky laws of such states as the Holders may reasonably request, and the Company shall use its reasonable best efforts to cause such filings to become effective in a timely manner; provided, however, that the Company shall not be obligated to qualify as a foreign corporation to do business under the laws of any such state in which it is not then qualified or to file any general consent to service of process in any such state. Once effective, the Company shall use its reasonable best efforts to keep such filings effective until the earlier of (a) such time as all of the Registrable Shares have been disposed of in accordance with the intended methods of disposition by the Holders as set forth in the applicable Registration Statement, (b) in the case of a particular state, the applicable Holders have notified the Company that they no longer require an effective filing in such state in accordance with their original request for filing or (c) the date on which the applicable Registration Statement ceases to be effective.

4. Listing. The Company will use reasonable best efforts to cause all Registrable Shares to be listed or otherwise eligible for full trading privileges on the principal national securities exchange (currently the New York Stock Exchange) or automated quotation system on which the Common Shares are then listed

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or traded, in each case not later than the date on which a Registration Statement covering the Registrable Shares becomes effective or the Registrable Shares are issued by the Company to a Holder, whichever is later. The Company will use reasonable best efforts to continue the listing or trading privilege for all Registrable Shares on such exchange or automated quotation service. The Company will promptly notify the Holders of, and confirm in writing, the delisting of the Common Shares by such exchange or automated quotation service.

5. Expenses. The Company shall bear all Registration Expenses incurred in connection with the registration of the Registrable Shares pursuant to this Agreement and the Company's performance of its other obligations under the terms of this Agreement.

6. Indemnification by the Company. The Company agrees to indemnify the Holders and, if a Holder is a person other than an individual, such Holder's officers, directors, employees, members, partners, fiduciaries, agents, representatives and Affiliates, and each person or entity, if any, that controls a Holder within the meaning of the Securities Act, and each other person or entity, if any, subject to liability because of his, her or its connection with a Holder (each, an Indemnitee), against any and all losses, claims, damages, actions, liabilities, costs and expenses (including without limitation fees, reasonable expenses and disbursements of attorneys and other professionals), joint or several, arising out of or based (a) upon any violation by the Company of any rule or regulation promulgated under the Securities Act applicable to the Company and relating to action or inaction required of the Company under the terms of this Agreement or in connection with any Registration Statement or Prospectus, or (b) upon any untrue or alleged untrue statement of material fact contained in any Registration Statement or any Prospectus, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, that the Company shall not be liable to such Indemnitee or any person who participates as an underwriter in the offering or sale of Registrable Shares or any other person, if any, who controls such underwriter within the meaning of the Securities Act, in any such case to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises directly out of or is based directly upon (i) an untrue statement or alleged untrue statement or omission or alleged omission made in such Registration Statement or in any such Prospectus in reliance upon and in conformity with information regarding such Indemnitee or its plan of distribution or ownership interests which was furnished in writing to the Company for use in connection with such Registration Statement or the Prospectus contained therein by such Indemnitee or (ii) any Holder's failure to send or give a copy of the final, amended or supplemented Prospectus furnished to the Holders by the Company at or prior to the time such action is required by the Securities Act to the person claiming an untrue statement or alleged untrue statement or omission or alleged omission if such statement or omission was corrected in such final amended or supplemented Prospectus and such final amended or supplemented Prospectus was received by such Holder prior to the time delivery is required by the Securities Act.

7. Covenants of Holders. Each of the Holders hereby agrees (a) to cooperate with the Company and to furnish to the Company all such information concerning its plan of distribution and ownership interests with respect to its Registrable Shares in connection with the preparation of a Registration Statement with respect to such Holder's Registrable Shares and any filings with any state securities commissions as the Company may reasonably request, (b) to deliver or cause delivery of the Prospectus contained in such Registration Statement (other than an Issuance Registration Statement) to any purchaser of the shares covered by such Registration Statement from such Holder and (c) to indemnify the Company, its officers, directors, employees, agents, representatives and Affiliates, and each person, if any, who controls the Company within the meaning of the Securities Act, and each other person or entity, if any, subject to liability because of his, her or its connection with the Company, to the same extent as the indemnity contained in Section 6 against any and all losses, claims, damages, actions, liabilities, costs and expenses arising out of or based upon (i) any untrue statement or alleged untrue statement of material fact contained in any Registration Statement or Prospectus, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, if and solely to the extent that such statement

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or omission occurs directly from reliance upon and in conformity with written information regarding such Holder, his, her or its plan of distribution or his, her or its ownership interests, which was furnished to the Company in writing by such Holder for use therein unless such statement or omission was corrected in writing to the Company prior to the date one day prior to the date of the final Prospectus (as supplemented or amended, as the case may be) or (ii) the failure by such Holder to deliver or cause to be delivered the Prospectus contained in such Registration Statement (as amended or supplemented, if applicable) furnished by the Company to the Holder to any purchaser of the shares covered by such Registration Statement from the Holder through no fault of the Company.

8. Indemnification Procedures.

Any person entitled to indemnification under this Agreement shall notify promptly the indemnifying party in writing of the commencement of any action or proceeding with respect to which a claim for indemnification may be made hereunder, but the failure of any indemnified party to provide such notice shall not relieve the indemnifying party of its obligations hereunder, except to the extent the indemnifying party is materially prejudiced thereby and shall not relieve the indemnifying party from any liability which it may have to any indemnified party otherwise than hereunder. In case any action or proceeding is brought against an indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, unless in the reasonable opinion of outside counsel to the indemnified party a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, to assume the defense thereof (alone or jointly with any other indemnifying party similarly notified), to the extent that it chooses, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party that it so chooses, the indemnifying party shall not be liable to such indemnified party for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof; provided, however, that (a) if the indemnifying party fails to take reasonable steps necessary to defend diligently the action or proceeding within twenty (20) business days after receiving notice from such indemnified party that the indemnified party believes it has failed to do so; or (b) if such indemnified party who is a defendant in any action or proceeding which is also brought against the indemnifying party shall have reasonably concluded, based on the advice of counsel, that there may be one or more legal defenses available to such indemnified party which are not available to the indemnifying party; or (c) if representation of both parties by the same counsel is otherwise inappropriate under applicable standards of professional conduct, then, in any such case, the indemnified party shall have the right to assume or continue its own defense as set forth above (but with no more than one firm of counsel for all indemnified parties in each jurisdiction, unless representation of more than one of the parties by the same counsel is otherwise inappropriate under applicable standards of professional conduct) and the indemnifying party shall be liable for any expenses therefor. No indemnifying party shall, without the written consent of the indemnified party (which shall not be unreasonably withheld), effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or (to the knowledge of the indemnifying party) threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

9. Suspension of Registration Requirement; Restriction on Sales.

(a) The Company shall promptly notify each Holder of, and confirm in writing, the issuance by the SEC of any stop order suspending the effectiveness of a Registration Statement with respect to such Holder's Registrable Shares or the initiation of any proceedings for that purpose. The Company shall use its best efforts to obtain the withdrawal of any order suspending the effectiveness of such a Registration Statement at the earliest possible moment and in any event within forty-five (45) days from the initial date of such suspension.

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(b) Notwithstanding anything to the contrary set forth in this Agreement, the Company's obligation under this Agreement to file, amend or supplement a Registration Statement, or to cause a Registration Statement, or any filings with any state securities commission, to become effective shall be suspended, for one or more periods not to exceed the period described in Section 10 below, in the event of pending negotiations relating to, or consummation of, a transaction or the occurrence of an event that (i) would require additional disclosure of material information by the Company in the Registration Statement or such filing, as to which the Company has a bona fide business purpose for preserving confidentiality, or (ii) render the Company unable to comply with SEC requirements, or (iii) would otherwise make it impracticable or unadvisable to cause the Registration Statement or such filings to be filed, amended or supplemented or to become effective (any such circumstances being hereinafter referred to as a Suspension Event). The Company shall notify the Holders of the existence of any Suspension Event by promptly delivering to each Holder a certificate signed by the chief executive officer of the Company stating that a Suspension Event has occurred and is continuing.

(c) Subject to the terms of Section 10 below, each Holder agrees that, following the effectiveness of any Registration Statement relating to Registrable Shares of such Holder, such Holder will not effect any sales of the Shares pursuant to such Registration Statement or any filings with any state Securities Commission at any time after such Holder has received notice from the Company to suspend sales as a result of the occurrence or existence of any Suspension Event or so that the Company may correct or update the Registration Statement or such filing. During such period, the Company will not be obligated to effect redemptions of Common Units under an Issuance Registration Statement, if one is then effective. The Holders may recommence effecting sales of the Shares pursuant to the Registration Statement or such filings, and all other obligations which are suspended as a result of a Suspension Event shall no longer be so suspended, following further notice to such effect from the Company, which notice shall be given by the Company not later than one (1) business day after the conclusion of any such Suspension Event.

10. Limitations on Suspension/ Blackout Periods. Notwithstanding anything herein to the contrary, the Company covenants and agrees that (a) the Company's rights to suspend its obligation under this Agreement to file, amend or supplement a Registration Statement and maintain the effectiveness of any Registration Statement during the pendency of any Suspension Event, (b) the Holders' obligation to suspend public sales of Shares during one or more Offering Blackout Periods and (c) the Holders' obligations to suspend sales of Shares pursuant to a Registration Statement during the pendency of any Suspension Event, shall not, in the aggregate, cause the Holders to be required to suspend public sales of Shares or relieve the Company of its obligation to file, amend or supplement and maintain the effectiveness of a Registration Statement for longer than sixty (60) days in the aggregate during any twelve (12) month period.

11. Contribution. If the indemnification provided for in Section 6 and Section 7 is unavailable to an indemnified party with respect to any losses, claims, damages, actions, liabilities, costs or expenses referred to therein or is insufficient to hold the indemnified party harmless as contemplated therein, then the indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages, actions, liabilities, costs or expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party, on the one hand, and the indemnified party, on the other hand, in connection with the statements or omissions which resulted in such losses, claims, damages, actions, liabilities, costs or expenses as well as any other relevant equitable considerations. The relative fault of the indemnifying party, on the one hand, and of the indemnified party, on the other hand, shall be determined by reference to, among other factors, whether the untrue or alleged untrue statement of a material fact or omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission; provided, however, that in no event shall the obligation of any indemnifying party to contribute under this Section 11 exceed the amount that such indemnifying party would have been obligated to pay by way of

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indemnification if the indemnification provided for under Section 6 or Section 7 hereof had been available under the circumstances.

The Company and the Holders agree that it would not be just and equitable if contribution pursuant to this Section 11 were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in the immediately preceding paragraph.

Notwithstanding the provisions of this Section 11, no Holder shall be required to contribute any amount in excess of the amount by which the net proceeds from the sale of Registrable Shares under the applicable Registration Statement in the transaction resulting in such rights of contribution exceeds the amount of any damages that such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission. No indemnified party guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any indemnifying party who was not guilty of such fraudulent misrepresentation.

12. Amendments and Waivers. The provisions of this Agreement may not be amended, modified, or supplemented or waived without the prior written consent of the Company and Holders holding in excess of two-thirds of the aggregate of the outstanding Registrable Shares and Units that are convertible into Registrable Shares (which, for the purpose of this Section 12, are to be counted as if all such Units were converted into shares of Common Stock).

13. Notices. Except as set forth below, all notices and other communications provided for or permitted hereunder shall be in writing and shall be deemed to have been duly given when and if delivered personally or sent by telex or telecopier (with respect to notice by telex or telecopier, on a business day between the hours of 8:00 a.m. and 7:00 p.m., Central time), five business days after being sent if mailed by registered or certified mail (return receipt requested), postage prepaid, or upon receipt if sent by courier or overnight delivery service to the respective parties at the following addresses (or at such other address for any party as shall be specified by like notice, provided that notices of a change of address shall be effective only upon receipt thereof), and further provided that in case of directions to amend the Registration Statement pursuant to Section 2(f) or Section 7, the Holder must confirm such notice in writing by overnight express delivery with confirmation of receipt:

If to the Company:

Camden Property Trust
3 Greenway Plaza, Suite 1300
Houston, TX 77046
Attention: Richard J. Campo
Facsimile: (713) 572-4440

with a copy to:

Locke Liddell & Sapp LLP
2200 Ross Avenue, Suite 2200
Dallas, TX 75201
Attention: Bryan L. Goolsby
Facsimile: (214) 740-8800

If to the Holders:

At their respective address set forth on Exhibit A.

14. Successors and Assigns. This Agreement and the rights granted hereunder may not, without the prior written consent of the Company, be assigned by any Holder except in connection with a transfer of Units in accordance with the provisions of the partnership agreement of the Partnership. This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. If any successor or permitted assignee of any Holder shall acquire Units or Registrable Shares, in any manner,

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whether by operation of law or otherwise, (a) such successor or permitted assignee shall be entitled to all of the benefits of a Holder under this Agreement and (b) such Registrable Shares shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Shares such Person shall be conclusively deemed to have agreed to be bound by all of the terms and provisions hereof.

15. Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

16. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts made and to be performed wholly within said State.

17. Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstances, is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be in any way impaired thereby, it being intended that all of the rights and privileges of the parties hereto shall be enforceable to the fullest extent permitted by law.

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

[The Remainder of This Page Has Been Intentionally Left Blank.]

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

CAMDEN PROPERTY TRUST
a Texas real estate investment trust

By: _____

Name:

Title:

[HOLDERS],

By: _____

Name:

Title:

By: _____

Name:

Title:

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ANNEX E

October 4, 2004

The Board of Directors
Summit Properties Inc.
309 East Morehead Street, Suite 200
Charlotte, NC 28202-2307

Members of the Board of Directors:

You have requested our opinion as to the fairness, from a financial point of view, to the holders of common stock, par value \$0.01 per share (the Company Common Stock), of Summit Properties Inc. (the Company) (including with respect to equity securities convertible into, or redeemable by the Company under certain circumstances for, shares of the Company Common Stock, any holders thereof on an as-converted or as-redeemed basis, as the case may be, collectively, the Holders) of the consideration to be received by such Holders in the proposed merger (the Merger) of the Company with and into Camden Sparks, Inc. (the MergerCo), a wholly-owned subsidiary of Camden Property Trust (the Merger Partner). Pursuant to the Agreement and Plan of Merger Among Camden Property Trust, Camden Sparks, Inc. and Summit Properties Inc., dated as of October 4, 2004 (the Agreement), among the Company, the Merger Partner and Camden Sparks, Inc., the Company will become a wholly-owned subsidiary of the Merger Partner, and each outstanding share of Company Common Stock (other than shares of Company Common Stock held in treasury or owned by any wholly owned Subsidiary of the Company or by the Merger Partner, MergerCo or any other wholly owned Subsidiary of the Merger Partner) will be converted into the right to receive, at the election of the Holder and subject to certain procedures and limitations set forth in the Agreement as to which we express no opinion, consideration equal to \$31.20 in cash (the Cash Consideration) or 0.6687 shares (the Share Consideration) and together with the Cash Consideration, the Consideration) of the Merger Partner 's common stock, par value \$0.01 per share (the Merger Partner Common Stock) (subject to adjustment as set forth in the Agreement so that in no event will the market value of Merger Partner Common Stock to be received in exchange for a share of Company Common Stock (determined in accordance with the Agreement) be less than the product of (x) 0.6687 and (y) \$39.31 without the consent of the Company).

In arriving at our opinion, we have (i) reviewed the Agreement; (ii) reviewed certain publicly available business and financial information concerning the Company and the Merger Partner and the industries in which they operate; (iii)

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compared the proposed financial terms of the Merger with the publicly available financial terms of certain transactions involving companies we deemed relevant and the consideration received for such companies; (iv) compared the financial and operating performance of the Company and the Merger Partner with publicly available information concerning certain other companies we deemed relevant and reviewed the current and historical market prices of the Company Common Stock and the Merger Partner Common Stock and certain publicly traded securities of such other companies; (v) reviewed certain internal financial analyses and forecasts prepared by the managements of the Company and the Merger Partner relating to their respective businesses; and (vi) performed such other financial studies and analyses and considered such other information as we deemed appropriate for the purposes of this opinion.

In addition, we have held discussions with certain members of the management of the Company and the Merger Partner with respect to certain aspects of the Merger, and the past and current business operations of the Company and the Merger Partner, the financial condition and future prospects and operations of the Company and the Merger Partner, the effects of the Merger on the financial condition and future prospects of the Company and the Merger Partner, and certain other matters we believed necessary or appropriate to our inquiry.

In giving our opinion, we have relied upon and assumed, without independent verification, the accuracy and completeness of all information that was publicly available or was furnished to us by the Company and the Merger Partner or otherwise reviewed by us, and we have not assumed any responsibility or liability therefor. We have not conducted any valuation or appraisal of any assets or liabilities, nor have any such valuations or appraisals been provided to us. In relying on financial analyses and forecasts provided to us, we have assumed that they have been reasonably prepared based on assumptions reflecting the best currently available estimates and judgments by management as to the expected future results of operations and financial condition of the Company and the Merger Partner to which such analyses or forecasts relate. We have also assumed that the Merger will qualify as a tax-deferred reorganization under the Internal Revenue Code for United States federal income tax purposes, that the other transactions contemplated by the Agreement will be consummated as described in the Agreement. We have relied as to all legal matters relevant to rendering our opinion upon the advice of counsel. We have further assumed that all material governmental, regulatory or other consents and approvals necessary for the consummation of the Merger will be obtained without any adverse effect on the Company or the Merger Partner or on the contemplated benefits of the Merger.

Our opinion is necessarily based on economic, market and other conditions as in effect on, and the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect this opinion and that we

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do not have any obligation to update, revise, or reaffirm this opinion. Our opinion is limited to the fairness, from a financial point of view, of the Consideration to be received by the Holders in the proposed Merger and we express no opinion as to the underlying decision by the Company to engage in the Merger. We are expressing no opinion herein as to the price at which the Merger Partner Common Stock will trade at any future time.

We have acted as financial advisor to the Company with respect to the proposed Merger and will receive a fee from the Company for our delivery of this opinion, as well as an additional fee if the proposed Merger is consummated. We and our affiliates have provided investment banking and/or commercial banking services in the past for the Company and the Merger Partner, respectively, in each case for customary compensation, and currently, one of our affiliates is an agent bank and lender under the Merger Partner's current unsecured credit facility, which may be drawn in whole or in part to fund a portion of the Cash Consideration. In the ordinary course of our businesses, we and our affiliates may actively trade the debt and equity securities of the Company or the Merger Partner for our own account or for the accounts of customers and, accordingly, we may at any time hold long or short positions in such securities.

On the basis of and subject to the foregoing, it is our opinion as of the date hereof that the Consideration to be received by the Holders in the proposed Merger is fair, from a financial point of view, to such Holders.

This letter is provided to the Board of Directors of the Company in connection with and for the purposes of its evaluation of the Merger. This opinion does not constitute a recommendation to any shareholder of the Company as to the form of the Consideration such shareholder should elect to receive or as to how such shareholder should vote with respect to the Merger or any other matter. This opinion may not be disclosed, referred to, or communicated (in whole or in part) to any third party for any purpose whatsoever except with our prior written approval. This opinion may be reproduced in full in any proxy or information statement mailed to shareholders of the Company but may not otherwise be disclosed publicly in any manner without our prior written approval.

Very truly yours,

J.P. MORGAN SECURITIES INC.

J.P. Morgan Securities Inc.

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PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. *Indemnification of Directors and Officers.*
Camden Property Trust

Subsection (B) of Section 9.20 of the Texas REIT Act empowers a real estate investment trust to indemnify any person who was, is, or is threatened to be made a named defendant or respondent in any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such an action, suit, or proceeding, or any inquiry or investigation that can lead to such an action, suit or proceeding because the person is or was a trust manager, officer, employee or agent of the real estate investment trust or is or was serving at the request of the real estate investment trust as a trust manager, director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another real estate investment trust, corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise against expenses (including court costs and attorney fees), judgments, penalties, fines and settlements if he conducted himself in good faith and reasonably believed his conduct was in or not opposed to the best interests of the real estate investment trust and, in the case of any criminal proceeding, had no reasonable cause to believe that his conduct was unlawful.

The Texas REIT Act further provides that, except to the extent otherwise permitted by the Texas REIT Act, a person may not be indemnified in respect of a proceeding in which the person is found liable on the basis that personal benefit was improperly received by him or in which the person is found liable to the real estate investment trust. Indemnification pursuant to Subsection (B) of Section 9.20 of the Texas REIT Act is limited to reasonable expenses actually incurred and may not be made in respect of any proceeding in which the person has been found liable for willful or intentional misconduct in the performance of his duty to the real estate investment trust.

Subsection (C) of Section 15.10 of the Texas REIT Act provides that a trust manager will not be liable for any claims or damages that may result from his acts in the discharge of any duty imposed or power conferred upon him by the real estate investment trust, if, in the exercise of ordinary care, he acted in good faith and in reliance upon information, opinions, reports, or statements, including financial statements and other financial data, concerning the real estate investment trust, that were prepared or presented by officers or employees of the real estate investment trust, legal counsel, public accountants, investment bankers, or certain other professionals, or a committee of trust manager of which the trust manager is not a member. In addition, no trust manager will be liable to the real estate investment trust for any act, omission, loss, damage, or expense arising from the performance of his duty to a real estate investment trust, save only for his own willful misfeasance, willful malfeasance or gross negligence.

Article Sixteen of Camden Property Trust's (Camden) declaration of trust provides that Camden will indemnify officers and trust managers, as set forth below:

(a) Camden shall indemnify, to the fullest extent that indemnification is permitted by Texas law in accordance with Camden's bylaws, every person who is or was a trust manager or officer of Camden or its corporate predecessor and any person who is or was serving at the request of Camden or its corporate predecessor as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another real estate investment trust, foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise with respect to all reasonable costs and expenses incurred by such person as a result of such person being made or threatened to be made a defendant or respondent in a proceeding by reason of his holding or having held a position named above in this paragraph as well as against all judgments, penalties, fines and amounts paid in settlement.

(b) If the indemnification provided in paragraph (a) is either (i) insufficient to cover all costs and expenses incurred by any person named in such paragraph as a result of such person being made

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or threatened to be made a defendant or respondent in a proceeding by reason of his holding or having held a position named in such paragraph or (ii) not permitted by Texas law, Camden shall indemnify, to the fullest extent that indemnification is permitted by Texas law, every person who is or was a trust manager or officer of Camden or its corporate predecessor and any person who is or was serving at the request of Camden or its corporate predecessor as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another real estate investment trust, foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise with respect to all costs and expenses incurred by such person as a result of such person being made or threatened to be made a defendant or respondent in a proceeding by reason of his holding or having held a position named above in this paragraph.

The Camden bylaws provide that Camden may indemnify any trust manager or officer of Camden who was, is or is threatened to be made a party to any proceeding because the person is or was a trust manager, officer, employee or agent of Camden, or is or was serving at the request of Camden in the same or another capacity in another corporation or business association, against judgments, penalties, fines, settlements and reasonable expenses actually incurred if it is determined that the person: (i) conducted himself in good faith, (ii) reasonably believed that, in the case of conduct in his official capacity, his conduct was in the best interests of Camden, and that, in all other cases, his conduct was at least not opposed to the best interests of Camden, and (iii) in the case of any criminal proceeding, had no reasonable cause to believe his conduct was unlawful; provided that, if the person is found liable to Camden, or is found liable on the basis that personal benefit was improperly received by the person, the indemnification (A) is limited to reasonable expenses actually incurred by the person in connection with the proceeding and (B) will not be made in respect of any proceeding in which the person shall have been found liable for willful or intentional misconduct in the performance of his duty to Camden.

Summit Properties Partnership, L.P.

Summit Properties Inc. s (Summit) articles of incorporation and bylaws limit the liability of its directors and officers to Summit and its stockholders to the fullest extent permitted from time to time by Maryland law. Maryland law presently permits the liability of directors and officers to a corporation or its stockholders for money damages to be limited, except (i) to the extent that it is proved that the director or officer actually received an improper benefit or profit; or (ii) if a judgment or other final adjudication is entered in a proceeding based on a finding that the director s or officer s action or failure to act was the result of active and deliberate dishonesty and was material to the cause of action adjudicated in the proceeding. This provision does not limit the ability of Summit or its stockholders to obtain other relief, such as an injunction or rescission.

Summit s articles of incorporation and bylaws also require Summit to indemnify its directors, officers and certain other parties to the fullest extent permitted from time to time by Maryland law. Maryland law permits a corporation to indemnify its directors, officers and certain other parties against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made a party by reason of their service to or at the request of the corporation, unless it is established that (i) the act or omission was committed in bad faith or was the result of active and deliberate dishonesty; (ii) the indemnified party actually received an improper personal benefit; or (iii) in the case of any criminal proceeding, the indemnified party had reasonable cause to believe that the act or omission was unlawful.

Summit Properties Partnership, L.P. s (the Operating Partnership) partnership agreement limits the liability of the general partner and its officers and directors for losses sustained or liabilities incurred as a result of errors in judgment or of any act or omission if the general partner acted in good faith. The agreement also requires the Operating Partnership to indemnify the general partner, directors, trustees and officers of the Operating Partnership and the general partner and certain other parties to the fullest extent permitted from time to time by Delaware law.

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Pursuant to the authority granted in Summit's articles of incorporation and bylaws and the Operating Partnership's partnership agreement, Summit and the Operating Partnership have entered into indemnification agreements with each of Summit's directors and executive officers. The indemnification agreements require, among other matters, that Summit indemnify its executive officers and directors to the fullest extent permitted by law and advance to such officers and directors all related expenses, subject to reimbursement if it is subsequently determined that indemnification is not permitted. Summit must also indemnify and advance all expenses incurred by such officers and directors seeking to enforce their rights under the indemnification agreements and may cover such officers and directors under Summit's directors' and officers' liability insurance. Although the form of indemnification agreement offers substantially the same scope of coverage afforded by law, it provides assurance to directors and officers that indemnification will be available, because, as a contract, it cannot be modified unilaterally in the future by Summit's board of directors or stockholders to eliminate the rights it provides.

Item 21. Exhibits and Financial Statement Schedules*(a) Exhibits*

Exhibit No.	Document
2.1	Agreement and Plan of Merger, dated as of October 4, 2004, among Camden Property Trust, Camden Summit, Inc. and Summit Properties Inc. Incorporated by reference from Exhibit 2.1 to the Current Report on Form 8-K of Camden Property Trust filed on October 5, 2004 (File No. 1-12110).
2.2	Amendment No. 1 to Agreement and Plan of Merger, dated October 6, 2004, among Camden Property Trust, Camden Summit, Inc. and Summit Properties Inc. Incorporated by reference from Exhibit 2.1 to the Current Report on Form 8-K of Camden Property Trust filed on October 6, 2004 (File No. 1-12110).
2.3	Amendment No. 2 to Agreement and Plan of Merger, dated as of January 24, 2005, among Camden Property Trust, Camden Summit, Inc. and Summit Properties Inc. Incorporated by reference from Exhibit 2.1 to the Current Report on Form 8-K of Camden Property Trust filed on January 25, 2005 (File No. 1-12110).
3.1	Amended and Restated Declaration of Trust of Camden Property Trust. Incorporated by reference from Exhibit 3.1 to the Annual Report on Form 10-K of Camden Property Trust for the year ended December 31, 1993 (File No. 1-12110).
3.2	Amendment to the Amended and Restated Declaration of Trust of Camden Property Trust. Incorporated by reference from Exhibit 3.1 to the Quarterly Report on Form 10-Q of Camden Property Trust for the quarter ended June 30, 1997 (File No. 1-12110).
3.3	Second Amended and Restated Bylaws of Camden Property Trust. Incorporated by reference from Exhibit 3.3 to the Annual Report on Form 10-K of Camden Property Trust for the year ended December 31, 1997 (File No. 1-12110).
4.1	Specimen certificate for Common Shares of Beneficial Interest. Incorporated by reference from Exhibit 4.1 to the Registration Statement on Form S-11 of Camden Property Trust filed on September 15, 1993 (File No. 33-68736).
4.2	Form of Registration Rights Agreement between Camden Property Trust and the holders named therein. Incorporated by reference from Exhibit 4.2 to the Registration Statement on Form S-4 of Camden Property Trust filed on November 23, 2004 and included in this registration statement as Annex D to the consent solicitation/prospectus.
5.1*	Opinion of Locke Liddell & Sapp LLP.
8.1*	Opinion of Locke Liddell & Sapp LLP regarding the qualification of Camden Property Trust as a real estate investment trust for federal income tax purposes.
8.2*	Opinion of Goodwin Procter LLP regarding the qualification of Summit Properties Inc. as a real estate investment trust for federal income tax purposes.
8.3**	Opinion of Goodwin Procter LLP regarding the qualification of Summit Properties Partnership, L.P. as a partnership for federal income tax purposes.

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Exhibit No.	Document
8.4*	Opinion of Goodwin Procter LLP regarding the qualification of the merger as a tax-free reorganization for federal income tax purposes.
10.1	Form of Amended and Restated Credit Agreement dated January 14, 2005 among Camden Property Trust, the lenders named therein, Bank of America, N.A., as administrative agent, JPMorgan Chase Bank, N.A., as syndication agent, Wachovia Bank, N.A. and Wells Fargo Bank, N.A., as documentation agents, Banc of America Securities LLC, as sole lead arranger and joint bookrunner, and J.P. Morgan Securities Inc., as joint bookrunner. Incorporated by reference from Exhibit 99.1 to the Current Report on Form 8-K of Camden Property Trust filed on January 18, 2005 (File No. 1-12110).
10.2	Credit Agreement, dated as of January 19, 2005, among Camden Property Trust, Bank of America, N.A., as administrative agent, the Lenders named therein and Banc of America Securities LLC, as sole lead arranger. Incorporated by reference from Exhibit 99.1 to the Current Report on Form 8-K of Camden Property Trust filed on January 20, 2005 (File No. 1-12110).
10.3	Voting Agreement dated as of October 4, 2004 among Camden Property Trust, William B. McGuire, Jr. and William F. Paulsen. Incorporated by reference from Exhibit 10.1 to the Current Report on Form 8-K of Camden Property Trust filed on October 4, 2004 (File No. 1-12110).
10.4	Form of Second Amended and Restated Agreement of Limited Partnership of Camden Summit Partnership, L.P. among Camden Summit, Inc., as general partner, and the persons whose names are set forth on Exhibit A thereto. Included in this registration statement as Annex B to the consent solicitation/prospectus.
10.5	Form of Tax, Asset and Income Support Agreement among Camden Property Trust, Camden Summit, Inc., Camden Summit Partnership, L.P. and each of the limited partners who have executed a signature page thereto. Incorporated by reference from Exhibit 10.4 to the Registration Statement on Form S-4 of Camden Property Trust filed on November 23, 2004 and included in this registration statement as Annex C to the consent solicitation/prospectus.
21.1	Subsidiaries of Camden Property Trust. Incorporated by reference from Exhibit 21.1 to the Annual Report on Form 10-K of Camden Property Trust for the year ended December 31, 2003 (File No. 1-12110).
21.2	Subsidiaries of Summit Properties Partnership, L.P. Incorporated by reference from Exhibit 21.1 to the Annual Report on Form 10-K of Summit Properties Partnership, L.P. for the year ended December 31, 2003 (File No. 000-22411).
23.1**	Consent of Deloitte & Touche LLP with respect to Camden Property Trust.
23.2**	Consent of Deloitte & Touche LLP with respect to Summit Properties Inc. and Summit Properties Partnership, L.P.
23.3*	Consent of J.P. Morgan Securities Inc.
23.4	Consent of Locke Liddell & Sapp LLP (included in Exhibits 5.1 and 8.1 hereto).
23.5	Consent of Goodwin Procter LLP (included in Exhibits 8.2 and 8.4 hereto).
24.1	Camden Property Trust Power of Attorney (included on the signature page hereto).
24.1	Summit Properties Partnership, L.P. Power of Attorney (included on the signature page hereto).
99.1*	Consent of William B. McGuire, Jr. to be named as a trust manager of Camden Property Trust.
99.2*	Consent of William F. Paulsen to be named as a trust manager of Camden Property Trust.
99.3*	Form of consent solicited by the Board of Directors of Summit Properties Inc., as general partner of Summit Properties Partnership, L.P., and Form of Election and related documentation.

* Previously filed.

** Filed herewith.

(b) *Financial Statements Schedules*

Included in documents incorporated herein by reference.

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(c) *Reports, Opinions and Appraisals*

The opinion of J.P. Morgan Securities Inc. is attached to the consent solicitation/prospectus forming a part of this Registration Statement as Annex E.

Item 22. Undertakings

The undersigned registrants hereby undertake:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the respective registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(5) That prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this registration statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the issuer undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other items of the applicable form.

(6) That every prospectus (i) that is filed pursuant to paragraph (c) immediately preceding, or (ii) that purports to meet the requirements of Section 10(a)(3) of the Act and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to the registration statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act of 1933, each such post-effective amendment

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shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(7) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to trust managers, officers and controlling persons of the respective registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a trust manager, director officer or controlling person of the respective registrant in the successful defense of any action, suit or proceeding) is asserted by such trust manager, director officer or controlling person in connection with the securities being registered, the respective registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(8) To respond to requests for information that is incorporated by reference into the prospectus pursuant to Item 4, 10(b), 11, or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(9) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

Dennis M. Steen
Attorney-in-Fact

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Charlotte, state of North Carolina, on January 25, 2005.

SUMMIT PROPERTIES PARTNERSHIP, L.P.

By: Summit Properties Inc., its general partner

By: /s/ Steven R. LeBlanc

Steven R. LeBlanc
President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

*		January 25, 2005
<hr/>		
William B. McGuire, Jr.	Co-Chairman of the Board of Directors	
*		January 25, 2005
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William F. Paulsen		
/s/ Steven R. LeBlanc	President, Chief Executive Officer and Director	January 25, 2005
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Steven R. LeBlanc	(Principal Executive Officer)	
/s/ GREGG D. ADZEMA	Executive Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	January 25, 2005
<hr/>		
Gregg D. Adzema		
*	Director	January 25, 2005
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Henry H. Fishkind		
*	Director	January 25, 2005
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James H. Hance, Jr.		
*	Director	January 25, 2005
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Nelson Schwab, III		
*	Director	January 25, 2005
<hr/>		
James M. Allwin		
*	Director	January 25, 2005
<hr/>		
Wendy P. Riches		

By: /s/ Steven R. LeBlanc

Steven R. LeBlanc
Attorney-in-Fact

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99.2*	Consent of William F. Paulsen to be named as a trust manager of Camden Property Trust.
99.3*	Form of consent solicited by the Board of Directors of Summit Properties Inc., as general partner of Summit Properties Partnership, L.P., and Form of Election and related documentation.

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** Filed herewith.