

Exhibit

City of Philadelphia  
Office of Emergency Shelter  
Philadelphia, Pennsylvania 19102

050875 . 6/15/05  
Amended to add  
exhibit to file

June 15, 2005

Attn: Jim Campenella  
4508 Chestnut Street Associates, LP  
1601 S. Columbus Blvd  
Philadelphia, PA 19148

Re: **4508 Chestnut, Philadelphia, Pennsylvania — Proposed Lease**

Dear Mr. Campenella:

This letter sets forth for your consideration the principal terms of a proposed Lease by 4508 Chestnut Street Associates, LP or its affiliate (the "Landlord") to the Philadelphia Municipal Authority, a body corporate and politic organized and existing under the laws of the Commonwealth of Pennsylvania ("PMA") of a building located at 4508 Chestnut Street, Philadelphia, Pennsylvania (the "Demised Premises"). PMA shall sublease the Demised Premises to the City of Philadelphia acting through its Office of Emergency Shelter Services (the "Tenant").

1. The Demised Premises. The Demised Premises consists of a 70,228 sf building (as stipulated by the parties) located at 4508 Chestnut Street in Philadelphia, Pennsylvania including a basement, 14 parking spaces, two outdoor patio areas, two loading dock areas and designated outdoor area for a playground.
2. Term. The term of the Lease will be one year with 9 additional one year renewals at the Tenant sole option, provided, however, Tenant shall use its best efforts to obtain an ordinance of City Council for approval of a lease of 10 years. Upon approval by City Council the Term of this Lease will converted to 10 years. The Lease will begin upon the Rent Commencement Date, which shall be the earlier of the substantial completion of the Improvements, hereinafter defined, and Tenant opening for business.
3. Occupancy. Occupancy of the Demised Premises will begin on September 15, 2005 or sooner predicated on governmental approvals and completion of construction/renovations. The Lease is conditional on Landlord acquiring the proper zoning approval to house a homeless shelter for not less that three hundred and forty beds. Tenant intends to enter into an agreement with a shelter provider for operation of the Demised Premises ("Provider").
4. Permitted Use. The Demised Premises will be used as a shelter and administrative offices.
5. Rental Rate. The Basic Rent of \$12.25/sf, plus utilities, will be charged for the first year beginning on the Rent Commencement Date. The Basic Rent will increase 2.6% each year of the Lease.

PHIL1 628188-2