

P95 0000 28413

CAPITOL SERVICES d/b/a
PARALEGAL & ATTORNEY SERVICE BUREAU, INC.

(Requestor's Name)

1406 Hays Street, Suite 2

(Address)

Tallahassee, FL 32301 (904) 656-3992

(City, State, Zip)

(Phone #)

95 APR 11 11 09

OFFICE USE ONLY

600001452996
-04/11/95--01036--020
****122.50 ****122.50

CORPORATION NAME(S) & DOCUMENT NUMBER(S) (if known):

1. SFB Acquisition Inc.
(Corporation Name) (Document #)
2. _____
(Corporation Name) (Document #)
3. _____
(Corporation Name) (Document #)
4. _____
(Corporation Name) (Document #)

☒ Walk in ☒ Pick up time 2:30

☒ Certified Copy

☐ Mail out

☐ Will wait

☐ Photocopy

☐ Certificate of Status

NEW FILINGS	
<input checked="" type="checkbox"/>	Profit
<input type="checkbox"/>	NonProfit
<input type="checkbox"/>	Limited Liability
<input type="checkbox"/>	Domestication
<input type="checkbox"/>	Other

AMENDMENTS	
<input type="checkbox"/>	Amendment
<input type="checkbox"/>	Resignation of R.A., Officer/Director
<input type="checkbox"/>	Change of Registered Agent
<input type="checkbox"/>	Dissolution/Withdrawal
<input type="checkbox"/>	Merger

OTHER FILINGS	
<input type="checkbox"/>	Annual Report
<input type="checkbox"/>	Fictitious Name
<input type="checkbox"/>	Name Reservation

REGISTRATION/ QUALIFICATION	
<input type="checkbox"/>	Foreign
<input type="checkbox"/>	Limited Partnership
<input type="checkbox"/>	Reinstatement
<input type="checkbox"/>	Trademark
<input type="checkbox"/>	Other

NANCY HENDRICKS APR 11 1995

Examiner's Initials

**ARTICLES OF INCORPORATION
OF**

SER ACQUISITION, INC.

FILED
95 APR 11 11 12 13
SECRETARY
TALLAHASSEE

The undersigned incorporator hereby files these Articles of Incorporation in order to form a corporation under the laws of the State of Florida.

**ARTICLE I
NAME AND ADDRESS OF THE CORPORATION**

The name of the Corporation shall be SER Acquisition, Inc. (the "Corporation"). The initial address of the Corporation shall be c/o Apollo Advisors, L.P., Two Manhattanville Road, Purchase, New York 10577.

**ARTICLE II
NATURE OF BUSINESS**

The general nature of the business and activities to be transacted and carried on by the Corporation is to transact all lawful business for which corporations may be incorporated under the Florida Business Corporation Act, as hereafter amended and supplemented, and any successor statute thereto, as thereafter amended and supplemented.

**ARTICLE III
STOCK**

The authorized capital stock of the Corporation shall consist of 1,000 shares of Common Stock, par value \$.01 per share (the "Common Stock").

**ARTICLE IV
INCORPORATOR**

The name and street address of the incorporator of the Corporation is as follows:

Derek M. Stoldt
c/o Kaye, Scholer, Fierman, Hays & Handler
425 Park Avenue
New York, New York 10022

**ARTICLE V
ADDRESS OF REGISTERED OFFICE AND REGISTERED AGENT**

The street address of the initial registered office of the Corporation in the State of Florida shall be 801 Northeast 167th Street - Suite 300, North Miami Beach, Florida 33162. The name of the initial registered agent of the Corporation at the above address shall be United Corporate Services, Inc.

**ARTICLE VI
DIRECTORS**

The business of the Corporation shall be managed by a Board of Directors consisting of not fewer than two (2) persons, the exact number to be as set forth in the By-Laws of the Corporation duly adopted by the Board of Directors of the Corporation, and until such time as the By-Laws have been adopted, the Board of Directors shall consist of two (2) persons. Whenever any vacancy shall have occurred in the Board of Directors, by reason of death, resignation, removal or otherwise, it shall be filled by a majority of the remaining directors, though less than a quorum (except as otherwise provided by law), or by the shareholders of the Corporation.

**ARTICLE VII
AMENDMENT**

These Articles of Incorporation may be amended only by the affirmative vote of a majority of the shares of Common Stock, issued and outstanding.

**ARTICLE VIII
TERMINATION OF CORPORATE EXISTENCE**

The existence of the Corporation may be terminated only by the affirmative vote of a majority of the shares of Common Stock, issued and outstanding.

IN WITNESS WHEREOF, the above-named incorporator signed these Articles of Incorporation this 11th day of April, 1994.

By: Derek M. Stoldt
Derek M. Stoldt
Incorporator

**CERTIFICATE DESIGNATING
REGISTERED AGENT AND REGISTERED OFFICE**

In compliance with Florida Statutes Sections 48.091 and 607.0501, the following is submitted:

SER Acquisition, Inc., desiring to organize as a corporation under the laws of the State of Florida, has designated United Corporate Services, Inc., as its initial Registered Agent and has named 801 Northeast 167th Street - Suite 300, North Miami Beach, Florida 33162 as its initial Registered Office.

By: Derek M. Stoldt
Derek M. Stoldt
Incorporator

Having been named Registered Agent for the above-stated corporation, at the designated Registered Office, the undersigned hereby acknowledges that he is familiar with the obligations of such position and accepts said appointment and agrees to comply with the provisions of Florida Statutes Section 48.091 relative to keeping open said office.

United Corporate Services,
Inc.

By: [Signature]
Registered Agent
Ray Barr, Pres.

SECRET
TELETYPE UNIT

05 APR 11 PM 12:13

FILED



FLORIDA DEPARTMENT OF STATE

Sandra B. Mortlham

P95000028413

ARTICLES OF MERGER
Merger Sheet

.....
MERGING:

CRI ACQUISITION, INC., a Florida corporation, P94000070011

INTO

SER ACQUISITION, INC., a Florida corporation, P95000028413

File date: May 10, 1995

Corporate Specialist: Joy Moon-French

P95000028413

CAPITOL SERVICES d/b/a
PARALEGAL & ATTORNEY SERVICE BUREAU, INC.

(Requestor's Name)

1406 Hays Street, Suite 2

(Address)

Tallahassee, FL 32301 (904) 656-3992

(City, State, Zip)

(Phone #)

OFFICE USE ONLY

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CORPORATION NAME(S) & DOCUMENT NUMBER(S) (if known):

1. SER Acquisition, Inc.
(Corporation Name) (Document #)
2. _____
(Corporation Name) (Document #)
3. _____
(Corporation Name) (Document #)
4. _____
(Corporation Name) (Document #)

- ☒ Walk in ☐ Pick up time _____ ☒ Certified Copy
☐ Mail out ☐ Will wait ☐ Photocopy ☐ Certificate of Status

NEW FILINGS	
<input type="checkbox"/>	Profit
<input type="checkbox"/>	NonProfit
<input type="checkbox"/>	Limited Liability
<input type="checkbox"/>	Domestication
<input type="checkbox"/>	Other

AMENDMENTS	
<input type="checkbox"/>	Amendment
<input type="checkbox"/>	Resignation of R.A., Officer/Director
<input type="checkbox"/>	Change of Registered Agent
<input type="checkbox"/>	Dissolution/Withdrawal
<input checked="" type="checkbox"/>	Merger

OTHER FILINGS	
<input type="checkbox"/>	Annual Report
<input type="checkbox"/>	Fictitious Name
<input type="checkbox"/>	Name Reservation

REGISTRATION/ QUALIFICATION	
<input type="checkbox"/>	Foreign
<input type="checkbox"/>	Limited Partnership
<input type="checkbox"/>	Reinstatement
<input type="checkbox"/>	Trademark
<input type="checkbox"/>	Other

5/11/95
5:10 PM
SECRETARY OF STATE
TALLAHASSEE FLORIDA

5/11
John
Merger
C.C.

Examiner's Initials



FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

May 10, 1995

CAPITOL SERVICES

TALLAHASSEE, FL

SUBJECT: SER ACQUISITION, INC.
Ref. Number: P95000028413

We have received your document for SER ACQUISITION, INC.. However, the document has not been filed and is being returned for the following:

The document must include original signatures.

If you have any questions concerning the filing of your document, please call (904) 487-6957.

Joy Moon-French
Corporate Specialist

Letter Number: 495A00023741

*Backdate May 19 95
Pickup 2:30*

**ARTICLES OF MERGER
OF
SER ACQUISITION, INC.
AND
CRI ACQUISITION, INC.**

SECRET
MAY 10 PM 1:23
TALLAHASSEE, FLORIDA


Pursuant to the provisions of Section 607.1105 of the Florida Statutes, the undersigned hereby certify that:

1. CRI Acquisition, Inc. a Florida corporation, shall be merged with and into SER Acquisition, Inc., a Florida corporation (the "Surviving Subsidiary"), which shall be the surviving corporation (the "SER Merger").

2. The SER Merger shall become effective on the date on which these Articles of Merger are filed with the Secretary of State of the State of Florida.


3. The Agreement and Plan of Merger dated as of May 10, 1995, pursuant to which the SER Merger shall be accomplished and a certified copy of which is attached hereto, was adopted by the shareholders of CRI Acquisition and the Surviving Subsidiary on May 10, 1995.

SER ACQUISITION, INC.



Michael D. Weiner
President

CRI ACQUISITION, INC.



Michael D. Weiner
President

AGREEMENT AND PLAN OF MERGER
BETWEEN
CRI ACQUISITION, INC.
AND
SER ACQUISITION, INC.

MAY 10, 1995

This Agreement and Plan of Merger (the "Agreement") is made and entered into as of May 10, 1995 by and between CRI Acquisition, Inc., a Florida corporation ("CRI Acquisition"), and SER Acquisition, Inc., a Florida corporation (the "Surviving Corporation"), each a wholly-owned subsidiary of Southeast Realty Corp., a Maryland corporation ("Southeast Realty").

CRI Acquisition and Surviving Corporation agree as follows:

ARTICLE I

THE MERGER

Section 1.1 Merger of CRI Acquisition into Surviving Corporation. CRI Acquisition shall be merged (the "Merger") with and into Surviving Corporation, upon the filing of this Agreement with the Secretary of State of Florida pursuant to Section 607.214 of the Florida General Corporation Act (the time of such filing is referred to herein as the "Effective Time"). At the Effective Time, the separate corporate existence of CRI Acquisition shall cease and Surviving Corporation shall be the surviving corporation and the separate corporate existence of Surviving Corporation, with all its purposes, objects, rights, privileges and powers, shall continue unaffected and unimpaired by the Merger. The Merger shall be pursuant to the provisions of and with the effect provided in the Florida General Corporation Act.

Section 1.2 Certificate of Incorporation. From the Effective Time and until further amended in accordance with the Florida General Corporation Act, the Certificate of Incorporation of Surviving Corporation shall be the Certificate of Incorporation of the surviving corporation.

Section 1.3 By-laws. The By-laws of Surviving Corporation, as in effect immediately prior to the Effective Time, shall be the By-laws of the surviving corporation until duly amended in accordance with the law.

Section 1.4 Directors. From and after the Effective Time, Michael D. Weiner and John J. Hannan shall be the directors of Surviving Corporation, until their respective successors are duly appointed or elected and qualified.

Section 1.5 Exchange of CRI Acquisition Common Stock for Surviving Corporation Common Stock. Upon surrender by the sole shareholder of CRI Acquisition of its certificates representing all of the outstanding capital stock of CRI Acquisition to Surviving Corporation, Surviving Corporation shall deliver to such shareholder a certificate representing 100 shares of common stock, \$.01 par value per share, of Surviving

Corporation, and the certificates surrendered by the sole shareholder of CRI Acquisition shall be cancelled.

Article II

CONDITIONS

Section 2.1 Conditions to Each Party's Obligations to Effect the Merger. The respective obligations of each party to effect the Merger shall be subject to the approval by the sole shareholder of each of CRI Acquisition and the Surviving Corporation of this Agreement.

Article III

TERMINATION, AMENDMENT AND WAIVER

Section 3.1 Termination. This Agreement may be terminated at any time prior to the Effective Time by mutual consent of directors of CRI Acquisition and Surviving Corporation.

Section 3.2 Effect of Termination. In the event of termination of this Agreement, this Agreement shall forthwith become void and there shall be no liability on the part of either CRI Acquisition or Surviving Corporation or their respective officers or directors.

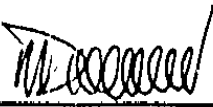
Section 3.3 Amendment. This Agreement may be amended by CRI Acquisition or Surviving Corporation, by action taken by or on behalf of their respective boards of directors, at any time before or after approval by their respective shareholders provided, however, that after approval by the sole shareholder of CRI Acquisition, no such modification shall reduce the amount of, or eliminate the opportunity of the Fund to receive the form of, the consideration contemplated by such shareholder. This Agreement may not be amended except by an instrument in writing signed on behalf of CRI Acquisition and Surviving Corporation.

Section 3.4 Waiver. Any term or provision of this Agreement may be waived in writing at any time by the party which is, or whose shareholders are, entitled to the benefits thereof.

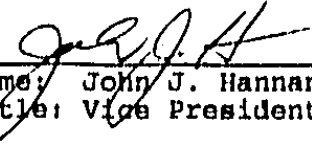
IN WITNESS WHEREOF, CRI Acquisition and Surviving Corporation have caused this Agreement to be signed by their respective officers thereunto duly authorized as of the date first written above.

CRI ACQUISITION, INC.

ATTEST


Name: Michael D. Weiner
Title: Secretary

By:

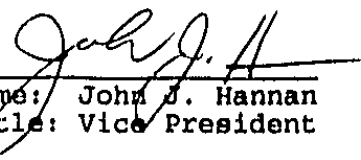

Name: John J. Hannan
Title: Vice President

SER ACQUISITION, INC.

ATTEST


Name: Michael D. Weiner
Title: Secretary

By:



Name: John J. Hannan
Title: Vice President

CRI ACQUISITION, INC.

Secretary's Certificate

The undersigned, Michael D. Weiner, the duly elected and acting Secretary of CRI Acquisition, Inc., a Florida corporation and one of the merging parties mentioned in the foregoing Agreement and Plan of Merger (the "Agreement"), hereby certifies that the sole shareholder of CRI Acquisition, Inc. adopted the Agreement by written consent dated May 10, 1995.

Dated: May 10, 1995



Name: Michael D. Weiner
Title: Secretary of
CRI Acquisition, Inc.

SER ACQUISITION, INC.

Secretary's Certificate

The undersigned, Michael D. Weiner, the duly elected and acting Secretary of SER Acquisition, Inc., a Florida corporation and one of the merging parties mentioned in the foregoing Agreement and Plan of Merger (the "Agreement"), hereby certifies that the sole shareholder of SER Acquisition, Inc. adopted the Agreement by written consent dated May 10, 1995.

Dated: May 10, 1995



Name: Michael D. Weiner
Title: Secretary of
SER Acquisition, Inc.

P95000028413

OFFICE USE ONLY (Document #)

Sunstate Research

(Requestor's Name)

PO Box 11271

(Address)

Tallahassee FL 32302

(City, State, Zip)

(Phone #)

200001531302

-07/06/95--01062--020

****175.00 ****175.00

OFFICE USE ONLY

CORPORATION NAME(S) & DOCUMENT NUMBER(S) (if known):

1. Crocker Realty Investors, Inc

(Corporation Name)

(Document #)

2. and GER Acquisition, Inc

(Corporation Name)

(Document #)

3. _____

(Corporation Name)

(Document #)

4. _____

(Corporation Name)

(Document #)

☒ Walk in ☐ Pick up time _____

☒ Certified Copy

☐ Mail out ☒ Will wait

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☐ Certificate of Status

FILED
SECRETARY OF CORPORATION
DIVISION OF CORPORATIONS
95 JUN 30
11:25
need this merger

NEW FILINGS	
<input type="checkbox"/>	Profit
<input type="checkbox"/>	NonProfit
<input type="checkbox"/>	Limited Liability
<input type="checkbox"/>	Domestication
<input type="checkbox"/>	Other

AMENDMENTS	
<input type="checkbox"/>	Amendment <u>TC</u>
<input type="checkbox"/>	Resignation of R.A., Officer/Director
<input type="checkbox"/>	Change of Registered Agent
<input type="checkbox"/>	Dissolution/Withdrawal
<input checked="" type="checkbox"/>	Merger <u>TC</u>

OTHER FILINGS	
<input type="checkbox"/>	Annual Report
<input type="checkbox"/>	Fictitious Name
<input type="checkbox"/>	Name Reservation

REGISTRATION/ QUALIFICATION	
<input type="checkbox"/>	Foreign
<input type="checkbox"/>	Limited Partnership
<input type="checkbox"/>	Reinstatement
<input type="checkbox"/>	Trademark
<input type="checkbox"/>	Other

EFFECTIVE DATE

7-1-95

Examiner's Initials

TLL



FLORIDA DEPARTMENT OF STATE

Sandra B. Mortham
Secretary of State

ARTICLES OF MERGER
Merger Sheet

.....
MERGING:

CROCKER REALTY INVESTORS, INC., a Florida corporation, P92000015381

INTO

SER ACQUISITION, INC. which changed its name to
CROCKER REALTY INVESTORS, INC., a Florida corporation, P95000028413

File date: June 30, 1995, effective July 1, 1995

Corporate Specialist: Thelma Lewis

FILED
SECRETARY OF STATE
DIVISION OF CORPORATIONS

95 JUN 30 PM 2:55

ARTICLES OF MERGER
OF
CROCKER REALTY INVESTORS, INC.
AND
SER ACQUISITION, INC.

EFFECTIVE DATE
7-1-95

Pursuant to the provisions of Section 607.1105 of the Florida Statutes, the undersigned hereby certify that:

1. Crocker Realty Investors, Inc. ("CRI"), a Florida corporation, shall be merged with and into SER Acquisition, Inc., a Florida corporation (the "Surviving Subsidiary"), which shall be the surviving corporation (the "CRI Merger").

2. The CRI Merger shall become effective as of the 12:01 a.m. on July 1, 1995.

3. The Agreement and Plan of Merger, as amended, dated as of September 29, 1994, pursuant to which the CRI Merger shall be accomplished and a copy of which is attached hereto, was approved at a meeting of the shareholders of CRI held on June 29, 1995, by a majority of all the issued and outstanding shares entitled to vote on such matter and was approved by written consent of the sole shareholder of the Surviving Subsidiary as of June 29, 1995.

4. Upon the effectiveness of these Articles of Merger the name of the Surviving Subsidiary shall be "Crocker Realty Investors, Inc."

IN WITNESS WHEREOF, the undersigned have executed
these Articles of Merger this 29 day of June, 1995.

CROCKER REALTY INVESTORS, INC.

By: [Signature]
Name: IS CROCKER
Title: Chairman

SER ACQUISITION, INC.

By: [Signature]
Name: John Garbman
Title: Vice President

Amendment No. 1 to
Agreement and Plan of Merger

Reference is made to the Agreement and Plan of Merger dated as of September 29, 1994 (the "Merger Agreement") among Southeast Realty Corp., CRI Acquisition, Inc. and Crocker Realty Investors, Inc. Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Merger Agreement.

WHEREAS, the Merger Agreement contemplates that (a) the Acquiring Parties may amend the Acquiring Parties' Disclosure Schedule prior to October 11, 1994 and (b) CRI may amend CRI's Disclosure Schedule prior to October 11, 1994; and

WHEREAS, the parties wish to extend the date through which they may amend their respective disclosure schedules.

NOW THEREFORE, the parties agree that the date through which they may amend their respective disclosure schedules is hereby extended to October 14, 1994.

Except as hereby amended, the Merger Agreement shall continue in full force and effect.

Dated as of October 11, 1994

SOUTHEAST REALTY CORP.

By: 

Name: MICHAEL D. WHINN
Title: VP

CRI ACQUISITION, INC.

By: 

Name: MICHAEL D. WHINN
Title: VP

CROCKER REALTY INVESTORS, INC.

By: _____

Name:
Title:

OCT 11 '94 10:01 PM KHYM SCHOLER N.Y.

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**Amendment No. 1 to
Agreement and Plan of Merger**

Reference is made to the Agreement and Plan of Merger dated as of September 29, 1994 (the "Merger Agreement") among Southeast Realty Corp., CRI Acquisition, Inc. and Crocker Realty Investors, Inc. Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Merger Agreement.

WHEREAS, the Merger Agreement contemplates that (a) the Acquiring Parties may amend the Acquiring Parties' Disclosure Schedule prior to October 11, 1994 and (b) CRI may amend CRI's Disclosure Schedule prior to October 11, 1994; and

WHEREAS, the parties wish to extend the date through which they may amend their respective disclosure schedules.

NOW THEREFORE, the parties agree that the date through which they may amend their respective disclosure schedules is hereby extended to October 14, 1994.

Except as hereby amended, the Merger Agreement shall continue in full force and effect.

Dated as of October 11, 1994

SOUTHEAST REALTY CORP.

By: _____
Name:
Title:

CRI ACQUISITION, INC.

By: _____
Name:
Title:

CROCKER REALTY INVESTORS, INC.

By: 
Name:
Title:

SENT BY:
JAN 18 '95 14:59

1-18-95 11:34AM
FROM KAYE SCHULER COWP FIN

WHITE & CASE-

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THE.ORG

**SECOND AMENDMENT TO
AGREEMENT AND PLAN OF MERGER**

This Second Amendment to Agreement and Plan of Merger is made as of January 18, 1995, by and among Crocker Realty Investors, Inc., a Florida corporation ("CRI"), Southeast Realty Corp., a Maryland corporation ("Southeast Realty"), and CRI Acquisition, Inc., a Florida corporation and a wholly-owned subsidiary of Southeast Realty (the "Merger Subsidiary"). All capitalized terms used but not defined herein shall have the meanings given to such terms in the Agreement and Plan of Merger dated as of September 29, 1994, as amended, by and among CRI, Southeast Realty and the Merger Subsidiary (the "CRI Merger Agreement").

TENDER OFFER

WHEREAS, in connection with the CRI Merger, Southeast Realty proposes to make a tender offer (the "Offer") for all of the 2,340,000 outstanding Common Stock Purchase Warrants (the "CRI Public Warrants") to purchase CRI Shares for a price of \$1.20 in cash per CRI Public Warrant or, at the election of the holder, one Southeast Realty Share for every six CRI Public Warrants (the "Offer Consideration");

WHEREAS, the CRI Merger Agreement prohibits Southeast Realty from engaging in certain transactions, including, without limitation, the Offer, without the consent of CRI;

WHEREAS, Southeast Realty has requested the consent of CRI, and CRI wishes to give its consent, to the Offer, upon the terms and conditions hereof;

PAYMENT OF DIVIDENDS BY SOUTHEAST REALTY

WHEREAS, on December 31, 1994, the Fund transferred to Southeast Realty its 99% limited partnership interests (the "Limited Partnership Interests") in (i) AFOP, (ii) the Partnership, (iii) the Fontaine GP and (iv) the Fontaine Partnership, in exchange for shares of Common Stock;

WHEREAS, the corporations which hold the 1% general partnership interests (the "General Partnership Interests") in AFOP and the Fontaine GP will be merged with and into wholly-owned subsidiaries of Southeast Realty prior to the Effective Time;

WHEREAS, the CRI Merger Agreement prohibits Southeast Realty from declaring, setting aside or paying any dividend or other distribution in respect of any of its capital stock prior to the Effective Time without the prior written consent of CRI;

WHEREAS, Southeast Realty expects to receive distributions, from time to time, in respect of the Limited Partnership Interests and the General Partnership Interests and desires to pay dividends in amounts equal to such distributions to its stockholders prior to the Effective Time;

WHEREAS, CRI desires to consent to the payment of such dividends, subject to the terms and conditions hereof;

AMENDMENT AND RESTATEMENT OF TRANSFER AGREEMENTS

WHEREAS, the CRI Merger Agreement prohibits the amendment of the Transfer Agreements without the consent of CRI;

WHEREAS, Southeast Realty desires to amend and restate the Transfer Agreements;

WHEREAS, CRI desires to consent to the amendment and restatement of the Transfer Agreements, subject to the terms and conditions hereof.

TERMINATION DATE

The CRI Merger Agreement provides for termination of the CRI Merger Agreement (i) pursuant to Section 9.1(d) and 9.1(e), if the conditions set forth in Sections 7.2(a), 7.2(b), 7.3(a) or 7.3(b) would be incapable of being satisfied by March 31, 1995 and (ii) pursuant to Section 9.1(j), if the Closing shall not have occurred on or before March 31, 1995; and

WHEREAS, the parties desire to change such date to April 30, 1995, subject to the terms and conditions hereof;

NOW, THEREFORE, the parties agree as follows:

1. Tender Offer. (a) Notwithstanding anything in the CRI Merger Agreement to the contrary, CRI hereby approves of and consents to the Offer and represents that the Board of Directors of CRI, at a meeting duly called and held, duly and unanimously approved this Second Amendment and the Offer, determining that the terms of the Offer are fair to, and in the best interests of, CRI's securityholders and recommending that holders of CRI Public Warrants tender their CRI Public Warrants pursuant to the Offer.

(b) Without the consent of CRI, Southeast Realty shall not modify the Offer Consideration or decrease the number of CRI Public Warrants subject to the Offer. The obligation of Southeast Realty to accept the CRI Public Warrants tendered pursuant to the Offer and deliver the Offer Consideration in exchange for CRI Public Warrants shall be subject to, among other things, the condition that each of the conditions set forth in Section 7 of the CRI Merger Agreement shall have been satisfied

or waived as provided therein (the "Minimum Condition"). Southeast Realty shall not waive the Minimum Condition. Subject to the terms and conditions of the Offer, including Southeast Realty's right to terminate the Offer, Southeast Realty shall deliver the Offer Consideration for all CRI Public Warrants validly tendered and accepted for payment and not withdrawn as promptly as practicable after expiration of the Offer. Notwithstanding the commencement of the Offer, Southeast Realty may terminate the Offer at any time.

(c) On the date of commencement of the Offer, Southeast Realty shall file with the SEC a Tender Offer Statement on Schedule 14D-1 (together with all amendments and supplements thereto, the "Schedule 14D-1") with respect to the Offer. The Schedule 14D-1 shall contain or shall incorporate by reference an offer to purchase and forms of the related letter of transmittal and any related summary advertisement (the Schedule 14D-1, the offer to purchase and such other documents, together with all supplements and amendments thereto, the "Offer Documents"). As soon as reasonably practicable on the date of the commencement of the Offer, CRI shall file with the SEC a Tender Offer Solicitation/Recommendation Statement on Schedule 14D-9, including, subject to the fiduciary duties of the Board of Directors of CRI, a recommendation by the Board of Directors of CRI that holders of CRI Public Warrants accept the Offer and tender their CRI Public Warrants. CRI shall cooperate with Southeast Realty in all respects and provide all information reasonably requested by Southeast Realty for inclusion in the Schedule 14D-1, provided that Southeast Realty shall hold such information in confidence and shall use such information only in connection with the Offer and the CRI Merger. Southeast Realty and CRI shall promptly correct any information provided by any of them for use in the Offer Documents which shall have become false or misleading, and Southeast Realty shall take all steps necessary to cause the Schedule 14D-1 as so corrected and the other Offer Documents as so corrected to be filed with the SEC and the Offer Documents as so corrected to be disseminated to the holders of CRI Public Warrants, in each case as and to the extent required by applicable federal and state securities laws.

(d) Clause (iv) of Section 2.2 of the CRI Merger Agreement is hereby amended to exclude from the CRI Public Warrants subject to conversion pursuant to the terms of such clause (iv) all CRI Public Warrants acquired by Southeast Realty in connection with the Offer.

(e) If the CRI Merger Agreement is terminated at any time prior to the acceptance of CRI Public Warrants pursuant to the Offer, then Southeast Realty shall terminate the Offer.

2. Payment of Dividends by Southeast Realty.
Notwithstanding anything to the contrary contained in the CRI

SENT BY:

JUN 18 '95 14:51

1-18-95 11:30AM

FROM KAYE SCHULER CORP FIN

WHITE & CASE-

+4078847712:0 5/ 6

PAGE.003

Merger Agreement, Southeast Realty may, from time to time, pay dividends on its capital stock in an aggregate amount not to exceed the sum of (a) the amount of distributions received by Southeast Realty in respect of the Limited Partnership interests and (b) the amount of distributions received by subsidiaries of Southeast Realty in respect of the General Partnership interests.

Southeast Realty shall not, and shall cause the Partnership not to, distribute any amounts in the Contingency Reserve Account (as such term is defined in the Indenture), except in accordance with the provisions of the Indenture.

3. Termination Date. The date set forth in Sections 9.1(d), 9.1(e) and 9.1(j) of the CRI Merger Agreement is changed to April 30, 1995.

4. Amendment and Restatement of Transfer Agreements. CRI hereby consents to the amendment and restatement of the Transfer Agreements, substantially in the form of the Amended and Restated Transfer Agreements annexed as Exhibits A, B, C and D hereto (collectively, the "Amended and Restated Transfer Agreements"). All references in the CRI Merger Agreement to the Transfer Agreements shall hereinafter refer to the Amended and Restated Transfer Agreements.

5. Ratification of Agreement. Except as amended hereby, the terms and provisions of the CRI Merger Agreement shall remain in full force. In the CRI Merger Agreement, and all of the documents executed and delivered in connection therewith, all references to the CRI Merger Agreement shall mean the CRI Merger Agreement, as amended by this Second Amendment.

6. Governing Law. The interpretation, construction and enforcement of this Second Amendment, and all matters relating hereto, shall be governed by the laws of the State of New York, without giving effect to any principles of law governing choice of law.

7. Amendment. This Second Amendment and the terms hereof may be amended only in writing signed by the party to be charged.

8. Severability. If any provision, section, subsection, paragraph or clause of any paragraph of this Second Amendment shall be held to be unenforceable, then the invalidity thereof shall not be held to invalidate any other provision, section, subsection, paragraph or clause and such other provision, section, subsection, paragraph or clause shall remain in force and effect.

9. **COUNTERPARTS.** This Second Amendment may be executed in one or more counterparts, including facsimile counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Second Amendment as of the date first above written.

CROCKER REALTY INVESTORS, INC.

By: 

Name:
Title:

SOUTHEAST REALTY CORP.

By: _____

Name:
Title:

CRI ACQUISITION, INC.

By: _____

Name:
Title:

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9. **Counterparts.** This Second Amendment may be executed in one or more counterparts, including facsimile counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Second Amendment of the First Amendment above written.


CROCKER REALTY INVESTORS, INC.

By: _____
Name:
Title:

SOUTHEAST REALTY CORP.

By:  _____
Name: Michael D. Weiner
Title: President

CRI ACQUISITION, INC.

By:  _____
Name: Michael D. Weiner
Title: Vice-President

**THIRD AMENDMENT TO
AGREEMENT AND PLAN OF MERGER**

This Third Amendment to Agreement and Plan of Merger is made as of April 19, 1995, by and among Crocker Realty Investors, Inc., a Florida corporation ("CRI"), Southeast Realty Corp., a Maryland corporation ("Southeast Realty"), and CRI Acquisition, Inc., a Florida corporation and a wholly-owned subsidiary of Southeast Realty (the "Merger Subsidiary"). All capitalized terms used but not defined herein shall have the meanings given to such terms in the Agreement and Plan of Merger, dated as of September 29, 1994, as amended, by and among CRI, Southeast Realty and the Merger Subsidiary (the "CRI Merger Agreement").

DISSENTING HOLDERS

WHEREAS, Section 102(a) of the American Stock Exchange, Inc. (the "Exchange") Listing Standards, Policies and Requirements provides that an applicant company with a distribution of 1,000,000 shares shall have not less than 400 public holders (the "Minimum Distribution Requirement");

WHEREAS, the Exchange has requested assurance that the Minimum Distribution Requirement will be satisfied by Southeast Realty upon consummation of the CRI Merger; and

WHEREAS, the parties desire to provide such assurance by adding a condition to the CRI Merger Agreement with respect to the Minimum Distribution Requirement;

TERMINATION DATE

WHEREAS, the Second Amendment to the CRI Merger Agreement provides for termination of the CRI Merger Agreement (i) pursuant to Section 9.1(d) and 9.1(e), if the conditions set forth in Sections 7.2(a), 7.2(b), 7.3(a) or 7.3(b) would be incapable of being satisfied by April 30, 1995 and (ii) pursuant to Section 9.1(j), if the Closing shall not have occurred on or before April 30, 1995; and

WHEREAS, the parties desire to change such date to June 30, 1995, subject to the terms and conditions hereof;

TENDER OFFER

WHEREAS, Section 1 of the Second Amendment to the CRI Merger Agreement permits Southeast Realty to make a tender offer (the "Offer") for all of the 2,340,000 outstanding CRI Public Warrants;

WHEREAS, the parties have determined not to commence the Offer;

CONDITIONS TO CLOSING

WHEREAS, Section 7.1(f) of the CRI Merger Agreement provides that the respective obligations of each party to effect the CRI Merger shall be subject to the satisfaction or waiver at or following the Effective Time of the condition that the Management Companies Merger Agreement shall not have been terminated or amended; and

WHEREAS, the parties desire to amend this condition to provide that it shall be a condition to the obligation of the Target Parties to consummate the transactions contemplated by the CRI Merger Agreement that the transactions contemplated by the Management Companies Merger Agreement, as amended, shall have been consummated;

NOW, THEREFORE, the parties agree as follows:

1. Dissenting Holders. (a) Section 7.2(c) of the CRI Merger Agreement is hereby amended and restated to read in its entirety as follows:

"Holders of not more than 10% of the CRI Shares shall be holders of Dissenting Shares and the number of Dissenting Holders shall not exceed 10% of the total number of holders (including beneficial holders)."

2. Termination Date. The date set forth in Sections 9.1(d), 9.1(e) and 9.1(j) of the CRI Merger Agreement is changed to June 30, 1995.

3. Tender Offer. Section 1 of the Second Amendment to the CRI Merger Agreement is hereby annulled and such provision shall no longer be of any force or effect.

4. Conditions to Closing. Section 7.1(f) of the CRI Merger Agreement is hereby amended and restated to read in its entirety as follows:

"The transactions contemplated in the Agreement and Plan of Merger dated as of September 29, 1994, as amended, between Southeast Realty and CRI Management, Inc., and Crocker & Sons, Inc. and Crocker Realty Management Services, Inc., each a Florida corporation (collectively, the "Management Companies") (the "Management Companies Merger Agreement"), shall have been consummated."

5. Ratification of Agreement. Except as amended hereby, the terms and provisions of the CRI Merger Agreement

shall remain in full force. In the CRI Merger Agreement, and all of the documents executed and delivered in connection therewith, all references to the CRI Merger Agreement shall mean the CRI Merger Agreement, as amended by this Third Amendment.

6. Governing Law. The interpretation, construction and enforcement of this Third Amendment, and all matters relating hereto, shall be governed by the laws of the State of New York, without giving effect to any principles of law governing choice of law.

7. Amendment. This Third Amendment and the terms hereof may be amended only in writing signed by the party to be charged.

8. Severability. If any provision, section, subsection, paragraph or clause of any paragraph of this Third Amendment shall be held to be unenforceable, then the invalidity thereof shall not be held to invalidate any other provision, section, subsection, paragraph or clause and such other provision, section, subsection, paragraph or clause shall remain in force and effect.

9. Counterparts. This Third Amendment may be executed in one or more counterparts, including facsimile counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Third Amendment as of the date first written above.

CROCKER REALTY INVESTORS, INC.

By: _____
Name:
Title:

SOUTHEAST REALTY CORP.

By:  _____
Name: Michael D. Weiner
Title: President

CRI ACQUISITION, INC.

By:  _____
Name: Michael D. Weiner
Title: Vice-President

IN WITNESS WHEREOF, the parties hereto have caused
and delivered this Third Amendment as of the date first written
above.

CROCKER REALTY INVESTORS, INC.

By: [Signature]

TITLE: [Signature]

CROCKER REALTY CORP.

By: [Signature]

Name: MICHAEL D. WALSH
TITLE: President

CRI ACQUISITION, INC.

By: [Signature]

Name: MICHAEL D. WALSH
TITLE: Vice-President

AGREEMENT AND PLAN OF MERGER

by and among

CROCKER REALTY INVESTORS, INC.,

and

SOUTHEAST REALTY CORP. and

CRI ACQUISITION, INC.

Dated as of September 29, 1994

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Exhibit A Articles of Merger

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER is made as of September 29, 1994, by and among Crocker Realty Investors, Inc., a Florida corporation ("CRI"), and Southeast Realty Corp., a Maryland corporation ("Southeast Realty"), and CRI Acquisition, Inc., a Florida corporation and a wholly-owned subsidiary of Southeast Realty (the "Merger Subsidiary").

WHEREAS, the parties wish to enter into a business combination pursuant to which CRI will merge with and into the Merger Subsidiary, on the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND PRINCIPLES OF CONSTRUCTION

1.1 Defined Terms. As used in this Agreement:

"Acquiring Parties" shall mean Southeast Realty and the Merger Subsidiary.

"Acquiring Parties' Disclosure Schedule" shall mean the disclosure schedule delivered by the Acquiring Parties to CRI on the date hereof and attached hereto, as amended or supplemented by the Acquiring Parties at any time and from time to time on or prior to October 11, 1994.

"Acquiring Parties' Financial Statements" shall have the meaning provided in Section 4.7.

"Acquiring Parties' Public Reports" shall have the meaning provided in Section 4.6.

"Acquiring Parties' Representatives" shall mean the directors, officers, employees, accountants, counsel and other advisers of the Acquiring Parties.

"Affiliate" shall mean, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such Person. A Person shall be deemed to control another

Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" shall mean this Agreement, all Exhibits hereto, CRI's Disclosure Schedule and the Acquiring Parties' Disclosure Schedule, as modified, supplemented or amended from time to time.

"APGP" shall mean AP-GP Southeast Portfolio Partners, L.P.

"APGP Fontaine" shall mean AP-GP Fontaine III Partners, L.P.

"APGP Operating Corp." shall mean Southeast Portfolio Operating Corp.

"AP Southeast" shall mean AP Southeast Portfolio Partners, L.P.

"Articles of Merger" shall mean the Articles of Merger, in the form of Exhibit A attached hereto.

"Business Day" shall mean any day excluding Saturday, Sunday and any day which in Miami, Florida or New York, New York shall be a legal holiday or a day on which financial institutions are authorized by law or other governmental action to close.

"Certificates" shall have the meaning provided in Section 2.2(v).

"Closing" shall have the meaning provided in Section 8.1.

"Closing Date" shall have the meaning provided in Section 8.1.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Competing Transaction" shall mean any of the following (other than in connection with the Mergers and the Transfer) involving a party hereto: (i) any merger, consolidation, share exchange, business combination or other similar transaction; (ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition of 15% or

more of the assets of such party, in a single transaction or series of transactions; (iii) any tender offer or exchange offer for shares of capital stock of such party or the filing of a registration statement under the Securities Act in connection therewith; (iv) any Person having acquired beneficial ownership or the right to acquire beneficial ownership of, or any "group" (as such term is defined under Section 13(d) of the Securities Exchange Act) having been formed which beneficially owns or has the right to acquire beneficial ownership of, 5% or more of the outstanding shares of capital stock of such party; or (v) any public announcement of a proposal, plan or intention to do any of the foregoing or any agreement to engage in any of the foregoing.

"CRI" shall have the meaning provided in the first paragraph of this Agreement.

"CRI Management" shall mean CRI Management, Inc.

"CRI Merger" shall have the meaning provided in Section 2.1.

"CRI Properties" shall have the meaning provided in Section 3.9.

"CRI Securities" shall mean the CRI Shares and the CRI Warrants.

"CRI Share" shall mean a share of the common stock, \$.001 par value per share, of CRI.

"CRI Warrants" shall mean the warrants to purchase CRI Shares at an exercise price of \$10.00 per share.

"CRI's Disclosure Schedule" shall mean the disclosure schedule delivered by CRI to the Acquiring Parties on the date hereof and attached hereto, as amended or supplemented by CRI at any time and from time to time on or prior to October 11, 1994.

"CRI's Financial Statements" shall have the meaning provided in Section 3.6.

"CRI's Public Reports" shall have the meaning provided in Section 3.5.

"CRI's Representatives" shall mean the directors, officers, employees, accountants, counsel and other advisers of CRI.

"Damages" shall mean, as to any Person, all (i) costs and expenses incurred by such Person in the negotiation, documentation and consummation of the CRI Merger and the Transfer, including, without limitation, the reasonable fees and expenses of counsel, accountants and financial advisers, and all costs and expenses related to any filings under the HSR Act and the printing, filing and mailing of the Registration Statement and the Proxy Statement, and (ii) damages, losses, costs and expenses incurred by such Person, directly or indirectly, including, without limitation, all reasonable legal fees incurred in investigating, litigating (at trial or appellate level) or otherwise resolving any disputes brought by a Person not a party to this Agreement or the Management Companies Merger Agreement (or an Affiliate of such party). For purposes of computing indemnifiable Damages under Article X, the amount of CRI's Damages shall not be reduced by any amount advanced by the Acquiring Parties pursuant to Section 10.4. In addition, to the extent that the Acquiring Parties (as defined herein and in the Management Companies Merger Agreement) incur Damages which cannot be allocated as between CRI and the Target Parties (as defined in the Management Companies Merger Agreement), such Acquiring Parties shall allocate 75% of such unallocable Damages to their Damages incurred in connection with the transactions contemplated by this Agreement and the remaining 25% to their Damages incurred in connection with the transactions contemplated by the Management Companies Merger Agreement.

"Dissenting Shares" shall have the meaning provided in Section 2.4.

"Effective Time" shall have the meaning provided in Section 2.2(i).

"Employee Stock Options" shall have the meaning provided in Section 3.3.

"Employment Agreements" shall have the meaning provided in Section 7.1(g).

"Environmental Claims" shall mean any notice of violation, claim, demand, abatement order or other order or direction (conditional or otherwise) by any Person for any Damages, including, without limitation, personal injury (including sickness, disease or death), tangible or

intangible property damage, contribution, indemnity, indirect or consequential damages, damage to the environment, pollution, contamination or other adverse effects on the environment, removal, cleanup or remedial action or for fines, penalties or restrictions, resulting from or based upon (i) the existence or occurrence, or the alleged existence or occurrence, of a Hazardous Substance Activity or (ii) the violation, or alleged violation, of any Environmental Law in connection with any property or any portion thereof.

"Environmental Law" shall mean all laws, statutes, ordinances, orders, rules, codes, regulations and judgments and any judicial or administrative interpretations thereof relating to health, safety and protection of the environment, including, without limitation, those relating to fines, orders, injunctions, penalties, damages, contribution, cost recovery compensation, removal, cleanup or remedial action, losses or injuries resulting from Hazardous Substance Activity, in any manner applicable to property, or the ownership, use, occupancy or operation thereof, including, without limitation, CERCLA, the Hazardous Material Transportation Act (49 U.S.C. § 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), the Occupational Safety and Health Act (29 U.S.C. § 651 et seq.) and the Emergency Planning and Community Right-to-Know Act (42 U.S.C. § 11001 et seq.), each as heretofore or hereafter amended or supplemented from time to time, and any analogous future or present applicable local, state and federal statutes and regulations promulgated pursuant thereto, each as in effect as of the date of determination.

"Exchange" shall mean the securities exchange upon which the Southeast Realty Shares are listed for trading.

"Exchange Agent" shall have the meaning provided in Section 2.2(v).

"Exchange Fund" shall have the meaning provided in Section 2.2(v).

"Fontaine Operating Corp." shall mean Fontaine III Operating Corporation.

"Fontaine Partnership" shall mean AP Fontaine III Partners, L.P.

"Fund" shall mean Apollo Real Estate Investment Fund, L.P.

"Fund Side-Letter" shall mean the letter agreement dated as of the date hereof from the Fund to CRI and the Management Companies.

"GAAP" shall mean generally accepted accounting principles in the United States as of the date of the applicable financial statement.

"GECC Warrant" shall mean the warrant issued to General Electric Capital Corporation to purchase an aggregate of 160,000 CRI Shares at an exercise price of \$10.00 per share.

"Governmental Entity" shall mean any foreign or domestic governmental or regulatory authority.

"Hazardous Substance Activity" shall mean any storage, holding, existence, release, spill, leaking, pumping, pouring, injection, escaping, deposit, disposal, dispersal, leaching, migration, use, treatment, emission, discharge, generation, processing, abatement, removal, disposition, handling or transportation of any Hazardous Substances emanating from any property through the air, soil, surface water, groundwater or property and also including, without limitation, the abandonment or disposal of any barrels, containers and other closed receptacles containing any Hazardous Substances from or on such property, in each case whether sudden or non-sudden, accidental or non-accidental.

"Hazardous Substances" shall mean (i) any chemical, material or substance defined as or included in the definition of hazardous wastes, hazardous materials, hazardous substance, extremely hazardous substance, pollutants, restricted hazardous waste, or toxic substances or words of similar import under any applicable Environmental Laws, (ii) any oil, petroleum or petroleum derived substance, any drilling fluids, produced waters and other wastes associated with the exploration, development or production of crude oil, any flammable substances or explosives, any radioactive materials, or any other materials which cause any property to be in violation of any applicable Environmental Laws and (iii) asbestos in any form which is friable, urea formaldehyde foam insulation, electrical equipment which contains any oil or dielectric fluid containing levels of polychlorinated biphenyls in excess of fifty parts per million.

"HSR Act" shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"Income Taxes" shall mean (i) foreign, federal, state or local income or franchise taxes or other taxes imposed on or with respect to net income or capital, together with any interest or penalties or additions to tax imposed with respect thereto, and (ii) any obligations under any agreements or arrangements with respect to any taxes described in clause (i) above.

"Income Tax Returns" shall mean all Tax Returns pertaining to Income Taxes required to be filed with any Taxing Authority.

"Indemnified Party" shall mean a Person seeking indemnification hereunder.

"Indemnifying Party" shall mean a Person from whom indemnification is sought hereunder.

"Indenture" shall mean the Indenture dated as of March 1, 1994, from the Partnership to Bankers Trust Company of California, N.A., as Trustee, and Bankers Trust Company, as Servicer.

"Lien" shall mean any mortgage, pledge, hypothecation, assignment, deposit, arrangement, encumbrance, lien (statutory or other), preference, priority or other security interest of any kind or nature whatsoever, including, without limitation, any conditional sale or other title retention agreement, any financing or similar statement or notice filed under the Uniform Commercial Code or any other similar recording or notice statute, and any lease or other arrangement having substantially the same effect as any of the foregoing.

"Management Companies" shall have the meaning provided in Section 7.1(f).

"Management Companies Merger Agreement" shall have the meaning provided in Section 7.1(f).

"Mergers" shall mean the CRI Merger and the Management Companies Merger.

"NCNB Agreement" shall mean the Agreement of Purchase and Sale dated as of July 30, 1993, by and between NationsBank of North Carolina, N.A., as trustee for the

NCNB Real Estate Fund, as seller, and Patriot American Acquisition Corporation, as purchaser.

"Non-Employee Stock Options" shall mean the GECC Warrant and the Underwriters Purchase Options.

"Note Trustee" shall mean the trustee under the Indenture.

"Options Corporation" shall mean Southeast Options Operating Corporation, a Delaware corporation.

"Partnerships" shall mean AP Southeast, APGP, Fontaine Partnership and APGP Fontaine.

"Person" shall mean any individual, partnership, joint venture, firm, corporation, association, trust or other enterprise or any Governmental Entity.

"Properties" shall have the meaning provided in Section 4.10.

"Proxy Statement" shall have the meaning provided in Section 5.23.

"Registration Statement" shall have the meaning provided in Section 6.25.

"Related Financial Statements" shall have the meaning provided in Section 4.7.

"SEC" shall mean the Securities and Exchange Commission, as from time to time constituted, or any successor Governmental Entity.

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

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

"Selling Shareholders' Side-Letters" shall mean the letter agreement dated as of the date hereof from Thomas J. Crocker and Richard S. Ackerman to the Acquiring Parties and the letter agreement dated as of the date hereof from Thomas J. Crocker, Barbara F. Crocker, Richard S. Ackerman and Robert E. Onisko to Southeast Realty and CRI Management, Inc.

"Single-Purpose" shall mean, with respect to a Person, that such Person at all times since its formation: (i) has complied with the provisions of its organizational documents and the laws of its jurisdiction of formation in all respects; (ii) has observed all customary formalities regarding its partnership existence; (iii) has accurately maintained its financial statements, accounting records and other partnership documents separate from those of any other Person; (iv) has not commingled its assets with those of any other Person; (v) has accurately maintained its own bank accounts, payroll and separate books of account; (vi) has paid its own liabilities from its own separate assets; (vii) has identified itself in all dealings with the public, under its own name and as a separate and distinct entity; (viii) has not identified itself as being a division or a part of any other Person; (ix) has not identified any other Person as being a division or a part of such Person; (x) has been adequately capitalized in light of the nature of its business; (xi) has not assumed or guaranteed the liabilities of any other Person (except pursuant to the Purchase Agreement referred to in the Indenture or the endorsement of negotiable instruments in the ordinary course of business); (xii) has not acquired obligations or securities of any other Person; (xiii) has not made loans or advances to any other Person; and (xiv) has not entered into and was not a party to any transaction with any Affiliate of such Person, except in the ordinary course of business and on terms which are no less favorable to such Person than would be obtained in a comparable arm's-length transaction with an unrelated third party.

"Southeast Fontaine GP Corp." shall mean a corporation to be organized as a wholly-owned subsidiary of Southeast Realty solely for the sole purpose of holding the general partnership interest in APGP Fontaine.

"Southeast Realty" shall have the meaning provided in the first paragraph of this Agreement.

"Southeast Realty GP Corp." shall mean Southeast Realty GP Corp.

"Southeast Realty Securities" shall mean the Southeast Realty Shares and the Southeast Realty Warrants.

"Southeast Realty Shares" shall have the meaning provided in Section 2.2(iv).

"Southeast Realty Subsidiaries" shall have the meaning provided in Section 4.5.

"Southeast Realty Warrants" shall have the meaning provided in Section 2.2(iv).

"Tax Returns" shall mean all returns, reports and forms required to be filed with any Taxing Authority.

"Tax" or "Taxes" shall mean (i) any and all taxes (whether federal, state, local or foreign), including, without limitation, gross receipts, profits, sales, use, occupation, value added, ad valorem, transfer, franchise, withholding, payroll, employment, excise, and property taxes, and Income Taxes, together with any interest, penalties or additions to tax imposed with respect thereto and (ii) any obligations under any agreements or arrangements with respect to any taxes described in clause (i) above.

"Taxing Authority" shall mean any governmental authority, domestic or foreign, having jurisdiction over the assessment, imposition, determination, or collection of any Tax.

"Transfer" shall mean all sales, assignments and transfers contemplated in the Transfer Agreements.

"Transfer Agreements" shall mean collectively, (i) the Transfer Agreement dated the date hereof between the Fund and Southeast Realty, pursuant to which the Fund will sell, assign and transfer a 99% limited partnership interest in AP Southeast, a 99% limited partnership interest in APGP, a 99% limited partnership interest in Fontaine Partnership and a 99% limited partnership interest in APGP Fontaine, to Southeast Realty, (ii) the Transfer Agreement dated the date hereof between APGP Operating Corp. and Southeast Realty pursuant to which APGP Operating Corp. will sell, assign and transfer a one percent (1%) general partnership interest in APGP to Southeast Realty, (iii) the Transfer Agreement dated the date hereof between Fontaine Operating Corp., and Southeast Realty pursuant to which Fontaine Operating Corp. will sell, assign and transfer a one percent (1%) general partnership interest in APGP Fontaine to Southeast Realty, and (iv) the Transfer Agreement dated the date hereof between Options Corporation and Southeast Realty pursuant to which Options Corporation will merge with and into Southeast Realty.

"Underwriters Purchase Options" shall mean the purchase options issued to David Nussbaum, Roger Gladstone, Robert Gladstone, Richard Buonocore and GKN Securities

Corp. to purchase an aggregate of 100,000 CRI Shares at an exercise price of \$16.50 per share.

1.2 Principles of Construction.

(a) All references to sections, schedules and exhibits in this Agreement are to sections, schedules and exhibits to this Agreement.

(b) When used in this Agreement, the words "herein", "hereof" and "hereunder" and words of similar import refer to this Agreement as a whole and not to any particular provision of this Agreement.

(c) A statement made herein to the knowledge of a Person is made to the actual knowledge of such Person (or in the case of a corporation or partnership, actual knowledge of its officers or the officers of its general partner (other than assistant officers whose duties are principally ministerial)), after due inquiry as to the matter that is the subject of such statement to satisfy such Person that there is a reasonable basis for belief in the accuracy of such statement, but shall not be construed to require independent review or verification by such Person of underlying facts.

ARTICLE II

THE CRI MERGER AND RELATED MATTERS

2.1 The CRI Merger. Subject to the terms and conditions of this Agreement, CRI shall merge with and into the Merger Subsidiary (the "CRI Merger") at the Effective Time. As a result of the CRI Merger, the separate corporate existence of CRI shall cease, and the Merger Subsidiary shall continue as the surviving corporation (the "Surviving Subsidiary").

2.2 Effect of CRI Merger.

(i) General. The CRI Merger shall become effective at the time (the "Effective Time") the Merger Subsidiary and CRI file the Articles of Merger, duly executed, with the Secretary of State of the State of Florida. The CRI Merger shall have the effect set forth in the Florida Business Corporation Act. Without limiting the generality of the foregoing and subject thereto, at the Effective Time, all the property, rights, privileges, powers and franchises of CRI shall vest in the Surviving Subsidiary, and all the debts, liabilities and duties of

CRI shall become the debts, liabilities and duties of the surviving Subsidiary. The surviving Subsidiary may, at any time after the Effective Time, take any action (including executing and delivering any document) in the name and on behalf of the Merger Subsidiary or CRI in order to carry out and effectuate the transactions contemplated in this Agreement.

(ii) Articles of Incorporation and By-Laws. At the Effective Time, the Articles of Incorporation and By-Laws of the Merger Subsidiary as in effect immediately prior thereto shall be the Articles of Incorporation and By-Laws of the surviving Subsidiary and the name of Southeast Realty shall be changed to Crocker Realty Trust, Inc.

(iii) Directors and Officers of the Merger Subsidiary. At the Effective Time, the directors and officers of the Merger Subsidiary shall become the directors and officers of the surviving Subsidiary (retaining their respective positions and terms of office).

(iv) Conversion of CRI Securities. At the Effective Time, by virtue of the CRI Merger and without any action on the part of any of the holders of the CRI Securities, (a) each CRI Share shall be converted into and represent the right to receive one share of the common stock of Southeast Realty, par value \$.01 per share (individually, a "Southeast Realty Share," and collectively, the "Southeast Realty Shares"), and (b) each CRI Warrant shall be converted into and represent the right to receive one warrant evidencing the right to purchase Southeast Realty Shares (individually, a "Southeast Realty Warrant," and collectively, the "Southeast Realty Warrants"). If, after the date of this Agreement, the outstanding Southeast Realty Shares shall have been changed into a different number of shares or a different class by reason of any stock dividend, subdivision, reclassification, recapitalization, split, combination or exchange of shares, the Southeast Realty Shares and the shares underlying the Southeast Realty Warrants shall be correspondingly adjusted to reflect such change. At the Effective Time, all CRI Shares held in the treasury of CRI shall automatically be cancelled and cease to exist. After the Effective Time, no CRI Security shall be deemed to be outstanding or to have any rights other than those set forth in this subsection (iv).

(v) Exchange of Certificates.

(a) At the Effective Time, Southeast Realty shall deposit, or shall cause to be deposited, with or for the account of a bank or trust company designated by Southeast Realty, which shall be reasonably satisfactory to CRI (the "Exchange Agent"), for the benefit of the holders of the CRI Securities for exchange in accordance with this subsection (v), through the Exchange Agent, certificates evidencing the Southeast Realty Securities in exchange for the CRI Securities (such certificates, together with any dividends and distributions with respect thereto, the "Exchange Fund"). As soon as reasonably practicable after the Effective Time, Southeast Realty will instruct the Exchange Agent to mail to each holder of record of a certificate or certificates which immediately prior to the Effective Time evidenced outstanding CRI Securities (the "Certificates"), (i) a letter of transmittal, in form and substance reasonably satisfactory to Southeast Realty and CRI, and (ii) instructions to effect the surrender of the Certificates in exchange for the certificates evidencing the Southeast Realty Securities. Upon surrender of a Certificate for cancellation to the Exchange Agent, together with such letter of transmittal, duly executed, and such other customary documents as may be required pursuant to such instructions, the holder of such Certificate shall be entitled to receive in exchange therefor (A) certificates evidencing that number of Southeast Realty Securities to which such holder is entitled pursuant to subsection (iv) above, (B) any dividends and other distributions to which such holder is entitled pursuant to paragraph (b) below, and (C) cash in lieu of a fractional Southeast Realty Security (the Southeast Realty Securities, dividends and distributions, and cash described in clauses (A), (B), and (C), the "Merger Consideration"), and the Certificate so surrendered shall forthwith be canceled. In the event of a transfer of ownership of CRI Securities which is not registered in the transfer records of CRI, the Merger Consideration may be paid in accordance with this subsection (v) to a transferee if the Certificate evidencing such CRI Securities is presented to the Exchange Agent, accompanied by all documents required to evidence and effect such transfer and by evidence that any applicable stock transfer taxes have been paid. Until surrendered as contemplated by this paragraph (a), each Certificate shall be deemed at any time after the Effective Time to evidence only the right to receive the Merger Consideration upon such surrender.

(b) No dividends or other distributions declared or made after the Effective Time with respect to Southeast Realty Shares with a record date after the Effective Time shall be paid to the holder of any unsurrendered certificate with respect to the Southeast Realty Shares which such holder is entitled to receive until such holder shall surrender his Certificate.

(c) No fractional Southeast Realty Securities shall be issued in the CRI Merger. In lieu of any such fractional securities, each holder of CRI Securities entitled to receive Southeast Realty Securities upon surrender of a Certificate for exchange pursuant to this subsection (v), shall be paid an amount in cash (without interest), rounded to the nearest cent, determined by multiplying (i) the closing price per share or warrant, as the case may be, on the Exchange of the Southeast Realty Securities on the first date of authorized trading of such security after the Effective Time by (ii) the fractional interest in Southeast Realty Securities to which such holder would otherwise be entitled (after taking into account all Southeast Realty Securities then held of record by such holder).

(d) Any portion of the Exchange Fund which remains undistributed to the holders of CRI Securities six months after the Effective Time shall be delivered to Southeast Realty, upon demand, and any holders of CRI Securities who have not theretofore complied with this subsection (v) shall thereafter look only to Southeast Realty for the Merger Consideration to which they are entitled pursuant to Article II.

(e) Neither Southeast Realty nor CRI shall be liable to any holder of CRI Securities for any Southeast Realty Securities, dividends and distributions with respect thereto, or cash from the Exchange Fund which are delivered to a public official pursuant to any applicable abandoned property, escheat or similar law.

(f) Southeast Realty and the Exchange Agent shall be entitled to deduct and withhold from the Merger Consideration otherwise payable pursuant hereto to any holder of CRI Securities such amounts as Southeast Realty or the Exchange Agent is required to deduct and withhold with respect to the making of such payment under the Code, or any provision of state, local or foreign Tax law. Any such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the holder of the CRI Securities in respect of which such deduction and

withholding were made by Southeast Realty or the Exchange Agent.

(vi) Stock Transfer Books. At the Effective Time, the stock transfer books of CRI shall be closed, and there shall be no further registration of transfers of CRI Securities thereafter in such records.

2.3 Stock Options. At the Effective Time, each outstanding Employee Stock Option shall be cancelled and CRI's 1993 Stock Option Plan shall be terminated. At the Effective Time, CRI's obligations with respect to each outstanding Non-Employee Stock Option to purchase CRI Shares shall be assumed by Southeast Realty. The Non-Employee Stock Options so assumed by Southeast Realty shall continue to have, and be subject to, the same terms and conditions as set forth in the instruments pursuant to which such Non-Employee Stock Options were issued as in effect on the date hereof. Southeast Realty shall (i) reserve for issuance the number of Southeast Realty Shares that will become issuable upon the exercise of such Non-Employee Stock Options pursuant to this Section 2.3 and (ii) promptly after the Effective Time issue to each holder of an outstanding Non-Employee Stock Option a document evidencing the assumption by Southeast Realty of CRI's obligations with respect thereto under this Section 2.3.

2.4 Dissenting Shares. (a) Notwithstanding any other provision of this Agreement to the contrary, CRI Shares that are outstanding immediately prior to the Effective Time and which are held by shareholders who shall have not voted in favor of the Merger and who shall have demanded properly in writing appraisal for such shares in accordance with Section 607.1320 of the Florida Business Corporation Act and who shall not have withdrawn such demand or otherwise have forfeited appraisal rights (collectively, the "Dissenting Shares") shall not be converted into or represent the right to receive Southeast Realty Shares. Such shareholders shall be entitled to receive payment of the appraised value of CRI Shares held by them in accordance with the provisions of Section 607.1320, except that all Dissenting Shares held by shareholders who shall have failed to perfect or who effectively shall have withdrawn or lost their rights to appraisal of CRI Shares under such Section 607.1320 shall thereupon be deemed to have been converted into and to represent the right to receive, without any interest thereon, Southeast Realty Shares upon surrender, in the manner provided in Section 2.2, of the certificate or

certificates that formerly evidenced such Dissenting Shares.

(b) CRI shall give Southeast Realty (i) prompt notice of any demands for appraisal received by CRI, withdrawal of such demands, and any other instruments served pursuant to Florida law and received by CRI and (ii) the opportunity to direct all negotiations and proceedings with respect to demands for appraisal under Florida law. CRI shall not, except with the prior written consent of Southeast Realty, make any payment with respect to any demands for appraisals, or offer to settle, or settle, any such demands.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF CRI

CRI represents and warrants to the Acquiring Parties as of the date hereof and as of the Closing Date as follows:

3.1 Organization. CRI is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida, and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted. CRI is duly qualified or licensed to conduct business and in good standing in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such qualification or licensing necessary, except for filings in jurisdictions where the failure to make such filings would not, individually or in the aggregate, have a material adverse effect on the business, properties or financial condition of CRI. CRI has been organized and has conducted its business since January 1, 1993, in such a manner as to qualify it to qualify as a "real estate investment trust" within the meaning of Section 856 of the Code. CRI elected to be taxed, and reported its income for federal tax purposes as a "real estate investment trust" within the meaning of Section 856 of the Code for its taxable year ended December 31, 1993.

3.2 Authority and Enforceability. Subject to approval by a vote of the holders of a majority of the CRI Shares, CRI has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, and has validly executed

and delivered this Agreement. Upon approval by a vote of the holders of a majority of the CRI Shares, this Agreement will constitute the legal, valid and binding agreement of CRI enforceable against CRI in accordance with its terms.

3.3 Capitalization. The authorized capital stock of CRI consists solely of 10,000,000 CRI Shares. There are 1,020,000 CRI Shares issued and outstanding. All of the issued and outstanding CRI Shares are validly issued, fully paid and nonassessable. There are no CRI Shares held in the treasury of CRI. As of the date hereof, 250,000 CRI Shares were reserved for future issuance pursuant to options previously granted under CRI's 1993 Stock Option Plan (all such stock options issued pursuant to CRI's 1993 Stock Option Plan, the "Employee Stock Options"). As of the date hereof, 260,000 CRI Shares were reserved for future issuance pursuant to the GECC Warrant and the Underwriters Purchase Options, and 2,340,000 CRI Shares were reserved for future issuance pursuant to the CRI Warrants. Except for the Employee Stock Options, the Non-Employee Stock Options and the CRI Warrants and except as set forth in Section 3.3 of CRI's Disclosure Schedule, there are no preemptive rights, subscriptions, options, warrants, puts, calls, rights, exchangeable or convertible securities or other agreements or commitments of any character obligating CRI to issue, transfer, sell, purchase or redeem any of its securities. All CRI Shares subject to issuance pursuant to the Employee Stock Options, the Non-Employee Stock Options and the CRI Warrants shall, upon issuance on the terms and conditions specified in the instruments pursuant to which they are issuable, be validly issued, fully paid and nonassessable, free and clear of all Liens thereupon. Except for the Employee Stock Options, the Non-Employee Stock Options and the CRI Warrants, CRI has not issued any shares of its capital stock or any options, warrants or other rights, or other securities exchangeable or exercisable for or convertible into shares of CRI's capital stock.

3.4 Subsidiaries. CRI does not own any capital stock or other proprietary interest in any Person.

3.5 Filings with the SEC. CRI has timely made all filings with the SEC that it has been required to make under the Securities Act and the Securities Exchange Act (such filings, excluding the financial statements and exhibits filed therewith, the "CRI Public Reports"). Each of the CRI Public Reports complied with the Securities Act and the Securities Exchange Act in all material respects on the date of filing. None of the CRI Public Reports, as of

their respective dates, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

3.6 Financial Statements. The financial statements (other than any pro forma financial statements) included in or incorporated by reference into the CRI Public Reports, including the related notes and schedules ("CRI's Financial Statements"), have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby, present fairly the financial condition of CRI as of the indicated dates and the results of operations of CRI for the indicated periods, are correct and complete in all material respects, and are consistent with the books and records of CRI, provided that any interim financial statements are subject to normal year-end adjustments, none of which is material. CRI's Financial Statements present fairly the combined revenues and expenses of the CRI Properties. Except as set forth in Section 3.6 of CRI's Disclosure Schedule, the balance sheet contained in the most recently filed CRI's Public Report reflects all claims against and all debts and liabilities (whether accrued, absolute, contingent or otherwise) of CRI or affecting the CRI Properties as of the date thereof.

3.7 No Material Changes. Except as set forth in Section 3.7 of CRI's Disclosure Schedule, since June 30, 1994, there has been no material adverse change in the assets, liabilities, condition, results of operations, business or prospects of CRI.

3.8 No Violation. Except as set forth in Section 3.8 of CRI's Disclosure Schedule, the execution, delivery and performance by CRI of this Agreement and of the documents and instruments contemplated hereby to be executed, delivered and performed by CRI will not (i) violate or conflict with any provision of the Articles of Incorporation or By-Laws of CRI, (ii) constitute a violation of, or be in conflict with, or result in a breach of, or constitute a default under, or create (or cause the acceleration of the maturity of) any debt, obligation or liability pursuant to, or result in the creation or imposition of any Lien upon any of its assets under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which CRI is a party or by which CRI is bound or to which CRI or any of its assets are subject, or (iii) contravene any provision of any law, statute, rule or regulation or any judgment, decree, order

or award by which CRI is bound or to which it or any of its assets are subject.

3.9 Real Property.

(a) Section 3.9 of CRI's Disclosure Schedule contains an accurate and complete list of all real property owned in whole or in part by CRI (the "CRI Properties") and includes the name of the record title holder thereof and a list of all indebtedness secured by a Lien. Except as set forth in Section 3.9 of CRI's Disclosure Schedule, CRI has good and marketable title in fee simple to the CRI Properties, free and clear of all Liens, except to the extent insured by title insurance. All of the buildings, structures and appurtenances situated on the CRI Properties are in good operating condition, normal wear and tear excepted, and in a state of good maintenance and repair, and are adequate and suitable for the purposes for which they are presently being used. Except as set forth in surveys (true and complete copies of which have been delivered to Southeast Realty), none of such buildings, structures or appurtenances (or any equipment therein), nor the operation or maintenance thereof, violates any restrictive covenant or any provision of any federal, state or local law, ordinance, rule or regulation, or encroaches on any property owned by others.

(b) Section 3.9 of CRI's Disclosure Schedule contains an accurate and complete list of all leases, including all amendments thereto and all material agreements incidental thereto, relating to the CRI Properties and the amount of any security deposits and prepaid rent related thereto and other amounts due thereunder. Except as set forth in Section 3.9 of CRI's Disclosure Schedule, each such lease is in full force and effect, all rents and additional rents on each such lease are not more than 30 days past due. In each case, the lessee is in peaceful possession and is not in default thereunder and no waiver, indulgence or postponement of the lessee's obligations thereunder has been granted by the lessor, and there exists no event of default on the part of CRI or the lessee or event, occurrence, condition or act (including the consummation of the transactions contemplated hereby) which would become a default under such lease. Section 3.9 of CRI's Disclosure Schedule sets forth the amounts of all outstanding commitments for tenant improvements on the CRI Properties.

(c) Except as set forth in Section 3.9 of CRI's Disclosure Schedule, to the best knowledge of CRI, (i)

storage and use of Hazardous Substances on the CRI Properties is limited to the types and quantities of Hazardous Substances generally used in consumer, retail, hotel, restaurant, commercial and office environments; (ii) Hazardous Substances have not been released or disposed on the CRI Properties; (iii) CRI is, with respect to the CRI Properties, in material compliance with applicable Environmental Law and the requirements of any permits issued under applicable Environmental Law for the CRI Properties; (iv) there are no pending or threatened Environmental Claims against CRI with respect to the CRI Properties; and (v) there are no underground storage tanks containing Hazardous Substances located at the CRI Properties.

(d) Except as set forth in Section 3.9 of CRI's Disclosure Schedule, there are no facts or circumstances, conditions or occurrences regarding any of the CRI Properties that CRI reasonably anticipates will cause any of the CRI Properties to be subject to any restrictions on CRI's ownership, occupancy, use or transferability under any applicable law, regulation, order, judgment, award or decree, including any Environmental Law.

(e) No condemnation, eminent domain or similar proceeding has been commenced or is, to the best knowledge of CRI, threatened with respect to all or any portion of any CRI Property or for the relocation of roadways providing access to any CRI Property.

(f) Each CRI Property has rights of access to public ways or private recorded easements or rights of way providing access to public ways and is served by water, sewer, sanitary sewer and storm drain facilities adequate to service such CRI Property for its intended use. All public utilities necessary to the full use and enjoyment of each CRI Property are located in the public right-of-way or private recorded easements or rights of way abutting such CRI Property, and all such utilities are connected so as to serve such CRI Property without passing over other property (except with respect to easements therefor benefitting such CRI Property). All roads necessary for the use of such CRI Property for its current purpose have been completed and dedicated to public use or established pursuant to recorded easements or rights of way and, to the extent applicable, accepted by all Governmental Entities.

(g) Each CRI Property is comprised of one or more parcels which constitutes a separate tax lot and does

not constitute a portion of any other tax lot not part of such CRI Property.

(h) Except as set forth in Section 3.9 of CRI's Disclosure Schedule, no special or other assessment for public improvements or otherwise affecting any CRI Property is pending and no written notice of such assessment has been received by CRI, nor, to the best knowledge of CRI, are there any contemplated improvements to any CRI Property that could result in such special or other assessment.

(i) Except as set forth in Section 3.9 of CRI's Disclosure Schedule, no CRI Property is located in a flood hazard area as defined by the Federal Insurance Administration.

3.10 Contracts. Section 3.10 of CRI's Disclosure Schedule contains an accurate and complete list of all material agreements to which CRI is a party or by which it or the CRI Properties are bound, including, without limitation, (a) all agreements, contracts and commitments relating to the employment of any Person by CRI, and all bonus, deferred compensation, pension, profit sharing, stock option, employee stock purchase, retirement or other employee benefit plans, (b) all agreements, indentures and other instruments which contain restrictions with respect to payment of dividends or any other distribution in respect of its capital stock, (c) all agreements, contracts and commitments relating to capital expenditures in excess of \$25,000, (d) all agreements, contracts and commitments relating to the making of any loan, advance or investment, (e) all guarantees or other contingent liabilities in respect of any indebtedness or obligation of any Person (other than the endorsement of negotiable instruments for collection in the ordinary course of business), (f) all asset management, property management, consulting and other similar contracts, (g) all agreements, contracts and commitments limiting the ability of CRI to engage in any line of business or to compete with any Person, (h) all agreements, contracts and commitments not entered into in the ordinary course of business which involve annual expenditures of \$25,000 or more and are not cancelable without penalty upon 60 days' notice and (i) all agreements, contracts and commitments which might reasonably be expected to have an adverse impact on the assets, liabilities, condition, results of operations, business or prospects of CRI or the condition of the CRI Properties. Each contract or agreement set forth in Section 3.10 of CRI's Disclosure Schedule is in full force and effect and there exists no default or event of default

or event, occurrence, condition or act (including the consummation of the transactions contemplated hereby) which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default or event of default thereunder. CRI has not violated any of the terms or conditions of any contract or agreement set forth in Section 3.10 of CRI's Disclosure Schedule, and, to the best knowledge of CRI, all of the covenants to be performed by each other party thereto have been fully performed. CRI has no obligations to any Person arising in connection with any Competing Transaction.

3.11 Litigation. Section 3.11 of CRI's Disclosure Schedule contains an accurate and complete list of all actions, suits, proceedings at law or in equity, arbitrations, investigations, administrative and other proceedings pending or, to the best knowledge of CRI, threatened, and all judgments, orders, decrees and awards, against or affecting CRI or its assets. Except as marked by an asterisk on such list, there is no action, suit, proceeding at law or in equity, arbitration, investigation, administrative or other proceeding pending or, to the best knowledge of CRI, threatened, or any judgment, order, decree or award, against or affecting CRI or its assets which could materially and adversely affect the right or ability of CRI to carry on its business as now conducted, or which could materially and adversely affect the condition, whether financial or otherwise, of CRI, or which could materially and adversely affect the right or ability of CRI to consummate the transactions contemplated hereby. To the best knowledge of CRI, there is no valid basis upon which any such action, suit, arbitration, investigation or proceeding may be commenced or asserted against CRI.

3.12 Taxes. Except as set forth on Section 3.12 of CRI's Disclosure Schedule:

(a) All Tax Returns for all periods ending on or before the Closing Date that are or were required to be filed by CRI have been or will be filed on a timely basis in accordance with the laws, regulations and administrative requirements of each Taxing Authority. All such Tax Returns that have been filed on or before the Closing Date were, when filed, and continue to be, true, correct and complete in all material respects, and all such Tax Returns filed after the date hereof and before the Closing Date will be, when filed, true, correct and complete in all material respects.

(b) None of the United States federal, state and local Income Tax Returns that have been filed by CRI has been audited by any Taxing Authority or is closed by the applicable statute of limitations. CRI has not given or been requested to give waivers or extensions of any statute of limitations relating to the payment of Taxes for which CRI may be liable.

(c) CRI has paid, or made provision for the payment of, all Taxes that have or may become due for all periods ending on or before the Closing Date, including, without limitation, all Taxes reflected on the Tax Returns referred to in this Section 3.12, or in any assessment, proposed assessment, or notice, either formal or informal, received by CRI, except such Taxes, if any, as are set forth in Section 3.12 of CRI's Disclosure Schedule that are being contested in good faith and as to which adequate reserves (determined in accordance with GAAP consistently applied) have been provided. The reserves with respect to Taxes on the books of CRI are adequate (determined in accordance with GAAP consistently applied) and are at least equal to CRI's actual liabilities for Taxes. All Taxes that CRI is or was required by law to withhold or collect have been duly withheld or collected and, to the extent required, have been paid to the appropriate Taxing Authority. There are no Liens with respect to Taxes upon any of the properties or assets, real or personal, tangible or intangible, of CRI (except for Liens with respect to Taxes not yet due).

(d) No property owned by CRI is property that the Acquiring Parties or CRI is or will be required to treat as being owned by another person pursuant to the provisions of Section 168(f)(8) of the Internal Revenue Code of 1954, as amended and in effect immediately before the enactment of the Tax Reform Act of 1986, or is "tax-exempt use property" within the meaning of Section 168(h)(1) of the Code.

(e) CRI has (i) not agreed to and is not required to make any adjustment pursuant to Section 481(a) of the Code; (ii) no knowledge that any Taxing Authority has proposed any such adjustment or change in accounting method with respect to CRI, and (iii) no application pending with any Taxing Authority requesting permission for any change in accounting method.

(f) CRI is not a foreign person within the meaning of Section 1445 of the Code.

(g) CRI does not have in effect any tax elections for federal income tax purposes under Sections 108, 168, 338, 441, 471, 1017, 1033, 1502 or 4977 of the Code.

(h) There is no contract, agreement, plan or arrangement covering any person that, individually or collectively, as a consequence of this transaction could give rise to the payment of any amount that would not be deductible by the Acquiring Parties or CRI by reason of Section 280G of the Code.

(i) CRI (A) does not own any real property located in New York State, (B) is not the lessee of any such New York real property, and (C) does not own any interest in real property that may subject any of the parties to any transfer or gains taxes as a result of the transactions contemplated by this Agreement.

3.13 Insurance. Section 3.13 of CRI's Disclosure Schedule contains an accurate and complete list of all policies of insurance, including the amounts thereof and all deductibles, maintained by CRI with respect to its business, employees and assets. Each such policy is in full force and effect and, assuming consummation of the transactions contemplated hereby, is free from any right of termination on the part of the insurance carriers.

3.14 Compliance with Laws. CRI is in compliance in all material respects with all applicable laws, regulations, orders, judgments, awards and decrees.

3.15 Consents. Except as set forth in Section 3.15 of CRI's Disclosure Schedule, no consent, approval or authorization of, or filing with any Person is required in connection with the execution, delivery and performance of this Agreement by CRI.

3.16 Licenses and Permits. Section 3.16 of CRI's Disclosure Schedule contains an accurate and complete list of all material licenses and permits issued or granted by any Person obtained and maintained by CRI with respect to its business. Except as set forth in Section 3.16 of CRI's Disclosure Schedule, CRI has obtained and maintains licenses or permits required to be obtained or maintained by CRI to operate its business in the manner presently and heretofore conducted. CRI possesses all licenses and permits necessary to entitle it to own its properties and to transact the business in which it is engaged.

3.17 Employee Benefit Plans. Except as set forth in Section 3.17 of CRI's Disclosure Schedule, CRI has not established, maintained or contributed to any employee benefit plan, program or other arrangement.

3.18 Disclosure. Neither this Agreement nor any certificate delivered in accordance with the terms hereof nor any document or statement in writing delivered by or on behalf of CRI to the Acquiring Parties or any of their representatives or agents in connection with the transactions contemplated hereby, when taken as a whole, contains an untrue statement of a material fact, or omits any statement of a material fact necessary in order to make the statements contained herein or therein not misleading.

3.19 Broker's or Finder's Fees. CRI has no liability or obligation to pay any fees or commissions to any Person with respect to the transactions contemplated hereby for which the Acquiring Parties may be liable or obligated.

3.20 Copies of Documents. CRI has made available to the Acquiring Parties for inspection and copying by the Acquiring Parties and their advisers, accurate and complete copies of all documents referred to in this Article III, and all exhibits, schedules, amendments, modifications and endorsements and waivers thereof.

3.21 Ownership of CRI Shares. To the best knowledge of CRI and after inquiry by CRI of GKN Securities Corp., no "person", as such term is defined in the Articles of Incorporation of CRI, "owns" (such ownership to be determined as provided in CRI's Articles of Incorporation) as of the date hereof in excess of 9.8% of the outstanding CRI Shares, as determined on an undiluted basis and on a fully-diluted basis (after taking into account all outstanding CRI Shares and all CRI Shares underlying the CRI Warrants).

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE ACQUIRING PARTIES

The Acquiring Parties, jointly and severally, represent and warrant to CRI as of the date hereof and as of the Closing Date as follows:

4.1 Organization. Southeast Realty is a corporation duly organized, validly existing and in good standing under the laws of the State of Maryland. The Merger Subsidiary is a corporation duly organized, validly

existing and in good standing under the laws of the State of Florida. Each of the Partnerships is a limited partnership, duly organized, validly existing and in good standing under the laws of the State of Delaware. Each has all requisite corporate or partnership power and authority to own, lease and operate its properties and to carry on its business as now being conducted. Each of the Acquiring Parties and the Partnerships is duly qualified or licensed to conduct business and is in good standing in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such qualification or licensing necessary, except for filings in jurisdictions where the failure to make such filings would not, individually or in the aggregate, have a material adverse effect on its business, properties or financial condition. Each of the Partnerships is and has been from its inception (i) a "partnership" within the meaning of Section 761 of the Code and (ii) subject to the provisions of Subchapter K of the Code for federal income tax purposes. Southeast Realty has been organized and has at all times conducted its business in such a manner as to permit it to qualify as a "real estate investment trust" within the meaning of Section 856 of the Code. The sole business of APGP is to hold the sole general partnership interest of AP Southeast. The sole business of APGP Fontaine is to hold the sole general partnership interest of Fontaine Partnership. The sole business of Options Corporation is to hold the property listed in Schedule 4.10 of the Acquiring Parties' Disclosure Schedule as owned by the Options Corporation. The sole business of AP Southeast and Fontaine Partnership is to own their respective Properties.

4.2 Authority and Enforceability. Each of the Acquiring Parties has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, and each has validly executed and delivered this Agreement. This Agreement constitutes the legal, valid and binding agreement of the Acquiring Parties enforceable against each of the Acquiring Parties in accordance with its terms.

4.3 Capitalization. The authorized capital stock of Southeast Realty consists solely of 50,000,000 shares of common stock, par value \$.01 per share, 10,000,000 shares of preferred stock, par value \$.01 per share, and 60,000,000 shares of excess stock, par value \$.01 per share. The authorized capital stock of each Southeast Realty Subsidiary consists solely of 1,000 shares of common stock, par value \$.01 per share. There are 100

shares of common stock, and no shares of preferred stock or excess stock, of Southeast Realty, issued and outstanding, and 100 shares of common stock of each Southeast Realty Subsidiary, issued and outstanding. All of the issued and outstanding shares of such common stock are validly issued, fully paid and nonassessable. Except for the Transfer Agreements and as set forth in Section 4.3 of the Acquiring Parties' Disclosure Schedule, there are no preemptive rights, subscriptions, options, warrants, puts, calls, rights, exchangeable or convertible securities or other agreements or commitments of any character obligating Southeast Realty or the Southeast Realty Subsidiaries to issue, transfer, sell, purchase or redeem any of their securities. Except for the Transfer Agreements and as set forth in Section 4.3 of the Acquiring Parties' Disclosure Schedule, since September 22, 1994, neither Southeast Realty nor any of the Southeast Realty Subsidiaries has issued any shares of its capital stock or any other securities exchangeable or exercisable for or convertible into shares of the capital stock of Southeast Realty or the Southeast Realty Subsidiaries. The Southeast Realty Securities are validly authorized and, when issued pursuant to this Agreement, shall be validly issued, fully paid and nonassessable, free and clear of all Liens thereupon. The shares of the common stock issuable upon exercise of the Southeast Realty Warrants are validly authorized, and when issued pursuant to such exercise, shall be validly issued, fully paid and nonassessable, free and clear of all Liens thereupon.

4.4 Capital Structure of Partnerships. At all times prior to the consummation of the transactions contemplated in the Transfer Agreements, APGP has been the sole general partner, and the Fund has been the sole limited partner, of AP Southeast. At all times prior to the consummation of the transactions contemplated in the Transfer Agreements, APGP Operating Corp. has been the sole general partner, and the Fund has been the sole limited partner, of APGP. At all times prior to the consummation of the transactions contemplated in the Transfer Agreements, APGP Fontaine has been the sole general partner, and the Fund has been the sole limited partner, of Fontaine Partnership. At all times prior to the consummation of the transactions contemplated in the Transfer Agreements, Fontaine Operating Corp. has been the sole general partner, and the Fund has been the sole limited partner, of APGP Fontaine. Except with respect to the transactions contemplated by this Agreement, the Management Companies Merger Agreement and the Transfer Agreements, and except as provided in the NCNB Agreement,

no Person other than APGP, APGP Operating Corp., the Fund, Fontaine Operating Corp. and APGP Fontaine has, directly or indirectly, any equity, profit-sharing or other similar interest in, or right to the assets or income of, any of the Partnerships. Except as provided in the Transfer Agreements, there are no outstanding rights or claims for the purchase of, or any rights or claims convertible into, an equity or other interest in any of the Partnerships, and except as provided in the NCNB Agreement, after giving effect to the transactions contemplated hereby, no Person other than Southeast Realty, Southeast Realty GP Corp. and Southeast Fontaine GP Corp. will have, directly or indirectly, any equity, profit-sharing or other similar interest in, or right to the assets or income of, any of the Partnerships. As of the Closing Date, there will be no outstanding rights or claims for the purchase of, or any rights or claims convertible into, an equity or other interest in any of the Partnerships.

4.5 Subsidiaries. Southeast Realty does not own any capital stock or other proprietary interest in any Person other than the Merger Subsidiary, CRI Management and Southeast Realty GP Corp., and, as of the Closing Date, Southeast Fontaine GP Corp. (collectively, the "Southeast Realty Subsidiaries"), and the Partnerships. None of the entities identified in the previous sentence (except Southeast Realty) owns any capital stock or other proprietary interest in any Person.

4.6 Filings with the SEC. Southeast Realty and AP Southeast have timely made all filings with the SEC that each has been required to make under the Securities Act and the Securities Exchange Act (such filings, excluding the financial statements and exhibits filed therewith, the "Acquiring Parties' Public Reports"). Each of the Acquiring Parties' Public Reports complied with the Securities Act and the Securities Exchange Act in all material respects on the date of filing. None of the Acquiring Parties' Public Reports, as of their respective dates, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

4.7 Financial Statements. The financial statements (other than any pro forma financial statements) included in or incorporated by reference into the Acquiring Parties' Public Reports, including the related notes and schedules (the "Acquiring Parties' Financial Statements"), have been prepared in accordance with GAAP applied on a

consistent basis throughout the periods covered thereby, present fairly the consolidated financial condition of Southeast Realty, the Southeast Realty Subsidiaries and AP Southeast, or the financial condition of AP Southeast, as the case may be, as of the indicated dates, and the consolidated results of operations of Southeast Realty, the Southeast Realty Subsidiaries and AP Southeast or the results of operations of AP Southeast, as the case may be, for the indicated periods, provided that any interim financial statements are subject to normal year-end adjustments, none of which is material. The unaudited financial statements of Fontaine Partnership, and the unaudited balance sheet of each of APGP, APGP Fontaine and Options Corporation, have been delivered to CRI on or before October 11, 1994, (collectively, the "Related Financial Statements"). The Related Financial Statements present fairly the financial condition of Fontaine Partnership and of each of APGP, APGP Fontaine and Options Corporation, as of June 30, 1994, and the revenues and expenses of Fontaine Partnership for the period ended June 30, 1994 (on a tax basis). The Acquiring Parties' Financial Statements and the Related Financial Statements are correct and complete in all material respects, and have been prepared from the books and records of Southeast Realty, the Southeast Realty Subsidiaries, the Partnerships and Options Corporation, as applicable. The Related Financial Statements relating to APGP are based on and are consistent with the Acquiring Parties' Financial Statements relating to AP Southeast. The Acquiring Parties' Financial Statements and the Related Financial Statements of Fontaine Partnership present fairly the revenues and expenses of the Properties included in such financial statements. Except as set forth in Section 4.7 of the Acquiring Parties' Disclosure Schedule, the balance sheet contained in the most recently filed Acquiring Parties' Public Reports and the balance sheets contained in the Related Financial Statements reflect all claims against and all debts and liabilities (whether accrued, absolute, contingent or otherwise) of Southeast Realty, the Southeast Realty Subsidiaries, the Partnerships and Options Corporation or affecting the Properties as of the date thereof.

4.8 No Material Changes. Except as set forth in Section 4.8 of the Acquiring Parties' Disclosure Schedule, since June 30, 1994, there has been no material adverse change in the assets, liabilities, condition, results of operations, business or prospects of the Partnerships or Options Corporation. Since September 21, 1994, there has been no material adverse change in the assets, liabilities, condition, results of operations, business or prospects of

Southeast Realty. Since September 22, 1994, there has been no material adverse change in the assets, liabilities, condition, results of operations, business or prospects of any of the Southeast Realty Subsidiaries.

4.9 No Violation. Except as set forth in Section 4.9 of the Acquiring Parties' Disclosure Schedule, the execution, delivery and performance by the Acquiring Parties of this Agreement and of the documents and instruments contemplated hereby to be executed, delivered and performed by them, and the execution, delivery and performance of the Transfer Agreements will not (i) violate or conflict with any provision of the Certificate or Articles of Incorporation, By-Laws, Certificate of Limited Partnership or Limited Partnership Agreement of the parties to such agreements, (ii) constitute a violation of, or be in conflict with, or result in a breach of, or constitute a default under, or create (or cause the acceleration of the maturity of) any debt, obligation or liability pursuant to, or result in the creation or imposition of any Lien upon any of the assets of any Acquiring Party, any Southeast Realty Subsidiary, any Partnership or Options Corporation under, any indenture, mortgage, deed of trust, loan agreement, or other agreement or instrument, to which any Acquiring Party, any Southeast Realty Subsidiary, any Partnership or Options Corporation is a party or by which any Acquiring Party, any Southeast Realty Subsidiary, any Partnership or Options Corporation is bound or to which any Acquiring Party, any Southeast Realty Subsidiary, any Partnership or Options Corporation or any of the assets of any Acquiring Party, any Southeast Realty Subsidiary, any Partnership or Options Corporation is subject, or (iii) contravene any provision of any law, rule or regulation or any judgment, decree, order or award by which any Acquiring Party, any Southeast Realty Subsidiary, any Partnership or Options Corporation is bound or to which any Acquiring Party, any Southeast Realty Subsidiary, any Partnership or Options Corporation, or any of the assets of any Acquiring Party, any Southeast Realty Subsidiary, any Partnership or Options Corporation or the Southeast Realty Securities are subject.

4.10 Real Property.

(a) Neither Southeast Realty nor any Southeast Realty Subsidiary owns any real property. Section 4.10 of the Acquiring Parties' Disclosure Schedule contains an accurate and complete list of all real property owned in whole or in part by the Partnerships and the other properties which will be transferred to Southeast Realty or

the Southeast Realty Subsidiaries pursuant to the Transfer Agreements (collectively, the "Properties") and includes the name of the record title holder thereof and a list of all indebtedness secured by a Lien. Except as set forth in Section 4.10 of the Acquiring Parties' Disclosure Schedule, AP Southeast and Fontaine Partnership will on the Closing Date have good and marketable title in fee simple to the Properties, free and clear of all Liens, except to the extent insured by title insurance. Except as set forth in engineering reports (true and complete copies of which have been delivered to CRI), all of the buildings, structures and appurtenances situated on the Properties are in good operating condition, normal wear and tear excepted, and in a state of good maintenance and repair, and are adequate and suitable for the purposes for which they are presently being used. Except as set forth in surveys (true and complete copies of which have been delivered to CRI), none of such buildings, structures or appurtenances (or any equipment therein), nor the operation or maintenance thereof, violates any restrictive covenant or any provision of any federal, state or local law, ordinance, rule or regulation, or encroaches on any property owned by others.

(b) Section 4.10 of the Acquiring Parties' Disclosure Schedule contains an accurate and complete list of all leases, including all amendments thereto and all material agreements incidental thereto, relating to the Properties and the amount of any security deposit and prepaid rent related thereto and other amounts due thereunder. Except as set forth in Section 4.10 of the Acquiring Parties' Disclosure Schedule, each such lease is in full force and effect, all rents and additional rents on each such lease are not more than 30 days' past due. In each case, the lessee is in peaceful possession and is not in default thereunder and no waiver, indulgence or postponement of the lessee's obligations thereunder has been granted by the lessor, and there exists no event of default on the part of any Partnership or the lessee or event, occurrence, condition or act (including the consummation of the transactions contemplated hereby) which would become a default under such lease. Section 4.10 of the Acquiring Parties' Disclosure Schedule sets forth the amounts of all outstanding commitments for tenant improvements on the Properties.

(c) Except as set forth in Section 4.10 of the Acquiring Parties' Disclosure Schedule, to the best knowledge of the Acquiring Parties, (i) storage and use of Hazardous Substances on the Properties is limited to the types and quantities of Hazardous Substances generally used