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

(d) Except as set forth in Section 4.10 of the Acquiring Parties' Disclosure Schedule, there are no facts or circumstances, conditions or occurrences regarding any of the Properties that any of the Acquiring Parties reasonably anticipates will cause any of the Properties to be subject to any restrictions on any Partnership's ownership, occupancy, use or transferability under any applicable law, rule, regulation, order, judgment, award or decree, including any Environmental Law.

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

(f) Each 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 Property for its intended use. All public utilities necessary to the full use and enjoyment of such Property are located in the public right-of-way or private recorded easements or rights of way abutting such Property, and all such utilities are connected so as to serve such Property without passing over other property (except with respect to easements therefor benefitting such Property). All roads necessary for the use of such 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 Property is comprised of one (1) or more parcels which constitutes a separate tax lot and does not constitute a portion of any other tax lot not part of such Property, except for the Properties known as

Battlefield, Metrowest and Oakbrook I through V, which Properties, although subdivided of record, have not been designated as separate tax lots as of the date hereof.

(h) Except as set forth in Section 4.10 of the Acquiring Parties' Disclosure Schedule, no special or other assessment for public improvements or otherwise affecting any Property is pending and no written notice of special assessment has been received by any of the Acquiring Parties and the Partnerships, nor, to the best knowledge of Southeast Realty, are there any contemplated improvements to any Property that could result in such special or other assessment.

(i) Except as set forth in Section 4.10 of the Acquiring Parties' Disclosure Schedule, none of the Properties is located in a flood hazard area as defined by the Federal Insurance Administration.

4.11 Contracts. (a) The Acquiring Parties have delivered to CRI a true and complete copy of the Transfer Agreements. The Transfer Agreements provide for the sale, assignment and transfer by the transferors thereunder to Southeast Realty of all of the equity, profit-sharing or similar interest in, or right to the assets or income of, the Partnerships and Options Corporation on or prior to the Closing Date. Each of the Transfer Agreements has been validly executed and delivered by all the parties thereto, and constitutes the legal, valid and binding agreement of such parties enforceable against each such party in accordance with its terms. Each of the Transfer Agreements is in full force and effect and there exists no default or event of default or other 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.

(b) Section 4.11 of the Acquiring Parties' Disclosure Schedule contains an accurate and complete list of all material agreements to which any of the Acquiring Parties, the Southeast Realty Subsidiaries, the Partnerships and Options Corporation is a party or by which any of them or the Properties are bound, including, without limitation, (a) all agreements, contracts and commitments relating to the employment of any Person by any of the Acquiring Parties, the Southeast Realty Subsidiaries, the Partnerships and Options Corporation, 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 distributions in respect of its partnership interest, (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 any of the Acquiring Parties, the Southeast Realty Subsidiaries, the Partnerships and Options Corporation 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 $50,000 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 any of the Acquiring Parties, the Southeast Realty Subsidiaries, the Partnerships and Options Corporation or the condition of the Properties. Each contract or agreement set forth in Section 4.11 of the Acquiring Parties' Disclosure Schedule is in full force and effect and there exists no default or event of default or other event, occurrence, condition or act 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. None of the Acquiring Parties, the Southeast Realty Subsidiaries, the Partnerships and Options Corporation has violated any of the terms or conditions of any contract or agreement set forth in Section 4.11 of the Acquiring Parties' Disclosure Schedule, and, to the best knowledge of the Acquiring Parties, all of the covenants to be performed by each other party thereto have been fully performed. Subject to the consent of the Note Trustee under the Indenture, each asset management agreement and property management agreement set forth in Section 4.11 of the Acquiring Parties' Disclosure Schedule is cancelable without penalty within 30 days' notice by a Partnership. None of the Acquiring Parties, the Southeast Realty Subsidiaries, the Partnerships and Options Corporation has any obligations to any Person arising in connection with a Competing Transactions.

4.12 Litigation. Section 4.12 of the Acquiring Parties' 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 Southeast Realty, threatened and all judgments, orders, decrees and awards, against or affecting the Acquiring Parties, the Southeast Realty Subsidiaries, the Partnerships, Options Corporation and the Properties. 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 Southeast Realty, threatened, or any judgment, order, decree or award, against or affecting the Acquiring Parties, the Southeast Realty Subsidiaries, the Partnerships, Options Corporation or the Properties, which could materially and adversely affect the Southeast Realty Securities, or which could materially and adversely affect the condition, whether financial or otherwise, of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation, the Partnerships or the Properties, or which could materially and adversely affect the right or ability of the Acquiring Parties, Options Corporation or the Partnerships to consummate the transactions contemplated hereby or under the Transfer Agreements. To the best knowledge of Southeast Realty, there is no valid basis upon which any such action, suit, arbitration, investigation or proceeding could be commenced or asserted against any of Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation or the Partnerships.

4.13 Taxes. Except as set forth in Section 4.13 of the Acquiring Parties' 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 each of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships 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 the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships has been audited by any Taxing Authority or is closed by the applicable statute of limitations. The Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships have not given or been requested to give waivers or extensions of any statute of limitations relating to the payment of Taxes for which the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships may be liable.

(c) Each of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships 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 4.13, or in any assessment, proposed assessment, or notice, either formal or informal, received by the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation or the Partnerships, except such Taxes, if any, as are set forth in Section 4.13 of the Acquiring Parties' 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 the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships are adequate (determined in accordance with GAAP consistently applied) and are at least equal to the actual liabilities of the Acquiring Parties, Options Corporation and the Partnerships for Taxes. All Taxes that the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships are or were 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 the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships (except for Liens with respect to Taxes not yet due).

(d) No property owned by the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation or the Partnerships is property that the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation or the Partnerships 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) None of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships has (i) agreed to or is required to make any adjustment pursuant to Section 481(a) of the Code, (ii) knowledge that any Taxing Authority has proposed any such adjustment or change in accounting method with respect to each of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships, or (iii) application pending with any Taxing Authority requesting permission for any change in accounting method.

(f) None of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships is a foreign person within the meaning of Section 1445 of the Code.

(g) None of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships has 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, the Southeast Realty Subsidiaries, Options Corporation or the Partnerships by reason of Section 280G of the Code.

(i) None of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships (A) owns any real property located in New York State, (B) is the lessee of any such New York real property, or (C) owns 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.

4.14 Insurance. Section 4.14 of the Acquiring Parties' Disclosure Schedule contains an accurate and complete list of all policies of insurance, including the amounts thereof and all deductibles, maintained by each of the Acquiring Parties, the Southeast Realty Subsidiaries,

Options Corporation and the Partnerships 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.

4.15 Compliance with Laws. The Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships are each in compliance in all material respects with all applicable laws, rules, regulations, orders, judgments, awards and decrees.

4.16 Consents. Except as set forth in Section 4.16 of the Acquiring Parties' 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 the Acquiring Parties.

4.17 Licenses and Permits. Section 4.17 of the Acquiring Parties' Disclosure Schedule contains an accurate and complete list of all material licenses and permits issued or granted by any Person obtained and maintained by the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships with respect to their respective businesses. Except as set forth in Section 4.17 of the Acquiring Parties' Disclosure Schedule, the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships have obtained and maintain all licenses or permits as required to be obtained or maintained by the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships to operate their businesses in the manner presently and heretofore conducted. Each of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships possesses all licenses and permits necessary to entitle it to own its properties and to transact the business in which it is engaged.

4.18 Employee Benefit Plans. None of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships has established, maintained or contributed to any employee benefit plan, program or other arrangement.

4.19 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 the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation or the Partnerships to

CRI 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.

4.20 Broker's or Finder's Fees. Except as set forth in Section 4.20 of the Acquiring Parties' Disclosure Schedule, none of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation, the Partnerships, and the Fund, or any of their respective Affiliates, has any liability or obligation to pay any fees or commissions to any Person with respect to the transactions contemplated hereby for which CRI may be liable or obligated.

4.21 Copies of Documents. The Acquiring Parties have made available to CRI for inspection and copying by CRI and its advisers, accurate and complete copies of all documents referred to in this Article IV, and all exhibits, schedules, amendments, modifications and endorsements and waivers thereof.

4.22 Southeast Realty Share Ownership. Upon the consummation of the transactions contemplated by the Transfer Agreements and provided that the determination as to whether Southeast Realty is "closely held" as determined under Section 856(h) of the Code is relevant for the qualification of Southeast Realty as a "real estate investment trust" (within the meaning of Section 856(a) of the Code), Southeast Realty will not be "closely held" as determined under Section 856(h) of the Code after giving effect to the relevant constructive and attribution of ownership provisions of the Code solely as a result of the ownership by the Fund of the Southeast Realty Shares.

4.23 REIT Qualification. The consummation of the transactions contemplated in the Transfer Agreement between Options Corporation and Southeast Realty will not cause Southeast Realty to fail to qualify as a "real estate investment trust" within the meaning of Section 856(a) of the Code.

ARTICLE V

COVENANTS OF CRI

During the period from the date of this Agreement and continuing until the Closing Date (except as otherwise

indicated), CRI covenants to the Acquiring Parties that, except as permitted by this Agreement or as the Acquiring Parties shall otherwise consent in writing:

5.1 Conduct of Business. CRI shall carry on its business in the ordinary course, consistent in all respects with past practice, and shall use its best efforts to preserve intact its present business organization.

5.2 Dividends; Reclassification; and Redemptions. Except as set forth in Section 5.2 of CRI's Disclosure Schedule or as required pursuant to this Agreement or by Sections 856-860 of the Code, CRI shall not (i) declare, set aside or pay any dividend or other distribution (whether in cash, stock or property or any combination thereof) in respect of any of its capital stock, (ii) split, combine or reclassify any of its capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, or (iii) repurchase, redeem or otherwise acquire any of its securities.

5.3 Issuance of Securities. Except as set forth in Section 5.3 of CRI's Disclosure Schedule, CRI shall not authorize for issuance, issue, sell, deliver or agree or commit to issue, sell or deliver (whether through the issuance or granting of options, warrants, commitments, subscriptions, rights to purchase or otherwise) any stock of any class or any other securities (including indebtedness having the right to vote) or equity equivalents (including, without limitation, stock appreciation rights).

5.4 Articles of Incorporation and By-Laws. Except as set forth in Section 5.4 of CRI's Disclosure Schedule, CRI shall not amend its Articles of Incorporation or By-Laws.

5.5 Assets. CRI shall not acquire, sell, lease, encumber, transfer or dispose of any of its assets, except in the ordinary course of business, consistent in all respects with past practice.

5.6 Indebtedness. Except as set forth in Section 5.6 of CRI's Disclosure Schedule, CRI shall not incur any indebtedness for borrowed money or guarantee any indebtedness or issue or sell any debt securities or warrants or rights to acquire any debt securities of CRI or guarantee (or become liable for) any debt of others or make any loans, advances or capital contributions or mortgage,

pledge or otherwise encumber any assets or create or suffer any Lien thereupon.

5.7 Payment of Liabilities. CRI shall not pay, discharge or satisfy any claims, liabilities or obligations (absolute, accrued, contingent or otherwise), other than the payment, discharge or satisfaction in the ordinary course of business, consistent in all respects with past practice, of liabilities (i) reflected or reserved against CRI's Financial Statements as of June 30, 1994, or (ii) incurred in the ordinary course of business, consistent in all respects with past practice since June 30, 1994.

5.8 Accounting Practices. CRI shall not change any of the accounting principles or practices used by it (except as required by GAAP).

5.9 Capital Expenditures. CRI shall not make or commit to make capital expenditures in the aggregate exceeding $25,000 for any single item or $100,000 in the aggregate, except as otherwise provided in the budget set forth in Section 5.9 of CRI's Disclosure Schedule.

5.10 Material Rights. CRI shall not make or permit any amendment or termination of any material contract, agreement or license to which it is a party or by which its business may be bound, except in the ordinary course of business, consistent in all respects with past practice, or waive or release any material rights, whether or not in the ordinary course of business.

5.11 Employee Benefit Plans. Except as set forth in Section 5.11 of CRI's Disclosure Schedule, CRI shall not (i) enter into, adopt, amend or terminate any employee benefit plan or any agreement, arrangement, plan or policy between it and one or more of its directors or executive officers or (ii) increase in any manner the compensation or fringe benefits of any director, officer or employee (other than increases made in the ordinary course of business, consistent in all respects with past practice) or pay any benefit not required by any plan and arrangement.

5.12 No Solicitations. CRI shall immediately cease and cause to be terminated any existing discussions or negotiations with any third parties conducted prior to the date hereof with respect to any Competing Transaction involving CRI. CRI shall not, and shall use its best efforts to ensure that none of its officers, directors, representatives or agents shall, directly or indirectly,

solicit, initiate or encourage (including by way of having any discussions or furnishing any information) any Person (including any third parties referred to in the first sentence of this Section 5.12) to pursue any Competing Transaction, except as may be required by the exercise of their fiduciary duties under applicable law. CRI shall promptly advise the Acquiring Parties of any such inquiries or proposals initiated by others regarding a Competing Transaction.

5.13 Access to Information. During the period from the date hereof to the Closing Date, upon reasonable notice, CRI shall afford to the Acquiring Parties' Representatives access, during normal business hours, to the officers, employees, accountants, counsel and other advisers of CRI having knowledge of the operation of its business and to all of its properties, books, contracts, commitments and records; provided, however, that in conducting such activities, the Acquiring Parties shall not, and shall cause the Acquiring Parties' Representatives not to, unduly interfere with the business and employees of CRI and CRI's Representatives. During such period, CRI shall furnish promptly to the Acquiring Parties and the Acquiring Parties' Representatives all information concerning their businesses, properties and personnel as the Acquiring Parties may reasonably request. CRI also shall make available to the Acquiring Parties as promptly as practicable, for inspection and copying by the Acquiring Parties and the Acquiring Parties' Representatives, true and complete copies of all documents listed or described in CRI's Disclosure Schedule, and all amendments, modifications, endorsements and waivers thereof.

5.14 Confidentiality. CRI shall use all non-public information disclosed by any Acquiring Party or any of the Acquiring Parties' Representatives solely for the purpose of evaluating the transactions contemplated hereby and shall not disclose such information to any Person other than CRI's Representatives or use such information for any other purpose, except as required by applicable law or legal process (after notifying Southeast Realty), without the prior written consent of the Acquiring Party. CRI shall inform CRI's Representatives of the confidential nature of such information and shall obtain the agreement of each such CRI's Representative to maintain and use such non-public information in a manner consistent with the provisions of this Section 5.14. If this Agreement is terminated, CRI shall, and shall cause CRI's Representatives to, destroy or deliver to the Acquiring Party all non-public documents, work papers and other

materials containing any non-public information, whether obtained before or after the date of execution hereof.

5.15 Books and Records. CRI shall maintain its books of account and records in the ordinary course of business, consistent in all respects with past practice.

5.16 Insurance. CRI shall use its best efforts to maintain in full force and effect all policies of insurance now held by it or otherwise naming it as a beneficiary or a loss payee and shall inform the Acquiring Parties of any notice of cancellation or non-renewal of any insurance policy or binder.

5.17 Leases. CRI shall not enter into any real property lease involving 5,000 or more square feet of space, or any personal property lease.

5.18 Compliance with Applicable Law. CRI shall conduct its business in compliance with all applicable laws, ordinances, rules, regulations, decrees and orders of all Governmental Entities.

5.19 Inconsistent Actions. CRI shall not take any action that would or is reasonably likely to result in any of its representations, warranties, covenants or agreements set forth in this Agreement being untrue or being breached on the Closing Date.

5.20 Notification. CRI shall promptly notify the Acquiring Parties in writing if CRI becomes aware of any breach of any representation or warranty or non-fulfillment of any covenant made herein by CRI and shall have a period of ten Business Days from the date on which it became aware thereof to cure any such defect which is curable; provided, however, that in no event shall the period for the cure of such defect extend beyond the Closing Date.

5.21 Best Efforts. Subject to the terms and conditions of this Agreement, CRI shall use its best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable to consummate the transactions contemplated by this Agreement including, without limitation, the prompt preparation and filing of all forms, registrations and notices required to be filed by CRI to consummate the transactions contemplated hereby and the taking of such actions as are necessary to obtain any requisite approvals, consents, orders, exemptions and waivers by all

Governmental Entities and other third parties. CRI shall promptly consult with the Acquiring Parties and provide any necessary information with respect to, and furnish the Acquiring Parties (or their counsel) copies of, all filings made by CRI with all Governmental Entities and other third parties in connection with this Agreement and the transactions contemplated hereby. From and after the Closing Date, CRI hereto shall, from time to time, execute and deliver such further instruments of conveyance, assignment and transfer, and take or cause to be taken, such other action and shall lend all reasonable assistance to the Acquiring Parties in order to carry out the intentions and purposes of this Agreement.

5.22 HSR Filings. CRI shall promptly prepare and file with the appropriate Governmental Entities all forms, applications and related material which may be required with respect to CRI under the HSR Act in connection with the CRI Merger and shall use its best efforts to obtain an early termination of the applicable waiting period.

5.23 Proxy Statement. As promptly as practicable, CRI shall furnish to the Acquiring Parties all information concerning CRI and the Management Companies as Southeast Realty may reasonably request in connection with the preparation of the Registration Statement and the filing thereof with the SEC. As promptly as practicable after the Registration Statement shall have been declared effective, CRI shall mail the prospectus contained in the Registration Statement (together with any amendments and supplements thereto, the "Proxy Statement"), to its shareholders. If at any time prior to the Effective Time any event or circumstance relating to the Mergers should be discovered by CRI which would be required to be disclosed in an amendment or a supplement to the Registration Statement, CRI shall promptly inform Southeast Realty. The Proxy Statement shall submit to CRI's shareholders for their approval this Agreement and the CRI Merger and shall include the recommendation of the Board of Directors of CRI in favor of the Agreement and the CRI Merger (except to the extent otherwise required by the exercise of fiduciary duties under applicable law).

5.24 Shareholders' Meeting. CRI shall duly call and hold a meeting of its shareholders as promptly as practicable for the purpose of voting upon this Agreement and the CRI Merger. CRI shall use its best efforts to solicit from its shareholders proxies in favor of the CRI Merger, and shall take all other action necessary or

advisable to obtain the approval of shareholders required by applicable law.

5.25 REIT Status. CRI shall conduct 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 for its taxable year ending December 31, 1994.

5.26 Share Ownership. Except as may be otherwise required by the exercise of the fiduciary duties of CRI's Board of Directors under applicable law, CRI shall not waive any of the provisions of its Articles of Incorporation with respect to the "ownership" (such "ownership" to be determined as provided in CRI's Articles of Incorporation) of more than 9.8% of the CRI Shares by any "person", (as such term is defined in the Articles of Incorporation of CRI) and, shall take all reasonable actions necessary and not inconsistent with its Articles of Incorporation to prevent any "person" from "owning" more than 9.8% of the CRI Shares.

ARTICLE VI

COVENANTS OF THE ACQUIRING PARTIES

During the period from the date of this Agreement and continuing until the Closing Date (except as otherwise indicated), the Acquiring Parties, jointly and severally, covenant to CRI, except as permitted by this Agreement or as CRI shall otherwise consent in writing:

6.1 Conduct of Business. Each of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall carry on its business in the ordinary course, consistent in all respects with past practice, and shall use its best efforts to preserve intact its present business organization. AP Southeast shall not cease to be a Single-Purpose partnership.

6.2 Distributions; etc. Except as set forth in Section 6.2 of the Acquiring Parties' Disclosure Schedule, none of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall (i) declare, set aside or pay any dividend or other distribution (whether in cash, stock or property or any combination thereof) in respect of any of its capital stock, (ii) split, combine or reclassify any of its capital

stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, or (iii) repurchase, redeem or otherwise acquire any of its securities.

6.3 Issuance of Securities. Except as set forth in Section 6.3 of the Acquiring Parties' Disclosure Schedule and as required pursuant to the agreements and instruments in effect on the date hereof, including the issuance of the Southeast Realty Securities pursuant to the CRI Merger, the Transfer Agreements and the Management Companies Merger Agreement, none of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall authorize for issuance, issue, sell, deliver or agree or commit to issue, sell or deliver (whether through the issuance or granting of options, warrants, commitments, subscriptions, rights to purchase or otherwise) any stock of any class or any other securities (including indebtedness having the right to vote) or equity equivalents (including, without limitation, stock appreciation rights).

6.4 Organizational Documents. Except as set forth in Section 6.4 of the Acquiring Parties' Disclosure Schedule and as may be reasonably required to obtain the Note Trustee's consent to the Mergers and the Transfer under the Indenture, none of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall amend its Articles of Incorporation or By-Laws or Certificate of Limited Partnership or Limited Partnership Agreement, as the case may be.

6.5 Assets. None of Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall acquire, sell, lease, encumber, transfer or dispose of any of its assets, except as provided in the Transfer Agreements and except for acquisitions made pursuant to option agreements to acquire real property in effect on the date hereof (true and complete copies of which have been delivered on the date hereof to CRI).

6.6 Indebtedness. Except as set forth in Section 6.6 of the Acquiring Parties' Disclosure Schedule, none of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall incur any indebtedness for borrowed money or guarantee any indebtedness or issue or sell any debt securities or warrants or rights to acquire any debt securities of any Acquiring Party, the Southeast Realty Subsidiaries, Options Corporation or the Partnerships or

guarantee (or become liable for) any debt of others or make any loans, advances or capital contributions or mortgage, pledge or otherwise encumber any assets or create or suffer any Lien thereupon.

6.7 Payment of Liabilities. None of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall pay, discharge or satisfy any claims, liabilities or obligations (absolute, accrued, contingent or otherwise), other than the payment, discharge or satisfaction in the ordinary course of business, consistent in all respects with past practice, of liabilities (i) reflected or reserved against in the Acquiring Parties' Financial Statements as of June 30, 1994, or (ii) incurred in the ordinary course of business, consistent in all respects with past practice since June 30, 1994.

6.8 Accounting Practices. None of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall change any of the accounting principles or practices used by them or any of them (except as required by GAAP).

6.9 Capital Expenditures. None of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall make or commit to make capital expenditures exceeding $25,000 for any single item or $500,000 in the aggregate, except as otherwise provided in the budget set forth in Section 6.9 of the Acquiring Parties' Disclosure Schedule.

6.10 Material Rights. None of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall make or permit any amendment or termination of any material contract, agreement or license to which any of them is a party or by which their businesses may be bound, including the Transfer Agreements, except in the ordinary course of business, consistent in all respects with past practice, or waive or release any material rights, whether or not in the ordinary course of business.

6.11 Employee Benefit Plans. None of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall (i) enter into, adopt, amend or terminate any employee benefit plan or any agreement, arrangement, plan or policy between either of them and one or more of their directors or executive officers, or (ii) increase in any manner the

compensation or fringe benefits of any partner, officer or employee (other than increases made in the ordinary course of business, consistent in all respects with past practice) or pay any benefit not required by any plan and arrangement.

6.12 No Solicitations. The Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation, the Partnerships, and the Fund shall immediately cease and cause to be terminated any existing discussions or negotiations with any third parties conducted prior to the date hereof with respect to any Competing Transaction involving any of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships. The Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation, the Partnerships, and the Fund shall not, and shall use their best efforts to ensure that none of their partners, officers, representatives or agents shall, directly or indirectly, solicit, initiate or encourage (including by way of having any discussions or furnishing any information) any Person (including any third parties referred to in the first sentence of this Section 6.12) to pursue any Competing Transaction, except as may be required by the exercise of their fiduciary duties under applicable law. The Acquiring Parties shall promptly advise CRI of any such inquiries or proposals initiated by others regarding a Competing Transaction.

6.13 Access to Information. During the period from the date hereof to the Closing Date, upon reasonable notice, the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall afford to CRI's Representatives access, during normal business hours, to directors, officers, employees, accountants, counsel and other advisers of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships having knowledge of the operation of their businesses and to properties, books, contracts, commitments and records of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships; provided, however, that in conducting such activities, CRI shall not, and shall cause CRI's Representatives not to, unduly interfere with the business and employees of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships and the Acquiring Parties' Representatives. During such period, the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall furnish promptly to CRI and CRI's

Representatives all information concerning the Acquiring Parties', the Southeast Realty Subsidiaries', Options Corporation's and the Partnerships' properties and personnel as CRI may reasonably request. The Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships also shall make available to CRI as promptly as practicable, for inspection and copying by CRI and CRI's Representatives, true and complete copies of all documents listed or described in the Acquiring Parties' Disclosure Schedule, and all amendments, modifications, endorsements and waivers thereof.

6.14 Confidentiality. The Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation, the Partnerships, and the Fund shall use all non-public information disclosed by CRI or any of CRI's Representatives solely for the purpose of evaluating the transactions contemplated hereby and shall not disclose to any Person other than the Acquiring Parties' Representatives or use such information for any other purpose, except as required by applicable law or legal process (after notifying CRI), without the prior written consent of CRI. The Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation, the Partnerships, and the Fund shall inform the Acquiring Parties' Representatives of the confidential nature of such information and shall obtain the agreement of each such Acquiring Parties's Representative to maintain and use such non-public information in a manner consistent with the provisions of this Section 6.14. If this Agreement is terminated, the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation, the Partnerships and the Fund shall, and shall cause the Acquiring Parties' Representatives to, destroy or deliver to CRI all non-public documents, work papers and other materials containing any non-public information, whether obtained before or after the date of execution hereof.

6.15 Books and Records. The Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall maintain their books of account and record in the ordinary course of business, consistent in all respects with past practice.

6.16 Insurance. The Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall use their best efforts to maintain in full force and effect all polices of insurance now held by them or otherwise naming them as a beneficiary or a loss

payee and shall inform CRI of any notice of cancellation or non-renewal of any insurance policy or binder.

6.17 Leases. None of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall enter into any real property lease involving 5,000 or more square feet of space, or any personal property lease.

6.18 Compliance with Applicable Laws. The Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall conduct their businesses in compliance in all material respects with all applicable laws, ordinances, rules, regulations, decrees and orders of all Governmental Entities.

6.19 Inconsistent Actions. None of the Acquiring Parties, the Southeast Realty Subsidiaries, Options Corporation and the Partnerships shall take any action that would or is reasonably likely to result in any of their representations, warranties, covenants or agreements set forth in this Agreement being untrue or being breached on the Closing Date.

6.20 Notification. The Acquiring Parties shall promptly notify CRI in writing if any of them becomes aware of any misrepresentation, breach of warranty or non-fulfillment of any covenant made herein by any of them and shall have a period of ten Business Days from the date on which any of them became aware thereof to cure such defect which is curable; provided, however, that in no event shall the period for the cure of such defect extend beyond the Closing Date.

6.21 Best Efforts. Subject to the terms and conditions of this Agreement, the Acquiring Parties shall use their best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable to consummate the transactions contemplated by this Agreement and the Transfer Agreements, including, without limitation, the prompt preparation and filing of all forms, registrations and notices required to be filed by the Acquiring Parties to consummate the transactions contemplated hereby and the taking of such actions as are necessary to obtain any requisite approvals, consents, orders, exemptions and waivers by all Governmental Entities and other third parties. The Acquiring Parties shall promptly consult with CRI and provide any necessary information with respect to, and furnish CRI copies of, all filings made by the

Acquiring Parties with all Governmental Entities and other third parties in connection with this Agreement and the transactions contemplated hereby. From and after the Closing Date, the Acquiring Parties shall, from time to time, execute and deliver such further instruments of conveyance, assignment and transfer, and take or cause to be taken, such other action and shall lend all reasonable assistance to CRI to carry out the intentions and purposes of this Agreement and the Transfer Agreements.

6.22 HSR Filings. The Acquiring Parties shall promptly prepare and file with the appropriate Governmental Entities all forms, applications and related material which may be required with respect to them or any of them under the HSR Act in connection with the CRI Merger and shall use their best efforts to obtain an early termination of the applicable waiting period.

6.23 Broker's Fees. On or before the Closing Date, the Acquiring Parties shall pay the fees and commissions of all the Persons set forth in Section 6.23 of the Acquiring Parties' Disclosure Schedule to the extent then payable.

6.24 Directors' and Officers' Indemnification and Insurance. (a) The Articles of Incorporation and By-Laws of the Surviving Subsidiary shall contain the provisions with respect to indemnification set forth in the Articles of Incorporation and By-Laws of CRI on the date of this Agreement, which provisions shall not be amended, repealed or otherwise modified for a period of six years after the Effective Time in any manner that would adversely affect the rights thereunder of individuals who at any time prior to the Effective Time were directors or officers of CRI in respect of actions or omissions occurring at or prior to the Effective Time (including, without limitation, the transactions contemplated by this Agreement), unless such modification is required by law.

(b) From and after the Effective Time, Southeast Realty and the Surviving Subsidiary shall indemnify, defend and hold harmless the present and former officers and directors of CRI against all damages, or otherwise in connection with any claim, action, suit, proceeding or investigation, based in whole or in part on the fact that such person is or was a director or officer of CRI and arising out of actions or omissions occurring at or prior to the Effective Time (including, without limitation, the transactions contemplated by this Agreement), in each case to the same extent as such director or officer is entitled

to indemnification under the Articles of Incorporation or By-Laws of CRI as in effect on the date hereof (and shall pay expenses in advance of the final disposition of any such action or proceeding to each indemnified party to the same extent as such person is so entitled thereunder, upon receipt from the indemnified party to whom expenses are advanced of the undertaking to repay such advances as contemplated by such Articles of Incorporation and By-Laws). Without limiting the foregoing, in the event any such claim, action, suit, proceeding or investigation is brought against any indemnified party (whether arising before or after the Effective Time) after the Effective Time (i) the indemnified parties may retain CRI's regularly engaged independent legal counsel or other independent legal counsel satisfactory to them, (ii) the Surviving Subsidiary shall pay all reasonable fees and expenses of such counsel for the indemnified parties promptly as statements therefor are received and (iii) the Surviving Subsidiary shall use its best efforts to assist in the vigorous defense of any such matter, provided that the Surviving Subsidiary shall not be liable for any settlement of any claim effected without its written consent, which consent shall not be unreasonably withheld. Any indemnified party wishing to claim indemnification under this Section 6.24 upon learning of any such claim, shall notify Southeast Realty (although the failure so to notify Southeast Realty shall not relieve Southeast Realty or the Surviving Subsidiary from any liability which Southeast Realty may have under this Section 6.24, except to the extent such failure prejudices Southeast Realty or its Affiliates).

(c) For a period of six years after the Effective Time, Southeast Realty and the Surviving Subsidiary shall cause to be maintained in effect the current policies of directors' and officers' liability insurance maintained by CRI provided they can be maintained at an aggregate cost not to exceed 200% of their current aggregate cost (provided that the Surviving Subsidiary may substitute therefor policies of at least the same coverage and amounts containing terms and conditions which are no less advantageous) with respect to claims arising from facts or events which occurred before the Effective Time.

6.25 Registration Statement. As promptly as practicable after the execution of this Agreement, Southeast Realty shall prepare and file with the SEC a registration statement on Form S-4 (together with any amendments and supplements thereto, the "Registration Statement") in connection with the registration under the

Securities Act of the Southeast Realty Securities to be issued to the holders of the CRI Securities pursuant to the CRI Merger. Southeast Realty shall use its best efforts to have or cause the Registration Statement to become effective as promptly as practicable, and shall take all or any action required under any applicable federal or state securities laws in connection with the issuance of Southeast Realty Securities pursuant to the CRI Merger.

6.26 Listing of Southeast Realty Securities. Southeast Realty shall use its best efforts to cause the Southeast Realty Securities to be issued in the CRI Merger to be approved for listing on the Exchange on or prior to the Effective Time.

6.27 Election of Directors. Immediately following the Effective Time, the Board of Directors of Southeast Realty shall be composed of not more than nine directors, and Thomas J. Crocker, Richard S. Ackerman, R. Bruce Wunner and James P. Neeves shall be elected to serve as directors (with Thomas J. Crocker to serve as Chairman of the Board) until their successors shall have been elected and shall have qualified.

6.28 REIT Status. Southeast Realty shall conduct its business in such a manner as to permit it to qualify, and shall make an election with the Internal Revenue Service to be taxed, as a "real estate investment trust" within the meaning of Section 856 of the Code, commencing with its taxable year ending December 31, of the year in which the Mergers are consummated and thereafter.

Notwithstanding anything to the contrary contained in this Agreement, neither the Fund nor APGP nor AP Southeast shall be required to comply with the covenants set forth in this Article VI to the extent compliance with such covenants would constitute a breach of the provisions of the Indenture. Any failure by the Fund, APGP or AP Southeast to comply with the covenants set forth in this Article VI by reason of a conflict with the provisions of the Indenture shall not constitute a breach of this Agreement.

ARTICLE VII

CLOSING CONDITIONS

7.1 Conditions to Obligations of the Parties to Consummate the CRI Merger. The respective obligations of

each party to effect the CRI Merger shall be subject to the satisfaction at or prior to the Effective Time of the following conditions, any or all of which may be waived, in whole or in part, by the parties in writing or by performance of such obligations:

(a) This Agreement, the Mergers, and all other matters set forth in the Proxy Statement, including the amendments of the Company's By-Laws described in Section 5.4 of CRI's Disclosure Schedule, shall have been approved and adopted by holders of a majority of the CRI Shares.

(b) No Governmental Entity or federal or state court shall have enacted, issued, promulgated, enforced or entered any statute, rule, regulation, executive order, decree, injunction or other order (whether temporary, preliminary or permanent) which restrains or prohibits the consummation of the CRI Merger.

(c) All authorizations, consents, waivers, orders or approvals required to be obtained by the parties in order to consummate the transactions contemplated hereby shall have been obtained, including all consents and approvals of all required Governmental Entities and of the Note Trustee.

(d) The Registration Statement shall have been declared effective by the SEC under the Securities Act. No stop order suspending the effectiveness of the Registration Statement shall have been issued by the SEC and no proceedings for such purpose shall have been initiated or threatened by the SEC.

(e) The Southeast Realty Securities shall have been authorized for listing on the Exchange upon official notice of issuance.

(f) The Agreement and Plan of Merger dated the date hereof 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 not have been terminated or amended, and all conditions to the consummation of the transactions contemplated therein except the consummation of the CRI Merger shall have been satisfied or waived.

(g) None of the Employment Agreements, dated the date hereof, among Southeast Realty, the Merger Subsidiary

and Thomas J. Crocker, as Chairman of the Board and Chief Executive Officer of Southeast Realty, among Southeast Realty, the Merger Subsidiary and Richard S. Ackerman, as President and Chief Operating Officer of Southeast Realty, and among Southeast Realty, the Merger Subsidiary and Robert E. Onisko, as Chief Financial Officer of Southeast Realty, shall have been terminated or amended (the "Employment Agreements").

7.2 Additional Conditions to Obligations of the Acquiring Parties. The obligations of the Acquiring Parties to effect the CRI Merger shall be further subject to the satisfaction at or prior to the Effective Time of the following conditions, any or all of which may be waived, in whole or in part, by the Acquiring Parties in writing or by performance of such obligations:

(a) The representations and warranties of CRI contained in this Agreement shall be accurate in all material respects on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of such date.

(b) Each and all of the obligations of CRI, to be performed or complied with on or before the Closing pursuant to the terms hereof shall have been performed or complied with in all material respects.

(c) The number of Dissenting Shares shall not be more than 10% of the outstanding CRI Shares.

(d) CRI shall have made or caused to be made all the deliveries to the Acquiring Parties set forth in Section 8.2.

(e) The consummation of the CRI Merger shall not result in a downgrading by Standard & Poors Ratings Group or Fitch Investors Service, Inc. of the certificates issued by the Partnership under the Indenture.

7.3 Additional Conditions to Obligations of CRI. The obligations of CRI under this Agreement shall be further subject to the satisfaction at or prior to the Effective Time of all of the following conditions, any or all of which (except for the condition set forth in Section 7.3(d)) may be waived, in whole or in part, by CRI in writing or by performance of such obligations:

(a) The representations and warranties of the Acquiring Parties contained in this Agreement shall be

accurate in all material respects on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of such date.

(b) Each and all of the obligations of the Acquiring Parties, or any of them, to be performed or complied with on or before the Closing pursuant to the terms hereof shall have been performed or complied with in all material respects.

(c) The Acquiring Parties shall have made or caused to be made all deliveries to CRI set forth in Section 8.3.

(d) CRI shall have received the written opinion of Raymond James & Associates, Inc., CRI's financial advisers, or another nationally recognized investment banker reasonably acceptable to CRI and Southeast Realty dated the date of the Proxy Statement and the Closing Date, substantially to the effect that, assuming that the transactions contemplated by this Agreement, the Transfer Agreements and the Management Companies Merger Agreement are consummated substantially in accordance with the terms of such agreements, the CRI Merger is fair to its securityholders from a financial point of view, and otherwise in form and substance reasonably satisfactory to CRI.

(e) None of the Transfer Agreements shall have been terminated or amended and the transactions contemplated thereby shall have been consummated.

ARTICLE VIII

THE CLOSING

8.1 Closing. Unless this Agreement shall have been terminated and the transactions contemplated herein shall have been abandoned pursuant to Section 9.1, the consummation of the CRI Merger (the "Closing") shall occur at 10:00 A.M. (New York time) on the Business Day following the satisfaction or waiver of all the conditions set forth in Article VII or at such other date as the parties may mutually determine (the "Closing Date") at the offices of White & Case, 1155 Avenue of the Americas, New York, New York. All events to occur and documents to be delivered at the Closing shall be deemed to have occurred or have been delivered simultaneously at the Closing, and none shall be deemed to have occurred or have been delivered until all have occurred and have been delivered.

8.2 Obligations of CRI at the Closing. At the Closing, CRI shall:

(i) Deliver, or cause to be delivered, to the Acquiring Parties the following documents, all of which shall be duly executed:

(A) A certificate, dated as of the Closing Date, executed by the Secretary or Assistant Secretary of CRI: (i) certifying that the resolutions or proposals, as the case may be, attached to such certificate, were duly adopted by the Board of Directors and shareholders of CRI, authorizing and approving the execution and delivery of this Agreement and the consummation of the CRI Merger, and that such resolutions remain in full force and effect; and (ii) providing, as attachments thereto, copies of the Articles of Incorporation and By-Laws of CRI, together with all amendments thereto, certified by such Secretary or Assistant Secretary, and a Certificate of Good Standing certified by an appropriate state official of the State of Florida;

(B) A certificate, dated as of the Closing Date, executed by the President and Vice President or Treasurer of CRI certifying: (i) that the representations and warranties made by CRI herein are accurate in all material respects as of the Closing Date as though made on and as of such date; and (ii) that CRI has performed or complied with all of its obligations set forth in this Agreement in all material respects;

(C) The opinion of White & Case, counsel for CRI, dated as of the Closing Date, in form and substance reasonably satisfactory to the Acquiring Parties; and

(D) A counterpart of the Articles of Merger.

8.3 Obligations of the Acquiring Parties at the Closing. At the Closing, the Acquiring Parties shall:

(i) Deliver to CRI the following documents, all of which shall be duly executed:

(A) A certificate, dated as of the Closing Date, executed by the Secretary or Assistant Secretary of the Acquiring Parties: (i) certifying that the resolutions or proposals, as the case may be, attached to such certificate, were duly adopted by the Board of Directors of each such company, authorizing and approving the execution and delivery of this Agreement and the consummation of the CRI Merger, and that such resolutions remain in full force and effect; and (ii) providing, as attachments thereto, copies of the Articles of Incorporation and By-Laws of each such company, together with all amendments thereto, certified by such Secretary or Assistant Secretary, and a Certificate of Good Standing certified by an appropriate state official of its state of incorporation;

(B) A certificate, dated as of the Closing Date, executed by the President and Vice President or Treasurer of the Acquiring Parties certifying (i) that the representations and warranties of the Acquiring Parties contained in this Agreement are accurate in all material respects as of the Closing Date as though made on and as of such date; (ii) that the Acquiring Parties have performed or complied with all of their obligations set forth in this Agreement in all material respects; (iii) that the transactions contemplated in the Transfer Agreements have been consummated; and (iv) that all conditions to the consummation of the Management Companies Merger by Southeast Realty and CRI Management, Inc. have been satisfied or waived;

(C) The opinion of Kaye, Scholer, Fierman, Hays & Handler, counsel for the Acquiring Parties, dated as of the Closing Date, in form and substance reasonably satisfactory to CRI; and

(D) A counterpart of the Articles of Merger.

8.4 Obligations of the Parties at the Closing. The Merger Subsidiary and CRI shall file the Articles of Merger with the Secretary of State of the State of Florida.

ARTICLE IX

TERMINATION

9.1 Termination. This Agreement may be terminated at any time prior to the Closing Date, whether before or after approval of this Agreement and the CRI Merger by the shareholders of CRI:

(a) by mutual written consent of the parties hereto; or

(b) by the Acquiring Parties on or prior to October 29, 1994, based upon their financial and legal due diligence; or

(c) by CRI on or prior to October 29, 1994, based upon their financial and legal due diligence; or

(d) by the Acquiring Parties, upon a misrepresentation or breach of any warranty, covenant or agreement on the part of CRI set forth in this Agreement, or if any representation or warranty of CRI shall have become untrue or shall have been breached, in either case such that the conditions set forth in Section 7.2(a) or 7.2(b), as the case may be, would be incapable of being satisfied by March 31, 1995 (or as otherwise extended); provided that, in any case, a wilful misrepresentation or breach shall be deemed to cause such conditions to be incapable of being satisfied for purposes of this Section 9.1(d); or

(e) by CRI, upon a misrepresentation or breach of any warranty, covenant or agreement on the part of any of the Acquiring Parties set forth in this Agreement, or if any representation or warranty of any of the Acquiring Parties shall have become untrue or shall have been breached, in either case such that the conditions set forth in Section 7.3(a) or 7.3(b), as the case may be, would be incapable of being satisfied by March 31, 1995 (or as otherwise extended); provided that, in any case, a wilful misrepresentation or breach shall be deemed to cause such conditions to be incapable of being satisfied for purposes of this Section 9.1(e); or

(f) by either CRI or the Acquiring Parties, if any permanent injunction or action by any Governmental Entity preventing the consummation of the CRI Merger shall have become final and nonappealable; or

(g) by either CRI or the Acquiring Parties, if this Agreement or the CRI Merger shall fail to receive the approval of a majority of the holders of CRI Shares; or

(h) by CRI if (i) the Board of Directors of Southeast Realty or the Merger Subsidiary shall withdraw, modify or change its recommendation of this Agreement or any of the Mergers in a manner adverse to CRI or shall have resolved to do so or (ii) any of the Acquiring Parties or their Affiliates shall have entered into discussions, negotiations or an agreement relating to a Competing Transaction; or

(i) by the Acquiring Parties if (i) the Board of Directors of CRI shall withdraw, modify or change its approval of this Agreement or the CRI Merger in a manner adverse to the Acquiring Parties or shall have resolved to do so or (ii) CRI shall have entered into discussions, negotiations or an agreement relating to a Competing Transaction; or

(j) by CRI or the Acquiring Parties if the Closing shall not have occurred on or before March 31, 1995 (unless the failure to consummate the CRI Merger by such date shall have resulted primarily from a misrepresentation or breach of warranty or covenant by the party seeking to terminate).

9.2 Effect of Termination. In the event of the termination of this Agreement pursuant to Section 9.1, this Agreement shall forthwith terminate without any liability on the part of any party hereto or its affiliates, directors, partners, officers or shareholders, other than any liability of any party then in breach; provided, however that the provisions of this Section 9.2 and Article X, and the confidentiality provisions of Sections 5.14 and 6.14, shall survive any such termination.

ARTICLE X

REMEDIES

10.1 Indemnification.

(a) Indemnification by CRI. CRI shall indemnify, defend and hold the Acquiring Parties, their Affiliates, shareholders, partners, officers, directors, agents, and representatives harmless from all Damages suffered by any of them arising out of or in connection with any of the following:

(i) any wilful misrepresentation or breach of any warranty made by CRI in Article III of this Agreement or any certificate or document delivered by CRI to the Acquiring Parties pursuant thereto; or

(ii) any wilful breach of any covenant, agreement or obligation by CRI contained in this Agreement.

(b) Indemnification by the Acquiring Parties. The Acquiring Parties, jointly and severally, shall indemnify, defend and hold CRI, its Affiliates, shareholders, officers, directors, agents and representatives harmless from all Damages suffered by any of them arising out of or in connection with any of the following:

(i) any wilful misrepresentation or breach of any warranty made by any Acquiring Party in Article IV of this Agreement or any certificate or document delivered by any Acquiring Party to CRI pursuant thereto; or

(ii) any wilful breach of any covenant, agreement or obligation by any Acquiring Party contained in this Agreement.

(c) Taxes; Insurance. The amount of all Damages suffered by the Indemnified Party for which indemnification may be sought shall be offset by (i) the net amount of the actual tax benefits realized directly or indirectly by the Indemnified Party by reason of such Damages to the extent that the tax liability of the Indemnified Party is reduced thereby and (ii) the amount of any insurance proceeds received by the Indemnified Party by reason of such Damages, less the amount previously paid for such insurance for the year in which such Damages are incurred. The Indemnified Party shall use all reasonable efforts to minimize any taxes arising as a result of receipt or accrual of any indemnity payment under this Section 10.1. The Indemnified Party shall make reasonable efforts to realize and cause its Affiliates to realize any insurance benefits and shall promptly account for and pay such benefits to the Indemnifying Party upon the receipt thereof to the extent the Damages theretofore paid by the Indemnifying Party were not reduced by such proceeds as provided herein.

10.2 Limitation on Damages. Notwithstanding anything herein or in the Management Companies Merger Agreement to the contrary:

(a) If the sum of CRI's obligations under Section 10.1(a) hereof and the obligations of the Target Parties (as defined in the Management Companies Merger Agreement) under Section 9.1(a) of the Management Companies Merger Agreement (without applying Section 9.2 thereof) exceeds $1,000,000, then CRI's obligation to indemnify any Person under Section 10.1(a) hereof shall be limited in the aggregate to the amount derived by multiplying $1,000,000 by a fraction (A) the numerator of which shall be the aggregate amount of all Damages for which the Acquiring Parties would be entitled to be indemnified pursuant to Section 10.1(a) hereof and (B) the denominator of which shall be the amount as computed under clause (A) above plus the aggregate amount of all Damages for which the Acquiring Parties would be entitled to be indemnified pursuant to Section 9.1(a) of the Management Companies Merger Agreement (without applying Section 9.2 thereof). If the CRI Merger is not consummated, any liability of CRI under Section 10.1(a) hereof may, at the option of CRI, be satisfied by delivery of CRI Shares (which for purposes of satisfying such liability, shall be deemed to have a value per share equal to the average between the bid and asked closing prices as quoted on NASDAQ/Small Cap Market for the 30 days prior to the date of determination);

(b) If the sum of Acquiring Parties' obligations under Section 10.1(b) hereof and the obligations of the Acquiring Parties (as defined in the Management Companies Merger Agreement) under Section 9.1(b) of the Management Companies Merger Agreement exceeds $1,000,000, reduced by all amounts advanced by the Acquiring Parties pursuant to Section 10.4 hereof which remain outstanding, then the Acquiring Parties' obligation to indemnify any Person under Section 10.1(b) hereof shall be limited in the aggregate to the amount derived by multiplying $1,000,000, reduced by all amounts advanced by the Acquiring Parties pursuant to Section 10.4 hereof which remain outstanding, by a fraction (x) the numerator of which shall be the aggregate amount of all Damages for which CRI would be entitled to be indemnified pursuant to Section 10.1(b) hereof and (y) the denominator of which shall be the amount as computed under clause (x) above plus the aggregate amount of all Damages for which the Target Parties (as defined in the Management Companies Merger Agreement) would be entitled to be indemnified pursuant to Section 9.1(b) of the Management Companies Merger Agreement (without applying Section 9.2 thereof).

The intent of the parties hereto is that the aggregate amount of Damages paid by CRI and the Target

Parties (as defined in the Management Companies Merger Agreement), and their Affiliates, shall not exceed $1,000,000, and the aggregate amount of Damages paid by the Acquiring Parties (as defined in this Agreement and the Management Companies Merger Agreement) and the Fund pursuant to the Fund Side-Letter shall not exceed $1,000,000 (reduced by all amounts advanced by Southeast Realty to CRI pursuant to Section 10.4 hereof which remain outstanding).

10.3 Third Party Claims Procedure. If a third party (including, without limitation, a governmental organization) asserts a claim against a party to this Agreement and indemnification in respect of such claim is sought under the provisions of Section 10.1 by such party against another party to this Agreement, the Indemnified Party shall promptly (but not later than 10 Business Days prior to the time when an answer or other responsive pleading or notice with respect to the claim is required) give written notice to the Indemnifying Party of such claim. The Indemnifying Party shall have the right at its election to take over the defense or settlement of such claim by giving prompt written notice to the Indemnified Party at least five Business Days prior to the time when an answer or other responsive pleading or notice with respect thereto is required. If the Indemnifying Party makes such election, it may conduct the defense of such claim through counsel or representatives of its choosing (subject to the Indemnified Party's approval of such counsel or representative, which approval shall not be unreasonably withheld), shall be responsible for the expenses of such defense, and shall be bound by the results of its defense or settlement of claim to the extent it produces damage or loss to the Indemnified Party. The Indemnifying Party shall not settle any such claim without prior notice to and consultation with the Indemnified Party, and no such settlement involving any equitable relief or which might have a material and adverse effect on the Indemnified Party may be agreed to without its written consent. So long as the Indemnifying Party is diligently contesting any such claim in good faith, the Indemnified Party may pay or settle such claim only at its own expense. Within 20 Business Days after the receipt by the Indemnifying Party of written request made by the Indemnified Party at any time, the Indemnifying Party shall make financial arrangements reasonably satisfactory to the Indemnified Party, such as the posting of a bond or a letter of credit, to secure the payment of its obligations under Section 10.1 in respect of such claim. If the Indemnifying Party does not make such election, or having made such election does

not proceed diligently to defend such claim, or does not continue diligently to contest such claim, or does not make the financial arrangements described in the immediately preceding sentence, then the Indemnified Party may, upon ten Business Days' written notice and at the expense of the Indemnifying Party, take over the defense of and proceed to handle such claim in its exclusive discretion and the Indemnifying Party shall be bound by any defense or settlement that the Indemnified Party may make in good faith with respect to such claim. The parties agree to cooperate in defending such third party claims and the defending party shall have access to records, information and personnel in control of the other party or parties which are pertinent to the defense thereof.

10.4 Fees and Expenses. The Acquiring Parties shall pay all of their own expenses, and, if the transactions contemplated by this Agreement are consummated, Southeast Realty shall pay the expenses of CRI, incurred in the negotiation, documentation and consummation of the CRI Merger, and the Transfer, including, without limitation, the 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. The Acquiring Parties shall from time to time reimburse CRI for all of CRI's expenses and costs incurred prior to the Closing Date (up to a maximum of $150,000), within five days after presentation by CRI of a statement thereof in reasonable detail. If the transactions contemplated by this Agreement are not consummated other than by reason of a wilful misrepresentation or breach that would entitle CRI to terminate this Agreement pursuant to Section 9.1(e), CRI shall deliver to the Acquiring Parties, free and clear of all Liens, such number of CRI Shares as shall be equal to the sum paid by the Acquiring Parties pursuant to the immediately preceding sentence, divided by the lesser of the market price of one CRI Share as quoted on NASDAQ/Small Cap Market on the date of termination and $8.00. If the transactions contemplated by this Agreement are not consummated because of a wilful misrepresentation or breach by any of the Acquiring Parties, CRI shall be entitled to retain all amounts advanced by the Acquiring Parties pursuant hereto and shall not be required to deliver CRI Shares to the Acquiring Parties.

ARTICLE XI

SURVIVAL OF PROVISIONS

The representations, warranties and obligations to indemnify of the parties contained in this Agreement or in any certificate or document delivered pursuant hereto shall not survive the consummation of the CRI Merger, provided that the representations, warranties and obligations of the parties to the Selling Shareholders' Side-Letters shall survive the Closing as provided therein.

ARTICLE XII

MISCELLANEOUS

12.1 Governing Law. The interpretation, construction and enforcement of this Agreement, 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.

12.2 Jurisdiction; Agents for Service of Process. The parties hereto hereby agree that any suit brought to enforce this Agreement shall be brought in the United States District Court for the Southern District of New York, and, by execution and delivery of this Agreement, each of the parties to this Agreement hereby irrevocably accepts for itself, and waives all objection to, the exclusive jurisdiction of the aforesaid court in connection with any suit brought to enforce this Agreement, and irrevocably agrees to be bound by any judgment rendered thereby. Each of the parties hereto hereby agrees that service of process in any such proceeding may be made by giving notice to such party in the manner and at the place set forth in Section 11.4. The parties hereto may appoint a substitute agent upon notice to the other parties setting forth the identity and address within the United States of such substitute agent. The foregoing consents to jurisdiction and appointments of agents to receive service of process shall not constitute general consents to service of process in the State of New York for any purpose except as provided above and shall not be deemed to confer rights on any Person other than the respective parties to this Agreement.

12.3 Publicity. CRI and the Acquiring Parties shall not issue or cause the issuance of any press release or make any other public statement relating to or in

connection with or arising out of this Agreement or the matters contained herein, without the prior written consent of the other parties hereto as to content, form and manner of publication thereof.

12.4 Notices. All notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when delivered in person, or when sent by telex or telecopier or other facsimile transmission (with receipt confirmed by the addressee), or on the fifth Business Day after posting thereof by registered or certified mail, return receipt requested, prepaid and addressed as follows (or at such other addresses as the parties may designate by written notice in the manner aforesaid):

If to CRI:

Crocker Realty Investors, Inc.
433 Plaza Real, Suite 335
Boca Raton, Florida 33432
Attention: President
Facsimile: (407) 394-7712

with a copy to:

White & Case
200 S. Biscayne Blvd., Suite 4900
Miami, Florida 33131
Attention: K. Lawrence Gragg, Esq.
Facsimile: (305) 358-5744

and if to the Acquiring Parties, or any of them:

Apollo Advisors, L.P.
1999 Avenue of the Stars
Suite 1900
Los Angeles, CA 90067
Attention: Michael D. Weiner
Facsimile: (310) 201-4166

with a copy to:

Kaye, Scholer, Fierman, Hays & Handle
425 Park Avenue
New York, NY 10022
Attention: Lynn T. Fisher, Esq.
Facsimile: (212) 836-8689

12.5 Assignment. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof may be assigned or delegated by any party hereto without the written consent of the other parties hereto.

12.6 Successors. This Agreement shall be binding upon the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.

12.7 Third-Party Beneficiaries. The provisions of Section 6.24 and Article X are for the benefit of the Persons described therein in addition to the parties hereto, and may be enforced by such Persons in any action at law or in equity without having to join such parties as parties thereto. All other provisions of this Agreement are for the sole and exclusive benefit of the parties thereto, and shall not be deemed for the benefit of any other Person.

12.8 Entire Agreement. This Agreement, the Transfer Agreements, the Fund Side-Letter and the Selling Shareholders' Side-Letters set forth the entire understanding of the parties with respect to the subject matter hereof. This Agreement, the Transfer Agreements, the Fund Side-Letter and the Selling Shareholders' Side-Letters supersede all prior agreements and understandings among the parties with respect to such subject matter.

12.9 No Waiver. No failure or delay on the part of any party hereto in exercising any right, power or privilege hereunder and no course of dealing shall operate as a waiver of any provision hereof or of any rights granted hereunder or under applicable law; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

12.10 Amendments. This Agreement and the terms hereof may be amended only in writing signed by the party to be charged, except that the Acquiring Parties' Disclosure Schedule and CRI's Disclosure Schedule may be amended or supplemented by delivery of an amendment or supplement on or prior to October 11, 1994 by the party hereto preparing such schedule.

12.11 Construction. This Agreement shall be interpreted without regard to any presumption or rule

requiring construction against the party causing this Agreement to be drafted.

12.12 Severability. If any provision, section, subsection, paragraph or clause of any paragraph of this Agreement 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 full force and effect.

12.13 Captions. The captions contained in this Agreement are inserted only as a matter of convenience and in no way affect the meaning or interpretation of this Agreement.

12.14 Counterparts. This Agreement 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.

12.15 Acknowledgment. The parties hereto acknowledge that Affiliates of the Fund, the Partnership and Southeast Realty are, and in the future will be, engaged in a number of business activities, some of which will be competitive with the business of Southeast Realty.

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

CROCKER REALTY INVESTORS, INC.

By: _____
Name: THOMAS T CHALMERS
Title: PRESIDENT

SOUTHEAST REALTY CORP.

By: _____
Name: MICHAEL D. WEINER
Title: V.P.

CRI ACQUISITION, INC.

By: _____
Name: MICHAEL D. WEINER
Title: V-P

P95000028413

Document Number Only

FILED

96 JUL 22 AM 9:54

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

CT CORPORATION SYSTEM

Requestor's Name
660 East Jefferson Street

Address
Tallahassee, FL 32301 222-1092

City **State** **Zip** **Phone**

100001501012
-072296-01000-014
****245.00 *****35.00

CORPORATION(S) NAME

Crocker Realty Investors, Inc.

( ) Profit
( ) NonProfit
( ) Limited Liability Co.
( ) Amendment
( ) Merger
( ) Foreign
( ) Dissolution/Withdrawal
( ) Mark
( ) Limited Partnership
( ) Reinstatement
( ) Annual Report
( ) Reservation
( ) Other UCC Filing
(X) Change of R.A.
( ) Fic. Name
( ) Certified Copy
( ) Photo Copies
( ) CUS
( ) Call When Ready
(■) Walk In
( ) Mail Out
( ) Call if Problem
( ) After 4:30
(■) Pick Up

Name Availability
Document Examiner
Updater
Verifier
Acknowledgment
W.P. Verifier

PLEASE RETURN EXTRA COPIES
FILE STAMPED

7-22

N. HENDRICKS JUL 23 1996

CR2E031 (1-89)

Florida Department of State, Jim Smith, Secretary of State

STATEMENT OF CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT OR BOTH FOR CORPORATIONS

Pursuant to the provisions of sections 607.0502, 617.0502, 607.1508, or 617.1508, Florida Statutes, the undersigned corporation organized under the laws of the State of Florida submits the following statement in order to change its registered office or registered agent, or both, in the State of Florida.

1a. The name of the corporation is: Crocker Realty Investors, Inc.

1b. Date of incorporation April 11, 1995 Document number P95000028413

2. The name and address of the current registered agent and office:

United Corporate Services, Inc.

801 N.E. 167th St., Suite 300, North Miami Beach, FL 33162

3. The name and address of the new registered agent and office:
(P.O. Box Not Acceptable)

C T CORPORATION SYSTEM

c/o C T CORPORATION SYSTEM, 1200 South Pine Island Rd., Plantation, Florida 33324

The street address of its registered agent and the street address of the business office of its registered agent as changed will be identical.

Such change was authorized by resolution duly adopted by its board of directors or by an officer so authorized by the board.

SIGNATURE

6/26/96
DATE

Robert E. Onisko, Secretary
Typed or printed name and title

HAVING BEEN NAMED AS REGISTERED AGENT AND TO ACCEPT SERVICE OF PROCESS FOR THE ABOVE STATED CORPORATION AT THE PLACE DESIGNATED IN THIS CERTIFICATE, I HEREBY ACCEPT THE APPOINTMENT AS REGISTERED AGENT AND AGREE TO ACT IN THIS CAPACITY. I FURTHER AGREE TO COMPLY WITH THE PROVISIONS OF ALL STATUTES RELATIVE TO THE PROPER AND COMPLETE PERFORMANCE OF MY DUTIES, AND I AM FAMILIAR WITH AND ACCEPT THE OBLIGATION OF MY POSITION AS REGISTERED AGENT.

SIGNATURE BY: C T CORPORATION SYSTEM
(Registered Agent)

DATE 7-5-96 TANYA M. VILLAR
SPECIAL ASSISTANT SECRETARY

Division of Corporations, P.O. Box 6327, Tallahassee, FL 32314

CR2E045 (7-91)
(FLA. - 2194 - 3/4/92)

FILING FEE: $35.00

P95000028413

ARTICLES OF MERGER
Merger Sheet

MERGING:

CROCKER REALTY INVESTORS, INC., a Florida corporation, document number P95000028413
CRT FLORIDA HOLDINGS, INC., a Florida corporation, document number P95000068877

INTO

FLORIDA TRANSITION CO., a Delaware corporation not qualified in Florida

File date: September 24, 1996

Corporate Specialist: Karen Gibson

Document Number Only

P95000028413

C T CORPORATION SYSTEM

Requestor's Name
660 East Jefferson Street

Address
Tallahassee, Florida 32301

City State Zip Phone

CORPORATION(S) NAME

FILED
95 SEP 24 PM 4:30
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Crocker Realty Investors, Inc.
CRI Florida Holdings, Inc.
merged into:
Florida Transition Co.

900001962759
-10/02/96--01029--042
****157.50 ****157.50

( ) Profit
( ) NonProfit
( ) Limited Liability Company
( ) Foreign

( ) Amendment
(X) Merger
( ) Dissolution/Withdrawal
( ) Mark

( ) Limited Partnership
( ) Reinstatement
( ) Limited Liability Partnership

( ) Annual Report
( ) Reservation

( ) Other
( ) Change of R.A.
( ) Fictitious Name

(X) Certified Copy
( ) Photo Copies
( ) CUS

( ) Call When Ready
(X) Walk In
( ) Mail Out

( ) Call If Problem
( ) Will Wait

( ) After 4:30
(X) Pick Up

RECEIVED
96 SEP 24 PM 4:29
DIVISION OF CORPORATIONS

Name Availability
Document Examiner
Updater
Verifier
Acknowledgment
W.P. Verifier

PLEASE RETURN EXTRA COPY(S)
FILE STAMPED

9/24/96

Merger
9/25

CR2E031 (1-89)

ARTICLES OF MERGER

OF

CROCKER REALTY INVESTORS, INC., a Florida corporation
and
CRT FLORIDA HOLDINGS, INC., a Florida corporation

INTO

FLORIDA TRANSITION CO., a Delaware corporation

FILED
96 SEP 24 PM 4:30
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to Sections 607.1101, 607.1103, 607.1105 and 607.1107 of the Florida Statutes, and Section 252 of the General Corporation Law of Delaware, the undersigned corporations hereby execute these articles of merger for the purpose of merging into a single corporation:

ARTICLE I

Florida Transition Co., a Delaware corporation (the "Surviving Corporation"), and CRT Florida Holdings, Inc., a Florida corporation, and Crocker Realty Investors, Inc., a Florida corporation (together, the "Merging Corporations"), each a wholly owned subsidiary of Crocker Realty Trust, Inc., agree to merge. The Surviving Corporation shall survive the merger and shall continue to operate under the name "Florida Transition Co."

ARTICLE II

The terms and conditions of the attached Agreement and Plan of Merger (the "Plan") were approved, adopted, certified, executed and acknowledged by each corporation in the manner and by the vote required by its charter and the laws of its respective state of incorporation. The terms and conditions of the Plan were duly adopted by the Surviving Corporation's sole director by a written consent to action of the sole director dated as of September 23, 1996. Shareholder approval was not required of the Surviving Corporation's

shareholder under Sections 252(e) and 251(f) of the Delaware General Corporation Law and Section 607.1103(7) of the Florida Statutes. The terms and conditions of the Plan were duly adopted by each of the Merging Corporation's sole directors and recommended for approval to the sole shareholder of each corporation by written consents to action of the sole directors dated as of September 23, 1996. The sole shareholder of the Merging Corporations approved the Agreement and Plan of Merger by a written consent to action of the sole shareholder dated as of September 23, 1996.

ARTICLE III

Section 607.1107 of the Florida Statutes and Section 252 of the General Corporation Law of Delaware each allow the merger of a corporation incorporated under the respective state's laws into or with a foreign corporation. Each of the Merging Corporations has complied with the applicable provisions of the laws of its state of incorporation governing the merger between domestic and foreign corporations, and the Surviving Corporation has complied with all applicable laws of the States of Delaware and Florida.

ARTICLE IV

The Surviving Corporation hereby appoints the Secretary of State of Florida as its agent for service of process in a proceeding to enforce any obligation of Crocker Realty Investors, Inc. or CRT Florida Holdings, Inc.

ARTICLE V

Crocker Realty Trust, Inc., as sole shareholder of each of the Merging Corporations and as a signatory of the Plan, waived any and all requirements of notice or otherwise requiring a copy of the Plan or notice of dissenters' rights to be mailed to the shareholders of the Merging Corporations.

ARTICLE VI

Because each of the Merging Corporations are wholly owned subsidiaries of Crocker Realty Trust, Inc., and because Crocker Realty Trust, Inc. voted to approve the Plan, there are no dissenting shareholders and thus no dissenters' rights requiring (i) the appointment of any Secretary of State as its agent for service of process to enforce any rights of dissenting shareholders or (ii) the prompt payment of any amounts that dissenting shareholders would otherwise be entitled to under Florida law.

ARTICLE VII

The executed Agreement and Plan of Merger is on file at the principal place of business of the Surviving Corporation, the address of which is:

3100 Smoketree Court, Suite 600
Raleigh, North Carolina 27604

A copy of the Plan will be furnished by the Surviving Corporation, on request and without charge, to any shareholder of any of the constituent corporations to the merger.

ARTICLE VIII

Prior to the merger Crocker Realty Investors, Inc. was authorized to issue 1,000 shares of common stock with a par value of $0.01 per share, and CRT Florida Holdings, Inc. was authorized to issue 10,000 shares of common stock with a par value of $ 1.00 per share.

ARTICLE IX

The Articles of Incorporation of the Surviving Corporation in effect at the Effective Date of the merger shall be the Articles of Incorporation of the Surviving Corporation following the Effective Date, until thereafter changed, amended or repealed as provided therein or by applicable law, which power to amend or repeal is hereby expressly reserved.

ARTICLE X

As of the Effective Date, by virtue of the Merger and without any action on the part of any stockholder,

1. all shares of capital stock of the Merging Corporations, whether issued and outstanding or held as treasury shares, shall be canceled and retired and shall cease to exist without any payment therefor;
2. each outstanding share of the Surviving Corporation's common stock shall remain outstanding.

ARTICLE XI

The Effective Date of the merger contemplated hereby shall be the filing date of these Articles.

IN WITNESS WHEREOF, these Articles of Merger have been executed by the parties hereto by their duly authorized officers this 25th day of September, 1996.

ATTEST:

Secretary

CROCKER REALTY INVESTORS, INC.

Ronald P. Gibson, President

ATTEST:

Secretary

CRT FLORIDA HOLDINGS, INC.

Ronald P. Gibson, President

ATTEST:

Secretary

FLORIDA TRANSITION CO.

Ronald P. Gibson, President

PRESIDENT'S CERTIFICATE

I, Ronald P. Gibson, President of Florida Transition Co., hereby acknowledge that the execution of the Articles of Merger dated as of September 23, 1996, to which this certificate is attached, was the act of Florida Transition Co. Under the penalties of perjury, I hereby certify that the matters and facts set forth therein with respect to authorization and approval are true in all material respects to the best of my knowledge, information and belief.

WITNESS my hand on this 23rd day of September, 1996.

Ronald P. Gibson, President

PRESIDENT'S CERTIFICATE

I, Ronald P. Gibson, President of Crocker Realty Investors, Inc., hereby acknowledge that the execution of the Articles of Merger dated as of September 23, 1996, to which this certificate is attached, was the act of Crocker Realty Investors, Inc. Under the penalties of perjury, I hereby certify that the matters and facts set forth therein with respect to authorization and approval are true in all material respects to the best of my knowledge, information and belief.

WITNESS my hand on this 23rd day of September, 1996.

Ronald P. Gibson, President

PRESIDENT'S CERTIFICATE

I, Ronald P. Gibson, President of CRT Florida Holdings, Inc., hereby acknowledge that the execution of the Articles of Merger dated as of September 23, 1996, to which this certificate is attached, was the act of CRT Florida Holdings, Inc. Under the penalties of perjury, I hereby certify that the matters and facts set forth therein with respect to authorization and approval are true in all material respects to the best of my knowledge, information and belief.

WITNESS my hand on this 23rd day of September, 1996.

Ronald P. Gibson, President

AGREEMENT AND PLAN OF MERGER

BETWEEN

CROCKER REALTY INVESTORS, INC.
and
CRT FLORIDA HOLDINGS, INC.

AND

FLORIDA TRANSITION CO.

A. CORPORATIONS PARTICIPATING IN MERGER.

Crocker Realty Investors, Inc., a Florida Corporation, and CRT Florida Holdings, Inc., a Florida Corporation (together, the "Merging Companies"), and Florida Transition Co., a Delaware Corporation (the "Surviving Company"), agree that the Merging Companies shall merge into the Surviving Company.

B. NAME OF SURVIVING COMPANY.

After the merger, the Surviving Company will have the name "Florida Transition Co."

The Surviving Company shall continue to be incorporated under and governed by the laws of the State of Delaware.

The principal business office of the Surviving Company will be:

3100 Smoketree Court, Suite 600
Raleigh, North Carolina 27604

C. MERGER

Pursuant to the terms and conditions of this Agreement and Plan of Merger, the Merging Companies will merge into the Surviving Company. Upon the merger becoming effective, the corporate existence of the Surviving Company will continue, the Surviving Company shall succeed to all rights, assets, liabilities and obligations of the Merging Companies, and the separate corporate existence of each of the Merging Companies shall cease. The time when the merger becomes effective is hereinafter referred to as the "Effective Date."

D. CANCELLATION OF OUTSTANDING STOCK

At the Effective Date, by virtue of the merger and without any action on the part of the holders thereof:

(a) Each share of common stock of the Surviving Company that is outstanding immediately prior to the Effective Date shall continue to be outstanding immediately after the Effective Date.

(b) Any and all shares of capital stock held by the Merging Companies as treasury shares shall be canceled and retired without any payment therefor.

(c) Each share of capital stock of the Merging Companies issued and outstanding immediately prior to the Effective Date shall, *ipso facto*, cease to exist without any payment therefor.

E. ARTICLES OF INCORPORATION AND BYLAWS

The Articles of Incorporation of the Surviving Corporation in effect at the Effective Date shall be the Articles of Incorporation of the Surviving Company following the Effective Date unless and until the same shall be amended or repealed in accordance with the provisions thereof, which power to amend or repeal is hereby expressly reserved. Such Articles of Incorporation shall constitute the Articles of Incorporation of the Surviving Company separate and apart from this Agreement and Plan of Merger and may be separately certificated as the Articles of Incorporation of the Surviving Company. The Bylaws of Florida Transition Co. will be the Bylaws of the Surviving Company following the Effective Date unless and until the same shall be amended or repealed in accordance with the provisions thereof, which power to amend or repeal is hereby expressly reserved.

F. DISSENTING SHAREHOLDERS' RIGHTS

Because there are no minority shareholders, there are no dissenting shareholders.

G. WAIVER OF NOTICE

Crocker Realty Trust, Inc., as the sole shareholder of each of the Merging Companies hereby waives any and all requirements of notice or otherwise requiring a copy of this Plan or notice of dissenters' rights to be mailed to the shareholders of the Merging Companies.

IN WITNESS WHEREOF, this Agreement and Plan of Merger has been executed by the parties hereto by their duly authorized officers this 23rd day of September, 1996.

ATTEST:

Secretary

CROCKER REALTY TRUST, INC.

Ronald P. Gibson, President

ATTEST:

Secretary

CROCKER REALTY INVESTORS, INC.

Ronald P. Gibson, President

ATTEST:

Secretary

CRT FLORIDA HOLDINGS, INC.

Ronald P. Gibson, President

ATTEST:

Secretary

FLORIDA TRANSITION CO.

Ronald P. Gibson, President

PRESIDENT'S CERTIFICATE

I, Ronald P. Gibson, President of Crocker Realty Trust, Inc., hereby acknowledge that the execution of this Agreement and Plan of Merger dated as of September 23, 1996, to which this certificate is attached, was the act of Crocker Realty Trust, Inc. Under the penalties of perjury, I hereby certify that the matters and facts set forth therein with respect to authorization and approval are true in all material respects to the best of my knowledge, information and belief.

WITNESS my hand on this 23rd day of September, 1996.

Ronald P. Gibson, President

PRESIDENT'S CERTIFICATE

I, Ronald P. Gibson, President of CRT Florida Holdings, Inc., hereby acknowledge that the execution of this Agreement and Plan of Merger dated as of September 23, 1996, to which this certificate is attached, was the act of CRT Florida Holdings, Inc. Under the penalties of perjury, I hereby certify that the matters and facts set forth therein with respect to authorization and approval are true in all material respects to the best of my knowledge, information and belief.

WITNESS my hand on this 23rd day of September, 1996.

Ronald P. Gibson, President

PRESIDENT'S CERTIFICATE

I, Ronald P. Gibson, President of Florida Transition Co., hereby acknowledge that the execution of this Agreement and Plan of Merger dated as of September 23, 1996, to which this certificate is attached, was the act of Florida Transition Co. Under the penalties of perjury, I hereby certify that the matters and facts set forth therein with respect to authorization and approval are true in all material respects to the best of my knowledge, information and belief.

WITNESS my hand on this 23rd day of September, 1996.

Ronald P. Gibson, President

PRESIDENT'S CERTIFICATE

I, Ronald P. Gibson, President of Crocker Realty Investors, Inc., hereby acknowledge that the execution of this Agreement and Plan of Merger dated as of September 23, 1996, to which this certificate is attached, was the act of Crocker Realty Investors, Inc. Under the penalties of perjury, I hereby certify that the matters and facts set forth therein with respect to authorization and approval are true in all material respects to the best of my knowledge, information and belief.

WITNESS my hand on this 23rd day of September, 1996.

Ronald P. Gibson, President