

SUPPLEMENTAL OPERATING AGREEMENT

THIS AGREEMENT, made as of the 26th day of JUNE, 1978, by and between HAYWOOD MALL, INC., a Georgia corporation qualified to do business in the State of South Carolina and MONUMENTAL HAYWOOD, INC., a Maryland corporation qualified to do business in the State of South Carolina, a joint venture doing business under the name HAYWOOD MALL ASSOCIATES (hereinafter referred to as the "Developer") and SEARS, ROEBUCK AND CO., a New York corporation qualified to do business in the State of South Carolina (hereinafter referred to as "Sears").

W I T N E S S E T H:

WHEREAS, Developer has leased and owns in fee a portion of the Entire Premises; and

WHEREAS, Sears has leased and owns in fee the Sears Site; and

WHEREAS, an Easement Agreement has been executed which provides that certain portions of the Entire Premises and the Adjoining Premises as generally shown on the Plot Plan shall be subjected to certain perpetual easements for access and for utilities; and

WHEREAS, it is the mutual desire of the parties hereto that the Developer shall develop an integrated and unified Shopping Center on the Developer Site and Sears shall construct the Sears Facilities on the Sears Site pursuant to the terms hereof and that the Entire Premises shall be developed substantially in accordance with the Plot Plan showing the Sears Site, the Penney Site, the Federated Site, the Developers Site, the proposed buildings within the Permissible Building Lines, improvements, parking facilities,