

TEMPORARY EASEMENT AGREEMENT

STATE OF TEXAS
COUNTY OF BEXAR

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KNOW ALL PERSONS BY THESE PRESENTS:

THAT, for Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby confessed, STREET RETAIL SAN ANTONIO, LP, a Delaware limited partnership ("Grantor"), has GRANTED and CONVEYED, and by these presents does GRANT and CONVEY, unto the CITY OF SAN ANTONIO, a Texas municipal corporation ("Grantee"), a temporary, non-exclusive easement and public right-of-way ("Temporary Easement") upon and across the surface of the real property and premises more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes (the "Easement Property"), for purposes of pedestrian access to, from and across the Easement Property; provided, however, that Grantor shall have the right to restrict public access to the Easement Property as deemed necessary by Grantor for the construction of the public improvement (the "Project") more particularly described in that certain Agreement for Project Management Services ("Development Agreement"), dated as of January 8, 2002 by and between Grantor and Grantee.

The Temporary Easement granted herein shall, without further action by Grantor or Grantee, convert to a permanent easement ("Permanent Easement") upon the occurrence of either (i) a breach by Grantee of its Urban Development Action Grant ("UDAG") Agreement with the U.S. Department of Housing and Urban Development after the full funding of the UDAG; (ii) a material breach by Grantor of its Development Agreement with the Grantee which is not cured within any applicable notice and cure period; or, (iii) upon the full funding of the UDAG, Grantor's failure (a) to complete construction of the private improvements on the Easement Property, as contemplated by the Development Agreement, by August 30, 2002, unless such date shall be extended with the consent of the U.S. Department of Housing and Urban Development; provided, however, that the correlative rights of the Grantor and Grantee with respect to any such Permanent Easement shall be governed by the rights, covenants and restrictions set forth in Section 5.1(B), 5.2 and 5.3 of the Development Agreement; and (b) to cause an on the ground survey to be conducted and the legal description to be amended by the mutual agreement of the Grantor and Grantee to reflect the Project as built. If the Permanent Easement is not effective by September 1, 2002, this Temporary Easement will expire without further action by Grantor or Grantee.

(PMA - defined above)

Any such Permanent Easement arising hereunder shall provide Grantee a perpetual easement and right of way for pedestrian access to, from and across the Easement Property, with full and free right and liberty for the Grantee, in common with all members of the public for all purposes, to pass and re-pass along and over the Easement Property, to provide access to and from the public streets and sidewalks abutting or adjoining the Easement Property, to gain access to and from the structures adjoining or abutting the Easement Property, subject to the Grantor's retained rights to utilize portions of the Easement Property for dining, food and beverage (alcoholic and non-alcoholic) service, retail sales and other uses in accordance with Governmental Rules and such other uses as

may be approved by Grantee; provided, however, Grantee shall have the right to temporarily close access to the Easement Property as necessary for such purposes, emergencies, repairs and other related purposes. Notwithstanding the foregoing, Grantor retains from the definition of "Easement Property" the air rights which are located fifteen (15) feet above the surface of the Easement Property from any such Permanent Easement.

The easement and right-of-way herein granted shall run with the land and be binding upon and inure to the benefit of the Grantor and Grantee, and their respective successors, assigns, and legal representatives.

TO HAVE AND TO HOLD said easement and right-of-way unto the Grantee, its successors and assigns; and Grantor does hereby bind itself, its legal representatives, successors and assigns, to specially warrant and forever defend said easement and right-of-way unto the Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through, or under Grantor, but not otherwise; subject, however, to the matters set forth herein.

[signatures contained on next page]

EXECUTED as of the _____ day of _____, 2002.

GRANTOR:

STREET RETAIL SAN ANTONIO, LP
a Delaware limited partnership

By: SRI San Antonio, Inc.
Its General Partner

By: Steven M. Becker
Name: Steven M. Becker
Title: President

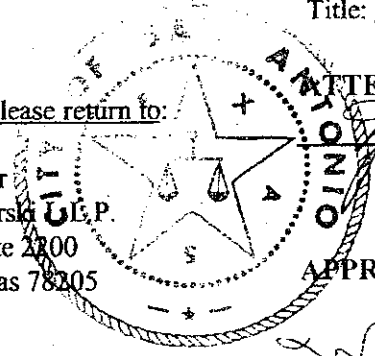
GRANTEE:

CITY OF SAN ANTONIO
a Texas municipal corporation

By: Erik J. Walsh
Name: Erik J. Walsh
Title: Asst. to the City Mgr.

After recording, please return to:

James P. Plummer
Fulbright & Jaworski LLP
300 Convent, Suite 2100
San Antonio, Texas 78205



ATTEST:

Helene L. Lederman
City Clerk

APPROVED AS TO FORM:

Warren J. Farridge
for the City Attorney

[acknowledgments contained on next page]

THE STATE OF ~~TEXAS~~ ^{Maryland} §
COUNTY OF ~~BEXAR~~ ^{Montgomery} §

This instrument was acknowledged before me on the 14th day of August, ^{WF}
2002, by Dawn Becken, as President of ~~Street Retail San Antonio, LP~~ ^{SRT}, the
General Partner of STREET RETAIL SAN ANTONIO, LP, a Delaware limited partnership. ^{Secretary}

(SEAL)

Lisa Foxwell
Notary Public in and for the State of ~~Texas~~ ^{Maryland}

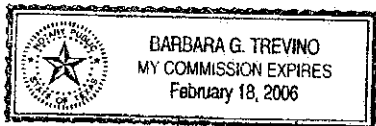
LISA FOXWELL
NOTARY PUBLIC STATE OF MARYLAND
(Printed Name of Notary) My Commission Expires April 14, 2003

My Commission Expires: 4/14/03

THE STATE OF TEXAS §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the 4th day of December,
2002, by Eric J Walsh, on behalf of the City of San Antonio, a Texas municipal
corporation.

(SEAL)



Barbara G. Trevino
Notary Public in and for the State of Texas

Barbara G. Trevino
(Printed Name of Notary)

My Commission Expires: 02/18/06

EXHIBIT "A"

"Easement Property"

This description and the accompanying exhibit are based on recorded and proposed property lines: a 0.0781 acres (3,405 square feet) tract of land situated within Lot 11, Block 20, New City Block 404 as recorded with the plat of Hotel Valencia San Antonio Riverwalk in the City of San Antonio as described in instrument recorded in Volume 9550, Page 24 in the Official Public Records of Real Property of Bexar County, Texas, and being situated below a horizontal plane crossing all of such real property at an elevation of approximately 661.52 feet above mean sea level crossing at the centerline of the second floor slab of the improvements to be constructed on such real property pursuant to the amended and restated lease agreement dated as of May 19, 2000 between Street Retail San Antonio, LP and Hotel Valencia San Antonio Riverwalk, LP, a memorandum of which has been or will be recorded in the real property records of Bexar County, Texas, the said tract being more particularly described by metes and bounds as follows:

COMMENCING: At a found nail in concrete at the intersection of the south right-of-way line of E. Houston Street (60-foot right-of-way) with the west right-of-way line of N. St. Mary's Street (55.6-foot right-of-way), same point being the northeast corner of Lot 12 as recorded with the aforementioned plat of Hotel Valencia San Antonio Riverwalk:

THENCE: WEST, a distance of 154.55 feet along the said south right-of-way line of E. Houston Street to the POINT OF BEGINNING of the herein described tract;

THENCE: S 00°00'00" E, a distance of 6.66 feet to an angle point;

THENCE: S 90°00'00" E, a distance of 1.58 feet to an angle point;

THENCE: S 00°00'00" W, a distance of 7.06 feet to an angle point;

THENCE: S 90°00'00" E, a distance of 2.25 feet to an angle point;

THENCE: S 00°00'00" W, a distance of 6.67 feet to an angle point;

THENCE: N 90°00'00" W, a distance of 2.25 feet to an angle point;

THENCE: S 00°00'00" W, a distance 10.94 feet to an angle point;

THENCE: N 89°59'59" W, a distance of 1.33 feet to an angle point;

THENCE: S 00°00'00" E, a distance of 2.33 feet to an angle point;

THENCE: S 90°00'00" E, a distance of 7.00 feet to an angle point;

THENCE: S 00°00'00" W, a distance of 12.54 feet to an angle point;

THENCE: N 90°00'00" W, a distance of 19.25 feet to an angle point;

THENCE: S 00°00'00" W, a distance of 14.00 feet to an angle point;

THENCE: N 90°00'00" W, a distance of 10.92 feet to an angle point;

THENCE: S 00°00'00" W, a distance of 27.75 feet to an angle point;

THENCE: N 90°00'00" W, a distance of 7.00 feet to an angle point;

THENCE: S 00°00'00" W, a distance of 29.85 feet to an angle point in the common south line of the said Lot 11 and the north line of Lot 10, Holiday Inn-Riverwalk Subdivision as recorded in Volume 9511, Page 130, Deed and Plat Records of Bexar County, Texas;

THENCE: N 89°28'03" W, coincident with the north line of Lot 10, a distance of 24.07 feet to a found "X" in concrete on a wall at the San Antonio River, the southwest corner of the said Lot 11, the northwest corner of said Lot 10, and the southwest corner of the herein described tract;

THENCE: N 04°21'49" E, a distance of 46.00 feet coincident with the east line of the San Antonio River, to a found ½" iron rod, an angle point in the herein described tract;

THENCE: N 22°37'33" E, a distance of 77.69 feet coincident with the southeast line of the San Antonio River, to a found lead plug and survey tack on the aforementioned south right-of-way line of E. Houston Street, the northwest corner of the said Lot 11, the northwest corner of the herein described tract;

THENCE: EAST, along and with said south right-of-way line, a distance of 20.60 feet to the POINT OF BEGINNING and containing 0.0781 of an acre.