

RESTRICTIVE COVENANTS AGREEMENT

THIS AGREEMENT made as of February 5th, 2004

B E T W E E N :

**LOBLAW PROPERTIES LIMITED
("Loblaw")**

OF THE FIRST PART

- AND -

**RIOCAN HOLDINGS (PORT ELGIN) INC.
("RioCan")**

OF THE SECOND PART

WITNESSES THAT WHEREAS:

- (a) Loblaw is the registered owner of the lands more particularly described in Schedule "A" attached hereto (the "Dominant Lands"); and
- (b) RioCan is the registered owner of the lands more particularly described in Schedule "B" attached hereto (the "Servient Lands"); and
- (c) The parties hereto have agreed to enter into this Agreement on the following terms and conditions.

NOW THEREFORE in consideration of the mutual covenants and agreements hereinafter contained, other good and valuable consideration and the sum of Two Dollars (\$2.00) paid by each party to the other the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Restrictive Covenant in favour of the Dominant Lands

RioCan agrees that it will permit Loblaw to register a restrictive covenant on title to the Servient Lands, for the benefit of the owner of the Dominant Lands, and which restrictive covenant shall run with the title to the Dominant Lands, and shall be a burden upon, and bind the title to the Servient Lands, namely:

RioCan, any one of its associated companies and its and their successors and assigns will not directly or indirectly on the Servient Lands carry on or permit to be carried on or rent any premises or space therein to any tenant or consent to the assigning or subletting of any premises or space or allow any tenant or sub-tenant to sign a concession or franchisee or licensee to use any space or premises or any part thereof for the purpose of an operation of a food supermarket or retail store which carries on directly or indirectly in its premises the business of a grocer or a dealer of meats, fruits, dairy, vegetables, fish, poultry, bakery or delicatessen product (each a "Restricted Use"; or collectively, the "Restricted Uses"). Notwithstanding the foregoing, this restriction shall not apply so as to prevent the use of any part of the premises as either or both of the following:

- 1. one or more restaurant(s) either sit down, take out or fast food; or

2. by a tenant or tenants operating a business which is a Restricted Use or Restricted Uses provided that (a) the Restricted Use or Restricted Uses are carried on in no more than seven thousand (7,000) square feet of such tenant's premises if there is only one tenant operating a business which is a Restricted Use or Uses or (b) no more than an aggregate of seven thousand (7,000) square feet of such tenant's premises if there are more than one tenant operating a business which is a Restricted Use or Uses.

2. The burden of the restrictive covenant set forth herein shall run with and bind the Servient Lands and every part thereof and be for the benefit of and annexed to and run with the Dominant Lands and every part thereof, the interest of the owner of the Dominant Lands and their successors and assigns.

3. This restrictive covenant in its entirety shall terminate and be of no further force and effect and shall no longer be binding on RioCan and the Servient Lands if Loblaw or its successors, assigns, lessees, franchisees or licensees fail to carry on the principle business of a grocery store or supermarket (as same may be operated by Loblaw in any of the formal used by it in any of its stores in Canada from time to time) on the Dominant Lands for a continuous period of six (6) months unless the failure to carry on business is as a result of an expansion, renovation or reconstruction by Loblaw of the Dominant Lands in which case the period shall be nine (9) months.

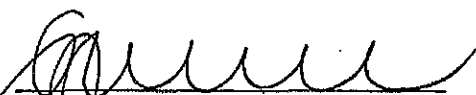
4. If any item of this Agreement shall be held or rendered in valid, unenforceable or illegal, then such term shall be considered separate and severable from the remainder of this Agreement and shall not affect, impair or invalidate the remainder of this Agreement which shall continue to be applicable to and enforceable to the fullest extent permitted by law against any person or circumstances other than those as to which it has been held or rendered invalid, unenforceable or illegal.

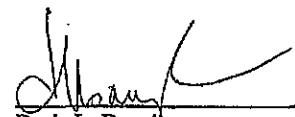
5. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original. All such counterparts shall together constitute but one and the same Agreement.

6. This Agreement shall be read and construed with all changes of gender or number required by the context.

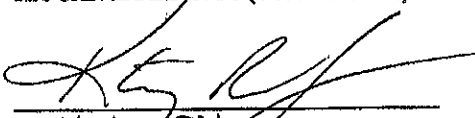
IN WITNESS WHEREOF the parties hereto have duly executed this Agreement.

LOBLAW PROPERTIES LIMITED

Per: 
 S. Jane Marshall
 Executive Vice-President, Eastern Canada

Per: 
 Doris L. Baughan
 Vice-President, Legal Services, Eastern Canada
 We have authority to bind the Corporation

RIOCAN HOLDINGS (PORT ELGIN) INC.

Per: 
Katy Ritter
Vice-President - Investments.

Per: _____

I/We have authority to bind the Corporation

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SCHEDULE "A"

Dominant Lands

Loblaw Properties Limited Lands

Part of Lot 49, Lake Range, designated as Part 1, Plan 3R-7410, Town of Saugeen Shores,
County of Bruce

SCHEDULE "B"

Servient Lands

RioCan Holdings (Port Elgin) Inc. Lands

Part of Park Lots 1 and 2, Plan 111, West Side of Goderich Street, designated as Part 3,
Reference Plan 3R-1446, Town of Port Elgin, County of Bruce