ANNUAL REPORT 2010

DIM VASTGOED N.V.

CONTENTS

KEY FIGURES

All figures in this annual report are in thousands of US dollars unless indicated otherwise

Key figures balance sheet (IFRS)	**2010**	**2009**	**2008**	**2007**	**2006**
Investments	313,929	314,369	395,234	444,506	400,054
Other non-current assets	16,245	13,799	10,303	9,529	17,406
Current assets	5,053	3,910	4,968	4,009	5,291
Total assets	**335,227**	**332,078**	**410,505**	**458,044**	**422,751**
Shareholders' equity	52,581	49,735	97,875	133,976	128,743
Deferred tax liabilities	24,249	19,949	46,847	61,903	51,722
Other non-current liabilities	782	201,859	205,459	247,988	233,066
Current liabilities	257,615	60,535	60,324	14,177	9,220
Total equity and liabilities	**335,227**	**332,078**	**410,505**	**458,044**	**422,751**

Key figures results (IFRS)	**2010**	**2009**	**2008**	**2007**	**2006**
Net rental income	23,993	24,944	27,318	26,379	26,271
Direct result after tax	7,586	5,899	8,948	8,575	369
Indirect result after tax	- 4,740	- 54,039	- 36,697	6,684	4,163
Net profit after tax	**2,846**	**- 48,140**	**- 27,749**	**15,259**	**4,532**

Key figures per share	**2010**	**2009**	**2008**	**2007**	**2006**
	$	$	$	$	$
Net asset value at year end (IFRS)	6.40	6.05	11.91	16.81	16.40
Net asset value at year end – stand alone (Dutch GAAP)	8.27	7.58	15.73	21.99	20.83
Net result per share (IFRS)	0.35	-5.86	-3.41	1.92	0.58
Direct result per share (IFRS)	0.92	0.72	1.10	1.08	0.05
Dividend	n/a	n/a	n/a	1.54 or 3 for 31	1.57 or 3 for 37
Number of ordinary shares outstanding at year end	8,216,373	8,216,373	8,216,373	7,969,918	7,851,109
Average number of ordinary shares outstanding	8,216,373	8,216,373	8,144,800	7,935,740	7,758,143

SUPERVISORY BOARD AND MANAGEMENT BOARD

Supervisory board

Cornelis J. van Rees (1938), chairman.
Ellard J. Blaauboer (1946), member.
Thomas A. Caputo (1946), member.

Management board

Frans A. Bakker [1)]
Arthur L. Gallagher [1)]
Bob Mitzel [1)]
Wilbert O.C.M. van Twuijver [1)]
1) Appointed as of 1 April 2010.

Investment institution

DIM Vastgoed is a closed-end investment company with variable capital and an investment institution within the meaning of the Dutch Act on Financial Supervision ('Wft'). DIM Vastgoed is licensed by Autoriteit Financiële Markten (the Dutch Financial Markets Authority).

REPORT OF THE SUPERVISORY BOARD

To the general shareholders’ meeting

The financial statements of DIM Vastgoed N.V. for the financial year 2010 are hereby presented. They are accompanied by the report of the management board. Ernst & Young Accountants LLP audited the financial statements and issued an unqualified auditors’ report. We recommend that you adopt the financial statements as presented.

Rotterdam, 29 April 2011

The supervisory board

Cornelis J. van Rees, chairman
Ellard J. Blaauboer
Thomas A. Caputo

REPORT OF THE MANAGEMENT BOARD

Management

DIM Vastgoed N.V. (‘DIM Vastgoed’ or ‘the Company’) is a closed-end investment company with variable capital and an investment institution within the meaning of the Dutch Act on Financial Supervision (‘Wft’). DIM Vastgoed is licensed by Autoriteit Financiële Markten (the Dutch Financial Markets Authority).

DIM Vastgoed is an investment institution of which the investments are managed by its 97.5% shareholder, Equity One, Inc. (‘Equity One’). The Company does not have its own employees. DIM Vastgoed subscribes to the advisability of transparency in management and supervision and management’s accountability for this to investors. The company has therefore adopted the principles and best practices of good corporate governance in line with those of the Tabaksblat Code on 9 December 2003 as well as the amendments/supplements thereto from the Corporate Governance Code Monitoring Committee as part of its guideline, insofar as this is advisable and possible in its opinion.

At the annual meeting of shareholders, which was held on 18 March 2010, the new Management Board of DIM Vastgoed was appointed. As of 1 April 2010, the Management Board consists of Mr. A.L. Gallagher, Mr. B. Mitzel, Mr. F.A. Bakker and Mr. W.O.C.M. van Twuijver. Until 31 March 2010, the Management Board of DIM Vastgoed consisted of Dane Investors Management B.V. (‘DIM B.V.’).

As of 1 January 2010, the US property management activities are performed by Equity One Realty & Management. According to the agreement with Equity One, Inc. and Equity One Realty & Management (together referred to as ‘Equity One Realty & Management’), as part of the property services, Equity One Realty & Management – among other things – is responsible for assisting, advising and carrying out on behalf of the Company and as instructed and monitored by the Management Board and the Supervisory Board of the Company, the operational, financial and administrative property management as well as the selection, acquisition, financing and disposition of real estate.

DIM Vastgoed has engaged Freeland Corporate Advisors N.V. (‘Freeland’) to provide the Company with certain Dutch corporate, financial and regulatory compliance and support services as of 1 April 2010[1].

Public offer by Equity One on shares DIM Vastgoed

On 17 February 2010, DIM Vastgoed and Equity One jointly announced that Southeast U.S. Holdings B.V., a wholly owned subsidiary of Equity One. (jointly referred to as ‘the Offeror’), made a recommended cash offer for all issued and outstanding shares at an offer price of $7.30 per share. The supervisory board and the management board of DIM Vastgoed fully supported the offer and unanimously recommended the offer to the shareholders. On 26 March 2010, DIM Vastgoed and Equity One jointly announced that 1,467,825 shares had been tendered under the offer during the acceptance period, which ended on 25 March 2010. The Offeror granted the shareholders who had not yet tendered their shares the opportunity to tender in a post-acceptance period, expiring on Friday 9 April 2010.

On 12 April 2010, DIM Vastgoed and Equity One jointly announced that during this post-acceptance period, another 205,395 shares were tendered. The shares tendered under the offer, together with the shares held or controlled by the Offeror at the acceptance closing date, amounted to a total of 7,846,243 shares, which represented 95.5% of the issued and outstanding ordinary share capital of DIM Vastgoed. Currently, Equity One owns approximately 97.4% of the DIM Vastgoed shares.

[1] As of 29 September 2010, DIM B.V. is a 100% subsidiary of Freeland Holding B.V. The Dutch service contract has been transferred by Freeland to DIM B.V., which in turn has contracted Freeland to perform the agreed-upon services to DIM Vastgoed.

Delisting of the shares
On 29 April 2010, DIM Vastgoed announced that, following the acquisition of 95.5% of all issued and outstanding ordinary shares in the Company (but excluding the shares held in treasury by the Company) by Southeast US Holdings B.V., the Company had resolved to delist all issued and outstanding ordinary shares in the Company, isin NL 0000284750, (the "Shares"), effective 2 August 2010 (*bëeindiging van de notering van alle uitstaande gewone aandelen in DIM Vastgoed, isin 0000284750 met ingang van 2 augustus 2010*). The intention to delist was announced by the Company in its press release of 22 April 2010. Delisting of the shares was approved by NYSE Euronext Amsterdam on 23 April 2010 and announced in the Company's press release of the same date. The delisting of the shares in DIM Vastgoed has taken effect on 1 August 2010 and the last trading day on NYSE Euronext Amsterdam was 30 July 2010.

Priority shares
On 12 July 2010, the Company acquired all 300 issued and outstanding priority shares of the Company held by Stichting Prioriteit DIM Vastgoed. Pursuant to the merger protocol between the Company and Southeast US Holdings B.V. dated 30 December 2009 (and as further described in the Offer Memorandum dated 17 February 2010), the Company and Stichting Prioriteit DIM Vastgoed agreed to abolish and/or cancel the priority shares following the acquisition of control by Equity One over at least 90% of the shares in the Company. This cancellation of the priority shares has been effected by the acquisition of those shares by the Company.

Legal proceedings Equity One to acquire minority shares
On 27 July 2010, the Company announced that Southeast US Holdings B.V. had initiated legal proceedings in accordance with articles 2:92a of the Dutch Civil Code to acquire all outstanding shares in DIM Vastgoed by a ruling of the Enterprise Chamber of the Amsterdam Court of Appeal. These proceedings were initiated by Equity One following the acquisition of more than 95% of all issued and outstanding shares in the Company. In light of the Company still holding 152,394 shares in treasury, it acts as co-plaintiff in these proceedings. A number of minority shareholders as well as the Dutch Association of Shareholders (Vereniging van Effectenbezitters) have put up a defense. A ruling of the Enterprise Chamber is expected in the second half of 2011.

Portfolio
At the end of 2010, the portfolio of DIM Vastgoed consisted of 21 properties (2009: 21) with a total value of $314 million (2009: $314 million).

Given the tertiary location of many of the Company's properties, its operations continued to suffer during 2010. As a result of the difficult operating environment, key operating metrics continued to decline. As of 31 December 2010, the occupancy rate of the portfolio declined to 89.9% (31 December 2009: 92.1%). Gross rental income also declined 4.3% from $29,243 in 2009 to $27,977 in 2010.

Cash and financing
At the start of 2010, DIM Vastgoed's cash resources amounted to $1.3 million. Net cash flow from operating activities for the year amounted to $6.9 million (2009: $6.7 million). The decrease in leasing commissions, interest and taxes paid during 2010 as compared to 2009, approximately offset a $1.0 million marketing expense compensation paid to DIM B.V. in March 2010. Net cash used for investing activities amounted to $1.1 million during 2010, mainly used to pay tenant improvements (2009: $ 1.2 million). Net cash used for financing activities amounted to $4.6 million (2009: $6.0 million). As of 31 December 2010, DIM Vastgoed's cash resources amounted to $2.5 million.

All borrowings as of 31 December 2010 consists of fixed-rate mortgage loans (2009: 99.7%). The weighted average effective interest rate on these fixed-rate mortgage loans is 6.38% per annum as of 31 December 2010 (2009: 6.38%). The weighted average duration of total mortgage loans is 3.6 years at the end of 2010 (2009: 4.4 years). This can be qualified as a limited interest rate risk for the existing portfolio.

Of the total outstanding mortgage loans as of 31 December 2010, $54.4 million is due within one year. Of this total, $3.4 million consists of scheduled regular amortization and $51.0 million consists of the balloon payment due to Equity One on the maturity date of the two mortgage loans on Carolina Pavilion. Both loans matured on March 31, 2011, and were extended after the balance sheet date to 1 July 2012 by Equity One.
The next mortgage in succession to be refinanced is Hammocks Town Center, which matures in June 2012.
All the mortgage loans, with the exception of the mortgage loans on Carolina Pavilion, contain prohibitions on transfers of ownership which may have been violated by Equity One's acquisition of a majority interest in the Company's common stock in combination with the redemption of the priority shares in the Company or by the change in the Company's property manager. If a violation were established, it could serve as a basis for a lender to accelerate amounts due under the affected mortgage. Because a violation of a non-monetary default could be alleged, all of the Company's mortgage loans have been classified as current in the accompanying consolidated balance sheet at 31 December 2010. To date, no lender has notified us that it intends to accelerate its mortgage. In the event that the mortgage holders declare defaults under the mortgage documents, management believes, if required, it could negotiate with lenders, seek to refinance the mortgage loans that could be refinanced, and/or sell the assets that have a fair market value in excess of the loan balances. Based on discussions with various lenders, current credit market conditions and other factors, management of the Company believes that the mortgages will not be accelerated.

Financial results – based on IFRS

Unless otherwise indicated, the amounts stated in this section are expressed in thousands of US dollars.

Net result

DIM Vastgoed's net result for the financial year 2010 amounted to a net profit of $2,846 (2009: net loss $48,140). The increase in net result is mainly due to a lower negative indirect result for 2010 ($4,740 negative) as compared to $54,039 negative for 2009. The direct result increased as well, by 29% to $7,883 (2009: $5,899).

	2010	**2009**
	$'000	$'000
Direct result	7,586	5,899
Indirect result	- 4,740	- 54,039
Net result after taxation	**2,846**	**- 48,140**

Net rental income, as a result of declining occupancy rates, decreased by 3.8% to $23,993 (2009: $24,944).

The property revaluation result for 2010 amounts to $440 negative or a negative 0.1% of the portfolio value (2009: $80,865 or 20.5% negative). During 2010, 10 properties were externally appraised in accordance with the Company's two-year appraisal cycle (of which two were appraised at year-end); these properties represent 31.5% of the total carrying value of the portfolio at year end. The following properties were externally appraised during 2010: Brawley Commons, Dublin Village, Glengary Shoppes, Golden Park Village, Governors Town Square, Grayson Village, Magnolia Shoppes, Salem Road Station, The Shops at Lake Tuscaloosa and The Vineyards at Chateau Elan. Furthermore, all

properties were either externally or internally valued at year-end.
The 2010 valuations resulted in a positive revaluation result for the Company's single largest asset, Carolina Pavilion, amounting to $10,081. The revaluation result for the other 20 properties in total amounted to $10,521 negative.

During 2009, as required by the rules and regulations for rights issues, management had all investment properties externally appraised by Cushman & Wakefield, an independent external appraiser, at 30 September 2009. Of the total negative revaluation result of $80,865, $25,090 related to the Company's single largest asset, Carolina Pavilion.

Administrative expenses decreased by 33.9%, from $3,903 to 2,581. The expenses for 2010 include an amount of $781 related to the public bid by Equity One and the subsequent delisting. The 2009 expenses included an amount of $1,134 related to the aborted rights issue (mainly legal advisors). Furthermore, 2009 expenses included an accrual of $647 for marketing expense compensation payable to the previous managing director of the Company, DIM B.V. (2010: nil). The total amount due to DIM B.V. (€ 704 thousand) was paid in March 2010.

Finance costs decreased by 0.9% to $16,305 (2009: $16,445) due to the decrease of amortization charges for mortgage transaction costs.

The corporate income tax benefit from operations increased by $1,177 to a benefit of $2,479 in comparison with 2009 (a benefit of $1,302). As a result of the regular tax depreciation, the deferred tax liabilities have increased by $4,300 over 2010 (2009: a decrease of $26,898).

The IFRS net result per share, computed based on the average number of shares outstanding and in circulation, increased to a net profit of $0.35 per share (2009: net loss $5.86 per share). The direct result per share increased by $0.20 to $0.92 (2009: $0.72).

Development of shareholders' equity and net asset value per share
At the start of the financial year 2009, consolidated shareholders' equity based on IFRS amounted to $49,735 or $6.05 per ordinary share.

Including the net profit for 2010 amounting to $2,846, DIM Vastgoed's consolidated shareholders' equity amounted to $52,581 at 31 December 2010. This is an increase of 5.7% as compared to consolidated shareholders' equity at the beginning of the year.

The IFRS net asset value per share increased by $0.35, from $6.05 at 1 January 2010 to $6.40 at 31 December 2010, based on 8,216,373 ordinary shares outstanding and in circulation.

The non-consolidated Dutch GAAP net asset value per share amounts to $8.27 at 31 December 2010, which represents an increase of $0.69 as compared to the 1 January 2010 non-consolidated net asset value per share of $7.58.

Movements in shareholders' equity and net asset value per share

	2010 Consolidated (IFRS)		2010 Stand alone (Dutch GAAP)	
	$'000	$ per share 1)	$'000	$ per share 1)
Shareholders' equity at 1 January	49,735	6.05	62,296	7.58
Net result	2,846	0.35	5,643	0.69
Shareholders' equity at 31 December	**52,581**	**6.40**	**67,939**	**8.27**

1) Figures per share computed on the following number of shares in circulation:
   - equity at 1 January: shares in circulation at beginning of year: 8,216,373
   - net result: weighted average number of shares, being 8,216,373
   - equity at 31 December: shares in circulation at the end of the year: 8,216,373

Risks and uncertainties

For a description of the main risks and uncertainties DIM Vastgoed is faced with, we refer to the Cash and financing paragraph on pages 6 and 7 and the notes to the consolidated financial statements, note 4.

Administrative organization and internal controls – ('*in control'-statement*)

Statement referred to in section 121, sub 1 Decree on the Supervision of the conduct of Financial undertakings under the Wft.

We have adopted a description of the administrative organization and internal controls which comply with the requirements as laid down in the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*) and the Decree on the Supervision of the conduct of Financial undertakings under the Wft (*Besluit Gedragstoezicht Financiële ondernemingen)*.
We have evaluated the various aspects of the administrative organization and internal controls during the financial year under review. We believe, to our best knowledge, that the framework of the administrative organization and internal controls as referred to in section 4:14 of the Dutch Financial Markets Supervision Act complies with the requirements as laid down in this act and related rules. In addition, these systems have shown themselves to be reasonably effective in the year under review and thus offer a reasonable degree of certainty that the financial reporting does not contain any material misstatements.

Representation concerning financial statements and report of the management board

The management board confirms that, to the best of its knowledge, the consolidated financial statements, together with comparative figures, have been prepared in accordance with IFRS as adopted by the European Union and give a true and fair view of the state of affairs of DIM Vastgoed at 31 December 2010 and of the net result for the period then ended.
The report of the management board in this annual report includes a fair review of the information required pursuant to section 5:25c, subsection 2 of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*).

Outlook
While economic conditions in many of our markets have modestly improved during 2010, macro-economic challenges, such as low consumer confidence, high unemployment and reduced consumer spending, have adversely affected many retailers and continue to adversely affect the retail sales of many regional and local tenants in some of our markets. While most of our shopping centers are anchored by supermarkets, drug stores or other necessity-oriented retailers, which are less susceptible to economic cycles, other tenants in our shopping centers, particularly smaller shop tenants, have been particularly vulnerable as they have faced both declining sales and reduced access to capital. As a result, some tenants have requested rent adjustments and abatements, while other tenants have not been able to continue in business at all. To the extent that challenging economic conditions persist in 2011, we would expect small shop leasing to continue to be very difficult.

Rotterdam, 29 April 2011

The management board
Frans A. Bakker [1)]
Arthur L. Gallagher [1)]
Bob Mitzel [1)]
Wilbert O.C.M. van Twuijver [1)]
1) Appointed as of 1 April 2010.

ANNUAL ACCOUNTS 2010

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	*For the year ended 31 December* 2010	2009
		$'000	$'000
Gross rental income	6	27,977	29,243
Service charge income	7	7,100	7,283
Total revenues		**35,077**	**36,526**
Service charge expenses	7	- 7,792	- 7,349
Property operating expenses	8	- 3,292	- 4,233
Net rental income		**23,993**	**24,944**
Revaluation result investment property	12	- 440	- 80,865
Impairment loss		-	- 71
Administrative expenses	9	- 2,581	- 3,903
Net operating result		**20,972**	**- 59,895**
Finance costs	10	- 16,305	- 16,445
Net result before tax		**4,667**	**- 76,340**
Income tax	11	- 1,821	28,200
Net shareholders' result for the year		**2,846**	**- 48,140**
Other comprehensive income		-	-
Total shareholders' comprehensive income		**2,846**	**- 48,140**
Note: Comprehensive income for the year can be split as follows:			
- direct result		7,586	5,899
- indirect result		- 4,740	- 54,039
Total shareholders' comprehensive income		**2,846**	**- 48,140**
Net result per share ($) [1]		**0.35**	**- 5.86**
Direct result per share ($) [1]		**0.92**	**0.72**
Indirect result per share ($) [1]		**- 0.57**	**- 6.58**

[1] Computed based on the weighted average number of shares in circulation of 8,216,373 during 2010 (2009: 8,216,373). The Group has no dilutive potential ordinary shares, therefore the diluted earnings per share is the same as the basic earnings per share.

CONSOLIDATED BALANCE SHEET

	Note	31 December 2010	31 December 2009
		$'000	$'000
ASSETS			
Investment property	12	313,929	314,369
Deferred tax assets	11	8,339	6,116
Deferred lease incentive – tenant improvements	13	3,824	3,633
Capitalized rent free periods	14	178	146
Deferred leasing commissions	15	1,244	1,470
Cash on escrow accounts	18	2,585	2,364
Other non-current assets		75	70
Total non-current assets		**330,174**	**328,168**
Tenant receivables	16	2,292	2,230
Other receivables and prepaid expenses	17	259	383
Cash and cash equivalents	18	2,502	1,297
Total current assets		**5,053**	**3,910**
Total assets		**335,227**	**332,078**
SHAREHOLDERS' EQUITY			
Share capital	19	13,899	13,899
Share premium reserve	20	64,561	64,561
Other reserves	21	- 28,725	19,415
Net result for the year		2,846	- 48,140
Total shareholders' equity		**52,581**	**49,735**
LIABILITIES			
Borrowings	22	-	200,886
Deferred tax liabilities	11	24,249	19,949
Other non-current liabilities	23	782	973
Total non-current liabilities		**25,031**	**221,808**
Borrowings	22	252,038	55,511
Accounts payable and other liabilities	24	5,577	5,024
Total current liabilities		**257,615**	**60,535**
Total equity and liabilities		**335,227**	**332,078**
Net asset value per share ($) [1]		**6.40**	**6.05**

[1] Computed based on 8,216,373 ordinary shares outstanding at 31 December 2010 (at 31 December 2009: 8,216,373 shares).

The notes on page 15 to 44 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	**Share premium reserve**	**Other reserves**	**Net result for the year**	**Total shareholders' equity**
For the year ended 31 December 2009	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Balance at 1 January 2009	13,899	64,561	47,164	- 27,749	97,875
Allocation result previous year	-	-	- 27,749	27,749	-
Total comprehensive income for the year	-	-	-	- 48,140	- 48,140
Balance at 31 December 2009	13,899	64,561	19,415	- 48,140	49,735
For the year ended 31 December 2010					
Allocation result previous year	**-**	**-**	**- 48,140**	**48,140**	**-**
Total comprehensive income for the year	**-**	**-**	**-**	**2,846**	**2,846**
Balance at 31 December 2010	**13,899**	**64,561**	**- 28,725**	**2,846**	**52,581**

The notes on page 15 to 44 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	2010	2009
		For the year ended 31 December	
		$'000	$'000
Operating activities			
Net result before tax		4,667	- 76,340
Adjustments for:			
- revaluation result investment property	12	440	80,865
- impairment loss	13,15	-	71
- finance costs	10	16,305	16,445
- amortization tenant improvements	13	716	563
- increase capitalized rent free periods	14	- 32	- 146
- amortization leasing commissions	15	386	327
Changes in working capital:			
- increase tenant receivables		- 62	- 440
- decrease/increase other receivables and prepaid expenses		380	- 4
- increase accounts payable and other liabilities, exclusive of accrued interest and accrued marketing expense compensation	24	865	1,338
- increase/decrease other non-current assets		- 5	26
- increase accrued marketing expense compensation	23	-	647
- decrease tenant deposits	23	- 191	- 108
Net cash generated from operations		23,469	23,244
Interest paid		- 15,404	- 15,684
Interest received		17	6
Marketing expense compensation paid	24	-1,014	-
Leasing commissions paid	15	- 160	- 723
Current income taxes paid/received		-	- 123
Net cash flow from operating activities		**6,908**	**6,720**
Investing activities			
Increase/decrease in cash on escrow accounts		- 221	505
Tenant improvements paid	13	- 907	- 1,753
Net cash flow used in investing activities		**- 1,128**	**- 1,248**
Financing activities			
Loan extension costs paid	22	-	- 41
Amortization and redemption of mortgages	22	- 3,755	- 5,542
Decrease in short term credit	22	- 820	- 450
Net cash flow used in financing activities		**- 4,575**	**- 6,033**
Increase/decrease in cash and cash equivalents		**1,205**	**- 561**
Cash and cash equivalents at the beginning of the year		1,297	1,858
Cash and cash equivalents at the end of the year		**2,502**	**1,297**

The notes on page 15 to 44 form an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

DIM Vastgoed N.V. (the 'Company'), seated in Breda, the Netherlands, and having its offices in Rotterdam, the Netherlands, is a closed-end real estate investment company with variable capital. The consolidated financial statements of the Company for the year ended December 31, 2010 comprise the Company and its subsidiaries (together referred to as the 'Group'). These financial statements were authorized for issue by the management board and the supervisory board on 29 April, 2011.

The financial year of DIM Vastgoed equals the calendar year. The comparative figures included in these financial statements refer to the financial year 2009.

DIM Vastgoed is licensed under the terms of the Dutch Act on Financial Supervision ('Wft'). The 2010 annual accounts have been prepared taking into account the Wft.

2. BASIS OF PREPARATION

Statement of compliance The consolidated financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) and its interpretations issued by the International Accounting Standards Board (IASB) and as adopted by the European Union.

Going concern All the mortgage loans, with the exception of the mortgage loans on Carolina Pavilion, contain prohibitions on transfers of ownership which may have been violated by Equity One's acquisition of a majority interest in the Company's common stock in combination with the redemption of the priority shares in the Company or by the change in the Company's property manager. If a violation were established, it could serve as a basis for a lender to accelerate amounts due under the affected mortgage. Because a violation of a non-monetary default could be alleged, all of the Company's mortgage loans have been classified as current in the accompanying consolidated balance sheet at 31 December 2010.To date, no lender has notified us that it intends to accelerate its mortgage. In the event that the mortgage holders declare defaults under the mortgage documents management believes, if required, it could negotiate with lenders, seek to refinance the mortgage loans that could be refinanced, and/or sell the assets that have a fair market value in excess of the loan balances. Based on the fact that the loans are non-recourse and discussions with various lenders, current credit market conditions and other factors, management of the Company believes that the mortgages will not be accelerated. Hence management prepared the financial statements 2010 based on a going concern principle.

Basis of preparation The functional and reporting currency for DIM Vastgoed is the US dollar. Unless otherwise indicated, the amounts stated in these notes are expressed in thousands of US dollars. Unless indicated otherwise, assets and liabilities are carried on historical cost basis, except for investment property which is carried at fair value. Tenant receivables and borrowings are stated at amortized cost.

Basis of consolidation The Company has two subsidiaries during financial year 2010 and during financial year 2009. The Group has no investments in associates or joint ventures.

A subsidiary is an entity controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Foreign currency The financial statements are expressed in US dollars, the Group's functional and presentation currency. Assets and liabilities denominated in other currencies are translated at the exchange rate ruling at the balance sheet date. Transactions during the year in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Foreign exchange differences arising on translation are recognized in the income statement.

Share capital and the share premium reserve, which are denominated in euro, are translated into US dollars using historical rates of exchange. Besides these equity items, there are no other non-monetary assets or liabilities.

The exchange rate used as of 31 December 2010 is: € 1.00 = $1.3362 ($1.00 = € 0.7484). The exchange rate as of 31 December 2009 was: € 1.00 = $1. 4406 ($1.00 = € 0. 6942).

Accounting policies

New and amended standards and Interpretations, effective for financial years starting on 1 January 2010

The accounting policies adopted are consistent with those of the previous financial year except as follows.

The Group has adopted the following new and amended IFRS and IFRIC interpretations as of 1 January 2010:

– IFRS 2 Share-based Payment – Group Cash-settled Share-based Payment Arrangements, effective 1 January 2010
– IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended), effective 1 July 2009
– IAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items, effective 1 July 2009
– IFRIC 12 Service Concession Arrangements, effective 1 April 2009
– IFRIC 15 Agreements for the Construction of Real Estate, effective 1 January 2010
– IFRIC 16 Hedges of a Net Investment in a Foreign Operation, effective 1 July 2009
– IFRIC 17 Distributions on Non-cash Assets to Owners, effective 1 November 2009
– IFRIC 18 Transfers of Assets from Customers, effective 1 November 2009
– Improvements to IFRSs (Issued May 2008), effective 1 January 2010
– Improvements to IFRSs (Issued April 2009), effective 1 January 2010

When the adoption of the standard or interpretation is deemed to have an impact on the financial statements or the performance of the Group, its impact is described below:

IFRS 2 Share-based Payment – Group Cash-settled Share-based Payment Arrangements

The amendment clarifies the scope and the accounting for group cash-settled share-based payment transactions. *The Group has concluded that the amendment does not have an impact on the financial position or the performance of the Group.*

IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended)

IFRS 3 (Revised) introduces significant changes in the accounting for business combinations occurring after this date. Changes affect the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs and future reported results.

IAS 27 (Amended) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners. Therefore, such transactions will no longer give rise to goodwill, nor will it give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. *The changes by IFRS 3 (Revised) and IAS 27 (Amended) will be applied prospectively and will affect future business combinations or loss of control of subsidiaries and transactions with non-controlling interests.*

IAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items

The amendment clarifies that an entity is permitted to designate a portion of the fair value changes or cash flow variability of a financial instrument as a hedged item. This also covers the designation of inflation as a hedged risk or portion in particular situations. *The Group has concluded that the amendment does not have an impact on the financial position or the performance of the Group, as the Group has not entered into any such hedges.*

IFRIC 12 Service Concession Arrangements

This interpretation applies to service concession operators and explains how to account for the obligations undertaken and rights received in service concession arrangements. *No member of the Group is an operator and, therefore, this interpretation did not have any impact on the financial position or the performance of the Group.*

IFRIC 15 Agreements for the Construction of Real Estate

The interpretation clarifies when and how revenue and related expenses from the sale of a real estate unit should be recognized if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. Furthermore it provides guidance on how to determine whether an agreement is within the scope of IAS 11 or IAS 18. *The adoption of this interpretation did not have any impact on the financial position or the performance of the Group.*

IFRIC 16 Hedges of a Net Investment in a Foreign Operation

IFRIC 16 provides guidance on the accounting for a hedge of a net investment. As such it provides guidance on identifying the foreign currency risks that qualify for hedge accounting in the hedge of a net investment, where within the group the hedging instruments can be held in the hedge of a net investment and how an entity should determine the amount of foreign currency gain or loss, relating to both the net investment and the hedging instrument, to be recycled on disposal of the net investment. *The adoption of this interpretation did not have an impact on the financial position or the performance of the Group.*

IFRIC 17 Distributions on Non-cash Assets to Owners

The Interpretation provides guidance on how to account for non-cash distributions to owners. It clarifies when to recognize a liability, how to measure it and the associated assets, and when to derecognize the asset and liability. *The adoption of this interpretation did not have any impact on the financial position or the performance of the Group as the Group has not made non-cash distributions to shareholders in the past.*

IFRIC 18 Transfers of Assets from Customers

IFRIC 18 applies to all entities that receive from customers an item of property, plant and equipment or cash for the acquisition or construction of such items. These assets are then used to connect the customer to a network or to provide ongoing access to a supply of goods or services, or both. The interpretation provides guidance on when and how an entity should recognize such assets. *The Group* *has concluded that the amendment does not have any impact on the financial position or the performance of the Group.*

Improvements to IFRSs (Issued May 2008)

In May 2008, the Board issued its first omnibus of amendments to its standards. All amendments issued are effective for DIM Vastgoed as at 31 December 2009, apart from the following:

– *IFRS 5 Non-current Assets Held for Sale and Discontinued Operations*: Clarifies when a subsidiary is classified as held for sale, all its assets and liabilities are classified as held for sale, even when the entity remains a non-controlling interest after the sale transaction. *The amendment is applied prospectively and had no impact on the financial position nor financial performance of the Group.*

Improvements to IFRSs (Issued April 2009)

In April 2009, the IASB issued a second omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions for each standard. *The adoption of the following amendments resulted in changes to accounting policies but did not have any impact on the financial position or performance of the group.*

– *IFRS 8 Operating Segment Information*: Clarifies that segment assets and liabilities need only be reported when those assets and liabilities are included in measures that are used by the chief operating decision maker. As the Group's chief operating decision maker does not review segment assets and liabilities, the Group has discontinued to disclose this information in Note 5.

Other amendments resulting from Improvements to IFRSs to the following standards did not have any impact on the accounting policies, financial position or the performance of the Group:

– IFRS 2 Share-based Payment
– IFRS 5 Non-current Assets Held for Sale and Discontinued Operations
– IAS 1 Presentation of Financial Statements
– IAS 7 Statement of Cash Flows
– IAS 17 Leases
– IAS 18 Revenue
– IAS 36 Impairment of Assets
– IAS 38 Intangible Assets
– IAS 39 Financial Instruments: Recognition and Measurement
– IFRIC 9 Reassessment of Embedded Derivatives
– IFRIC 16 Hedges of a Net Investment in a Foreign Operation

New and amended standards and Interpretations, which are not yet effective for the year ended 31 December 2010

Standards issued but not yet effective up to the date of issuance of the Group's financial statements are listed below:

1. IFRS 7 Financial Instruments: Disclosures – Amendment to Disclosures, effective for financial years beginning on or after 1 July 2011
2. IFRS 9 Financial Instruments, effective for financial years beginning on or after 1 January 2013
3. IAS 12 Income Taxes – Recovery of Tax Assets, effective for financial years beginning on or after 1 January 2012
4. IAS 24 Related Party Disclosures (Revised), effective for financial years beginning on or after 1 January 2011
5. IAS 32 Financial Instruments: Presentation – Classification of Rights Issues, effective for financial years beginning on or after 1 February 2010

6. IFRIC 14 – Prepayments of a Minimum Funding Requirement, effective for financial years beginning on or after 1 January 2011
7. IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments, effective for financial years beginning on or after 1 July 2010
8. Improvements to IFRSs (Issued May 2010), effective for financial years beginning on or after 1 January 2011

The Group anticipates that these changes will have no material effect on the financial statements.,

Derivative financial instruments During the financial years 2010 and 2009, the Group has not used any derivative financial instruments to hedge its exposure to movements in interest rates and in currency exchange rates.

Operating segments The Group defines each property as an individual operating segment and has determined that all of these operating segments exhibit substantially identical economic characteristics and are similar as well in respect of the nature of the products and services, the type or class of customer and the nature of the regulatory environment, which permits them to be aggregated into one reportable segment. Carolina Pavilion is the only property which exceeds the quantitative thresholds set by IFRS 8, and as such the Group reports separate information for this property.

Use of estimates and judgments The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Revisions to accounting estimates are recognized in the year in which the estimates are revised if the revisions affect only that period, or in the year of the revisions and future periods if the revisions affect both current and future periods.

The management board discussed with the supervisory board the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates.

Accounting estimates and assumptions discussed in the section below, are considered to be the most critical to an understanding of the financial statements because they inherently involve significant judgments and uncertainties. For all of these estimates, management cautions that future events rarely develop exactly as forecast, and the best estimates routinely require adjustment.

The assets of the Group mainly consist of the investment property portfolio. The market value of these assets can not be assessed using official quotations or listings. The value of the assets is based on the Group policy for the valuation of property, as set out in note 3. This includes appraisals by independent external experts and internal valuations.
The most important estimates made relate to the market capitalization factor for each individual property, the market rents applicable to vacant areas and the expected repair and other property operating expenses.

The Group is subject to income taxes in the United States and in the Netherlands. The Group estimates income tax liabilities to be accrued or income tax credits to be received. If the final tax assessments deviate from the assets or liabilities based on these estimates, such deviations will impact the (deferred) income tax liabilities or assets in the period in which the differences became apparent.

3. ACCOUNTING POLICIES

Investment property Investment property is property held by the Group as owner which is held either to earn rental income for the long-term or for capital appreciation or for both. Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value.

The fair value of a property is determined as the amount that the land and buildings will command in the market with a willing seller and buyer, within a reasonable time span.

Each property in the portfolio is subject to an external appraisal every two years (for the first time two years after acquisition), or earlier as considered advisable by management due to market circumstances. Experts are assigned to estimate the fair value of the property. The appraisers use a combination of the direct sales comparison approach and the income capitalization approach (the direct capitalization method - valuation based on capitalization at net initial yields for similar transactions - and the discounted cash flow method). In case of a difference between the internal and external valuation, the internally used capitalization rate will be adjusted to the market capitalization rate. For those properties in the portfolio which have not been externally appraised at year-end, an internal appraisal is done based on the same methods as used by external appraisers. The company only appoints external appraisers that are listed as 'State-Certified General Real Estate Appraiser' for the state in which the property is located.

All changes in fair value of investment property are recorded in the income statement.

Acquisition costs are accounted for as part of the total acquisition price of the property and are part of the fair value change on the first valuation after the acquisition.

Subsequent capital expenditures in investment property in principle are charged to net profit as repair and maintenance expense, part of operating expenses of the real estate. Only expenditures which lead to a higher fair value of the property are capitalized. In case of expansion or refurbishment of existing investment property, the expansion or refurbishment expenses are capitalized.

An investment qualifies as a capital item as soon as economic ownership is obtained. In practice, this will usually correspond with the transfer of legal ownership.

Deferred lease incentives, capitalized rent free periods and deferred leasing commissions Lease incentives are amortized over the lease term on a straight-line basis; the amortization charge is recognized as a reduction of gross rental income. Lease incentives are separated into incentives requiring upfront cash payments by the Group (tenant improvement work done by the landlord to bring a space up to 'move-in' condition or tenant improvement allowances given to new tenants) and incentives resulting in reduced cash income in the first period of the new lease contract (rent free periods or discounts).

Leasing commissions (including leasing listing commissions) are amortized over the lease term on a straight-line basis; the amortization charge is recognized as part of operating expenses.

Tenant receivables Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less a provision for bad debts. This provision is determined on an item-by-item basis and established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the tenant receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate. The addition to the provision is recognized in the income statement. When a tenant receivable is uncollectible, it is written off against the provision for bad debts.

Cash and cash equivalents Cash and cash equivalents comprise cash balances and call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Impairment The carrying amount of the Group's assets, other than investment property and deferred tax assets is assessed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Shareholders' equity
(1) Share capital – Ordinary shares are classified as equity. External costs directly attributable to the issuance of new shares, other than on a business combination, are shown as a deduction, net of tax, in equity from the proceeds.

(2) Share premium reserve – Share premium represents amounts realized by the issuance of shares above and beyond the nominal value.

(3) Other reserves - Other reserves include amounts which were formed from the undistributed net profit in the financial year or in previous financial years. Other reserves include any required legal reserves.

(4) Dividends - Dividends are recognized as a liability in the year in which they are declared.

Borrowings Mortgage loans and other interest-bearing loans are recognized initially at fair value, less transaction costs that are directly attributable to the issuance of these borrowings. Subsequent to initial recognition, borrowings are stated at amortized cost; any difference between the book value and the nominal value is recognized in the income statement over the period of the borrowings using the effective interest method.

The short-term part of borrowings which is due within twelve months is classified as current liabilities.

Leases Properties leased out under operating leases are included in investment property on the balance sheet. There are no assets leased out under a finance lease.

Gross rental income is determined based on contractual lease term entitlements and is recorded on an accrual basis. Gross rental income is exclusive of service charge expenses which have been charged to the tenants, such as real estate tax and common area maintenance. Lease incentives are amortized over the lease term on a straight-line basis; the amortization charge is recognized as a reduction of gross rental income.

Percentage rents (which are turnover based) are recorded as income in the years in which they are earned.

Service charge expenses and property operating expenses These include the service charge and property operating expenses attributable to the current financial year. These expenses comprise real estate tax, common area maintenance, property management fees, repair and maintenance costs, insurance premiums, amortization of leasing commissions and other property related expenses. Property operating expenses do not include general and administrative expenses.

Costs for service contracts entered into, property operating expenses and service charge income are recognized in the accounting period in which the services are rendered. The Group acts as a principal with respect to service charges and other expenses charged to the tenants. Accordingly, the services invoiced to the tenants and the corresponding expenses are shown separately in the income statement.

Net result on disposal of investment property When properties are sold, the profit or loss on disposal is calculated based on the difference between the net sales proceeds and the book value of the property as per the last published (interim) balance sheet.

Finance costs Net finance costs comprise interest attributable to the accounting period on borrowings, other debts, accounts receivable and cash and bank balances. The interest charge for borrowings is calculated using the effective interest method.

Income tax Income tax on the profit or loss for the year comprises current and deferred income tax and is calculated on results before taxes, taking into account any tax-exempt components of profit and non-deductible costs. Losses to be compensated are recognized as deferred tax receivables. Current income tax is the expected tax payable or receivable on the taxable income or loss for the period using tax rates prevailing at the balance sheet date and any adjustments to taxation in respect of previous years.

Deferred income tax is provided in the consolidated balance sheet using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred income tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred income tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets are offset against deferred tax liabilities only if the Group has a legal enforceable right to offset, the settlement dates are similar and the tax is levied by the same tax authority on the same taxable entity.

Deferred tax assets and liabilities are carried at nominal value.

Direct and indirect result In the notes to the consolidated financial statements, the Group presents results as direct and indirect results, enabling a better understanding of results. Direct result consists of net rental income, finance costs, administrative expenses and current income tax expense or income (including movements in the deferred tax asset relating to tax losses carried forward). Indirect result consists of the revaluation result of investment property, the net result on disposal of investment property and the movement in deferred tax liabilities relating to the differences between the fair value and the tax base of the properties.

This presentation is not obligatory under IFRS.

4. RISKS

The Group recognizes strategic, business, operational and financial risks. Below mentioned risks are consistent with internally recognized risks of the Group's activities by its management.
The risk factors in this section are not exhaustive and there may be other risks, either unknown or of which the occurrence is not considered at the reporting date as likely to have a material adverse effect on DIM Vastgoed, its operations, its financial situation and/or its results.

Strategic and business risks
This includes all the risks inherent in investing in real estate. Each year, the Management Board evaluates its existing strategy, which is discussed with and approved by the Supervisory Board. Decisions are taken based on the strategy. All decision-making by the Management Board and Supervisory Board in their joint meetings is minuted.

Our goal is to improve the performance of our properties by re-leasing vacated space. The economic downturn in 2009 and 2010 has affected and continues to affect our business. While the economy in many of our markets has made some modest improvements, macro-economic challenges, such as low consumer confidence, high unemployment and reduced consumer spending, have adversely affected many retailers and continue to adversely affect the retail sales of many regional and local tenants in some of our markets. While most of our centers are anchored by supermarkets, drug stores or other necessity oriented retailers, which are less susceptible to economic cycles, other tenants in our centers, particularly smaller shop tenants (those occupying less than 10,000 square feet), have been particularly vulnerable as they have faced both declining sales and reduced access to capital. As a result, some tenants have requested rent adjustments and abatements, while other tenants have not been able to continue in business at all.

Our ability to continue to lease or re-lease vacant space in our properties will be affected by these and other factors, including our properties' locations, current market conditions and covenants and restrictions found in certain leases at our properties that may limit our ability to lease to certain types of tenants. If these economic conditions persist or worsen in 2011, our properties and results of operations could be adversely affected with lower occupancy and higher bad debt expense as tenants fail to pay rent, close their stores or file bankruptcy. Moreover, because many retailers have slowed their growth plans as a result of the prevailing economic climate or their lack of access to capital, demand for retail space has declined, generally, reducing the market rental rates for our properties.

As part of its ordinary business operations, the Group considers its risks on the field of rental market developments and the developments in the value of property. The developments in the rental markets, such as loss of rental income owing to vacancy, ability to re-let the premises and market changes are closely followed. The Group is dependent upon certain key tenants and decisions made by these tenants or adverse developments in the business of these tenants could have a negative impact on the Group's financial condition. The grocery based anchor tenants Publix, Kroger and Harris Teeter in total occupy approximately 25% of the Group's total portfolio rentable surface area.

Based on 31 December 2010 circumstances, a 0.5 percentage point change of the occupancy rate has an impact of approximately $0.1 million on direct result. The Group timely anticipates forthcoming lease expiries, contract revisions and rent reviews.

The risk of a decrease in the value of property relates to its negative impact on the Group's capital position. See note 12 to these consolidated financial statements for a sensitivity analysis.

The Group has insurance coverage on its property portfolio, including insurance for liability and damage to the buildings. The buildings are largely insured on the basis of their replacement cost, with loss of rent also covered. Part of the portfolio is located in areas that are susceptible to hurricanes. In general, hurricane related damages are covered by the Group's insurance policies.

Financial risk management - general

The Group reviews and monitors its exposure and risks related to solvency, liquidity, interest rates, market prices and foreign currencies. The Group carefully monitors cash flow, interest coverage, leverage, debt and interest maturity and – insofar as applicable, if any – derivatives schedules against its finance policy target ratios. Up to this moment, the Group has never entered into any interest rate swap, foreign exchange contract or any other contract which embodies derivative financial instruments.
Risk management is carried out by the Group's management board.

Credit risk

The credit risk is defined as the unforeseen loss on assets if counterparties should default. A tenant may experience a downturn in its business that may weaken its financial condition. As a result, tenants may fail to make rental payments when due or declare bankruptcy. The credit risk associated with tenant receivables is mitigated by examining prospective tenants upfront for their creditworthiness and reliability. In addition, administrative and organizational procedures are in place in order to pursue timely collection of tenant receivables and to ensure that rent arrears are reported timely.
Rents are, in general, payable in advance and part of the rent payable is secured by means of a security deposit along with a personal guarantee for smaller, non-credit tenants.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they come due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. In order to spread the liquidity risk, the Group has financed its activities through mortgage loans, with the debt maturity profile managed by spreading the repayment dates. The Group regularly prepares a cash flow prognosis in order to timely identify and address potential future bottlenecks in the matching of incoming and outgoing cash flows.
In order to spread the liquidity risk, the Group has financed its activities through mortgage loans, short-term loans and credit facilities with a number of banks in a mix of both debt and equity capital. The debt maturity profile is managed by spreading the repayment dates. The Group regularly prepares a cash flow prognosis in order to timely identify and address potential future bottlenecks in the matching of incoming and outgoing cash flows.

The two mortgage loans on Carolina Pavilion (secured promissory notes to Equity One) matured on 31 March 2011 ($51 million) and were extended to 1 July 2012 by Equity One after the balance sheet date.

All the mortgage loans, with the exception of the mortgage loans on Carolina Pavilion, contain prohibitions on transfers of ownership which may have been violated by Equity One's acquisition of a majority interest in the Company's common stock in combination with the redemption of the priority shares in the Company or by the change in the Company's property manager. If a violation were established, it could serve as a basis for a lender to accelerate amounts due under the affected mortgage. Because a violation of a non-monetary default could be alleged, all of the Company's mortgage loans have been classified as current in the accompanying consolidated balance sheet at 31 December 2010.To date, no lender has notified us that it intends to accelerate its mortgage. In the event that the mortgage holders declare defaults under the mortgage documents management believes, if required, it

could negotiate with lenders, seek to refinance the mortgage loans that could be refinanced, and/or sell the assets that have a fair market value in excess of the loan balances.
Based on discussions with various lenders, current credit market conditions and other factors, management of the Company believes that the mortgages will not be accelerated.

The next mortgage in succession to be refinanced is Hammocks Town Center, which matures in June 2012.

Further details of the mortgages and their maturity dates can be found in this annual report on page 66.

Interest rate risk

Changes in interest rate may in general affect the results and (indirectly) the value of the property. When a mortgage loan has reached its maturity date and needs to be refinanced, the Group may face a situation in which such new financing can only be obtained at higher interest rates as compared to the matured loan's interest rate.

With respect to the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates, the Group has only a very limited sensitivity to such changes. The Group has no significant interest bearing assets. The Group has an interest rate policy which stipulates that the vast majority of borrowings is at fixed interest rates. The Group does not use interest rate swaps or other derivatives to manage or structure its interest rate profile. As at 31 December 2010, 100% of total borrowings consisted of fixed-rate mortgage loans. On the balance sheet, these loans are carried at amortized cost. The weighted average effective interest rate as of 31 December 2010 was 6.38% per annum. The weighted average duration of total mortgage loans was 3.6 years at the end of 2010. Therefore, there is only very limited interest rate sensitivity. A change in the market interest rate has no significant impact on the Group's equity or result.

Foreign currency risk

The Group exclusively operates and invests in the United States. The vast majority of transactions are denominated in US dollars. Only a limited portion of administrative expenses is incurred in euro. The foreign currency risk is therefore minimal.

Price risk

The price risk to which the Group is exposed mainly consists of property price and property rentals risk. The Group is not exposed to the market risk with respect to financial instruments as it does not hold any equity securities.

Capital risk management

When managing capital, it is the Group's objective to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

5. OPERATING SEGMENTS

The Group defines each property as an individual operating segment and has determined that all of these objects exhibit substantially identical economic characteristics and are similar as well in respect of the nature of the products and services, the type or class of customer and the nature of the regulatory environment, which permits them to be aggregated into one reportable segment. Carolina Pavilion is the only property which exceeds the quantitative thresholds set by IFRS 8, and as such the Group reports separate information for this property.

	Investment property other than Carolina Pavilion		**Carolina Pavilion**		**Consolidated**	
	For financial year ended					
	31 December 2010 (USD'000)	**31 December 2009 (USD'000)**	**31 December 2010 (USD'000)**	**31 December 2009 (USD'000)**	**31 December 2010 (USD'000)**	**31 December 2009 (USD'000)**
Gross rental income	21,299	22,167	6,678	7,076	27,977	29,243
Service charge income	5,908	6,098	1,192	1,185	7,100	7,283
Total revenues	**27,207**	**28,265**	**7,870**	**8,261**	**35,077**	**36,526**
Service charge expenses	- 6,419	- 5,983	- 1,373	- 1,366	- 7,792	- 7,349
Property operating expenses	- 2,678	- 3,484	- 614	- 749	- 3,292	- 4,233
Net rental Income	**18,110**	**18,798**	**5,883**	**6,146**	**23,993**	**24,944**
Revaluation result investment property	-10,521	- 55,775	10,081	- 25,090	- 440	- 80,865
Impairment loss	-	-71	-	-	-	- 71
Finance costs	- 11,815	- 12,086	- 4,490	- 4,359	- 16,305	- 16,445
Net segment result	**- 4,226**	**- 49,134**	**11,474**	**- 23,303**	**7,248**	**- 72,437**
Administrative expenses					- 2,581	- 3,903
Income tax					- 1,821	28,200
Net result for the period					**2,846**	**- 48,140**

The Group is domiciled in the Netherlands but does not generate revenue there. The Group's revenue is generated from property assets which are located in the United States.

The Group has one tenant, Publix Supermarkets, generating gross rental income exceeding 10% of total gross rental income.

	Investment property other than Carolina Pavilion		**Carolina Pavilion**		**Consolidated**	
	For financial year ended					
	31 December 2010 (USD'000)	**31 December 2009 (USD'000)**	**31 December 2010 (USD'000)**	**31 December 2009 (USD'000)**	**31 December 2010 (USD'000)**	**31 December 2009 (USD'000)**
Gross rental income from:						
- Publix	4,680	4,693	-	-	4,680	4,693
- Other tenants	16,619	17,474	6,678	7,076	23,297	24,550
Total gross rental income	**21,299**	**22,167**	**6,678**	**7,076**	**27,977**	**29,243**

6. GROSS RENTAL INCOME

	2010	**2009**
	$'000	$'000
Base rent incl. rent abatements	28,286	29,629
Early termination fees	10	47
Percentage rent	197	57
Other rental income	200	73
Amortization of lease incentives	-716	-563
Total gross rental income	**27,977**	**29,243**

Space in the Group's investment properties is leased to tenants under operating leases with terms ranging from one to twenty years. Lease contracts are usually for terms of three to five years. Contracts with anchor tenants are usually for terms of ten to twenty years.

Future minimum rentals to be received under non-cancelable operating leases within the next five years and thereafter, excluding tenant reimbursements of operating expenses, as of 31 December 2010, are as follows:

	2010	2009
	$'000	$'000
Within 1 year	26,057	28,598
After 1 year, but not more than 5 years	77,234	84,899
More than 5 years	54,425	55,794
Total	**157,713**	**169,291**

7. NET SERVICE CHARGES

	2010	2009
	$'000	$'000
Service charge income	7,100	7,283
Service charge expenses:		
real estate tax	- 3,939	- 3,906
common area maintenance	- 3,853	- 3,443
Net service charges	**- 692**	**- 66**

Service expenses and other chargeable expenses are passed on to tenants including an administration surcharge. The Group acts as principal.

8. PROPERTY OPERATING EXPENSES

	2010	2009
	$'000	$'000
Property management fees Equity One, Inc.(note 25)	1,071	-
Property management fees DIM B.V.(note 25)	350	1,484
Insurance premiums	683	985
Property repairs	383	653
Amortization leasing commissions	386	327
Bad debt expense (impairment loss)	185	306
Other property operating expenses	234	478
Total property operating expenses	**3,292**	**4,233**

All property operating expenses arise from investment property that generates rental income.

9. ADMINISTRATIVE EXPENSES

	2010	2009
	$'000	$'000
Expenses related to the EQY public offer	781	-
Expenses related to aborted rights issue	-	1,134
Management fee DIM B.V. (note 25)	117	833
Accrued marketing expense compensation DIM B.V. (note 25)	-	647
Remuneration supervisory board (note 26)	86	249
Dutch corporate service fees Freeland Group (note 25)	394	-
Strategic initiatives exploration expenses	490	-
Audit fees	133	208
Other administrative expenses	700	834
Currency exchange differences, net	- 120	-2
Total administrative expenses	**2,581**	**3,903**

The other administrative expenses are mostly comprised the following items, insofar they do not relate to the aborted rights issue:
- the supervisor, Autoriteit Financiële Markten ($61; 2009 $18);
- tax consultancy and service fees ($161; 2009 $3)
- legal and other advisors ($95; 2009 $341);
- printing of the annual report and other publications ($0; 2009 $45);
- external appraisers ($54; 2009 $93);
- the liquidity provider ($30; 2009 $36);
- bank charges ($181; 2009 $1);
- state franchise tax ($50; 2009 $0);
- liability insurance premiums ($41; 2009 $38); and
- non-deductible VAT ($23; 2009 $20).

As in the previous financial year, during the course of 2010 no staff were employed by the Group.

The auditors' fees paid and/or due to Ernst & Young, LLP (2010) and PricewaterhouseCoopers (2009) can be further specified as follows:

	2010(*)	2009	
	$'000	€ '000	$'000
Fees for audit of financial statements – E&Y	125	-	-
Fees for audit of financial statements – PwC	8	144	199
Fees for other audit related engagements – PwC (**)	-	70	102
Total auditors' fees	**133**	**214**	**301**

(*) The 2010 Fees due to Ernst & Young are in US$. The fees previously paid to PricewaterhouseCoopers were denominated in euro's.
(**) The 2009 Fees for other audit related engagements includes an amount of € 63 ($93) related to services performed on the aborted rights issue.

10. FINANCE COSTS

	2010	2009
	$'000	$'000
Interest expense based on contractual interest rate - regular	16,106	16,060
Change in valuation of mortgage loans due to valuation at amortized cost using effective interest rate	216	391
Total interest expense	16,322	16,451
Interest income	- 17	- 6
Total finance costs	**16,305**	**16,445**

11. INCOME TAX

In the Netherlands, DIM Vastgoed is subject to Dutch corporate income tax. The income on the investments in American real estate is subject to the Tax Treaty between the Kingdom of the Netherlands and the United States of America for the prevention of double income taxation and for the prevention of eluding taxation of taxable income, concluded on 18 December 1992. Based on this Tax Treaty, DIM Vastgoed is entitled to prevention of double taxation on this American investment income.

DIM Vastgoed has been permitted by the Dutch tax authorities to prepare its income tax return in US dollars. The advantage of this is that non-realized and realized exchange results on US dollars will not be included under Dutch corporate income tax.

The results achieved by DIM Vastgoed with its investments in American real estate are subject to federal income tax and to the tax on profits of the respective state concerned. Possible future capital gain tax liabilities that may arise from the sale of real estate have been provided for.

(a) *Income tax in the statement of comprehensive income*

	2010	2009
	$'000	$'000
Current income tax calculated for fiscal year	2,174	1,246
Prior year tax return credits and other adjustments of prior year estimates	305	56
Total current income tax	2,479	1,302
Movement deferred tax liabilities	- 4,300	26,898
Total income tax benefit/ (expense)	**- 1,821**	**28,200**

(b) *Tax reconciliation*

A reconciliation of the tax rates prevailing in the United States* and the effective tax rate is as follows:

		2010		2009
Net result before tax ($'000)		4,667	%	- 76,340
Income tax benefit/ (expense) calculated using the applicable tax rates (Federal Tax 34%; State Tax 5% on average)	39.0	- 1,821	39.0	29,773
Effect of non-tax deductible expenses	6.8	- 319	- 0.3	- 167
Other	- 6.8	319	- 1.8	- 1,406
Total income tax benefit/ (expense) in the income statement and effective tax rate	**39.0**	**- 1,821**	**36.9**	**28,200**

* a tax reconciliation to the tax rates prevailing in the Netherlands would not add any useful information.

(c) *Deferred tax assets and liabilities*

The deferred tax liabilities relate to the difference between the fair value of the investment properties and their tax book values. The deferred tax liabilities are of a long term nature.
Due to the negative revaluation results on the investment properties, for some properties the tax book value is higher than the fair value, resulting in a deferred tax asset for these properties. For balance sheet presentation purposes, these assets are offset with the deferred tax liabilities and the net balance is presented as deferred tax liabilities.

The deferred tax assets relate to available loss carry forward assets. At December 31, 2010, the Company has federal and state net operating loss carry forwards of $20.9 million that begin to expire in 2027. The total loss carry forward asset is expected to be realized in approximately 5 years.

The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences can be offset or become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on all available information, management believes that all of the deferred income tax assets are realizable and therefore has not provided a valuation allowance.

The movement in deferred tax assets and liabilities is as follows:

Deferred tax liabilities	Fair value > tax book value of investment properties	Fair value < tax book value of investment properties	Balance – deferred tax liabilities
	$'000		$'000
At 1 January 2009	46,847	-	46,847
Movement recognized in comprehensive income	- 23,794	- 3,104	- 26,898
At 31 December 2009	**23,053**	**- 3,104**	**19,949**
Movement recognized in comprehensive income	6,043	- 1,743	4,300
At 31 December 2010	**29,096**	**- 4,847**	**24,249**

Deferred tax assets	Deferred tax assets- Loss carry forward assets available
	$'000
At 1 January 2009	3,750
Reclassified from current tax receivable	2,243
Tax paid during 2009	123
At 31 December 2009	**6,116**
Tax income/ (expense) for the period, recognized in profit and loss	2,479
Reclassified to other receivables	- 256
At 31 December 2010	**8,339**

12. INVESTMENT PROPERTY

	2010	2009
	$'000	$'000
Balance at the beginning of the year	314,369	395,234
Revaluation result - unrealized	- 440	- 80,865
Balance at the end of the year	**313,929**	**314,369**

The balance sheet valuation of the investment property portfolio is as follows:

	2010	2009
	$'000	$'000
Value of investment property portfolio according to internal and external valuations	319,175	319,472
Less: book value of deferred lease incentives and deferred leasing commissions	- 5,246	- 5,103
Balance sheet valuation	**313,929**	**314,369**

The investment property is collateralized as security to the mortgage loans outstanding (note 22).

The fair value of the real estate as of 31 December has been established in accordance with the internal and external valuation method (see page 21) and has been determined on a market value basis in accordance with International Valuation Standards (IVS), as set out by the IVSC. The external valuations were performed by Cushman & Wakefield, an accredited independent appraiser with a recognized and relevant professional qualification and with recent experience in the location and category of the investment property being valued.
During 2010, 10 properties were externally appraised in accordance with the Company's two-year appraisal cycle(of which two were appraised at year-end); these properties represent 31.5% of the total carrying value of the portfolio at year end. The following properties were externally appraised during 2010: Brawley Commons, Dublin Village, Glengary Shoppes, Golden Park Village, Governors Town Square, Grayson Village, Magnolia Shoppes, Salem Road Station, The Shops at Lake Tuscaloosa and The Vineyards at Chateau Elan. Furthermore, all properties were either externally or internally valued at year end.

The value of the property portfolio at year-end implies a weighted average overall capitalization rate of 8.2% (2009: 8.5%).

If the average capitalization rate would increase by 0.25 percentage point, the value of the property portfolio would decrease by approximately $9.5 million and the Company net asset value would decrease by approximately $5.8 million, based on 31 December 2010 circumstances (2009: $9.1 million and $5.6 million, respectively).

A specification of the property portfolio is shown on pages 58 and further.

13. DEFERRED LEASE INCENTIVES – TENANT IMPROVEMENTS

	2010	2009
	$'000	$'000
Balance at the beginning of the year	3,633	2,479
Lease incentives paid	907	1,753
Impairment loss	-	- 36
Amortization charged to comprehensive income	-716	- 563
Balance at the end of the year	**3,824**	**3,633**

Tenant improvements are amortized over the lease term on a straight-line basis.

14. CAPITALIZED RENT FREE PERIODS

	2010	2009
	$'000	$'000
Balance at the beginning of the year	146	-
Credited to the statement of comprehensive income	32	146
Balance at the end of the year	**178**	**146**

Rent free periods are recognized as a reduction of rental income on a straight-line basis over the lease term.

15. DEFERRED LEASING COMMISSIONS

	2010	2009
	$'000	$'000
Balance at the beginning of the year	1,470	1,109
Leasing commissions paid	160	723
Impairment loss	-	- 35
Amortization charged to comprehensive income	- 386	- 327
Balance at the end of the year	**1,244**	**1,470**

Leasing commissions are amortized over the lease term on a straight-line basis. Leasing commissions are inclusive of the leasing listing commissions paid for the administrative coordination of leasing contracts and lease renewals.

16. TENANT RECEIVABLES

Tenant receivables are shown net of impairment losses amounting to $350 (31 December 2009: $619) arising from identified doubtful receivables. In 2010 an amount of $185 (2009: $306) was added to the provision for bad debts (and charged to property operating expenses) and an amount of $454 (2009: $361) was withdrawn.

Tenant receivables at 31 December 2010 do not include any amounts outstanding longer than twelve months which have not been fully provided for.

17. OTHER RECEIVABLES AND PREPAID EXPENSES

	2010	**2009**
	$'000	$'000
Value added taxes	-	190
Prepaid expenses	259	193
Total other receivables and prepaid expenses	**259**	**383**

As in 2009, other receivables and prepaid expenses do not include amounts receivable and prepayments with a maturity of more than twelve months.

18. CASH AND CASH EQUIVALENTS

Cash on escrow accounts represents cash not freely disposable (mortgages debt service reserve, tenant improvements reserve, real estate tax and insurance escrow balances). Cash on escrow accounts is classified as non-current assets.
Cash and cash equivalents represent cash on bank accounts, which is freely disposable.

19. SHARE CAPITAL

The authorized share capital of the company amounts to € 31,160,456, consisting of 300 priority shares and 20.5 million ordinary shares of € 1.52 each. At 31 December 2010 and at 31 December 2009, € 12,720,982 is issued and paid up, being 300 priority shares and 8,368,767 ordinary shares.
The Company holds 152,394 own shares at 31 December 2010 and at 31 December 2009. The number of shares in circulation thus amounts to 8,216,373.

The own shares held by the Company represent shares which have been bought by the Company and which have not been cancelled. The acquisition price of these shares was charged to the share premium reserve. These treasury shares are not entitled to dividend. The number of shares in circulation represents the total number of ordinary shares issued and outstanding less the number of shares held by the Company, and is used as the basis for calculating the net asset value per share while the weighted average number of ordinary shares in circulation is used for calculating performance figures per share.

As at 31 December 2010, 97.4% of the shares outstanding and in circulation is (indirectly) held by Equity One, Inc.

Ordinary shares
Shareholders holding ordinary shares are entitled to periodically declared dividends and have one vote per share at the general meetings of shareholders of DIM Vastgoed.

Priority shares
The following specific rights are attached to the priority shares:
- determination of the number and remuneration of supervisory directors
- determination of the number and remuneration of managing directors (in the current situation, nonetheless, the company is managed by Dane Investors Management B.V. and the directorship fee is laid down in the directorship and management agreement)
- binding nomination of supervisory and managing directors for appointment by the general meeting of shareholders
- appointment of the chairman of the supervisory board
- power of veto in respect of amendments to the articles of association and liquidation of DIM Vastgoed N.V.

On 12 July 2010, the Company acquired all 300 issued and outstanding priority shares of the Company held by Stichting Prioriteit DIM Vastgoed. Pursuant to the merger protocol between the Company and Southeast US Holdings B.V. dated 30 December 2009 (and as further described in the Offer Memorandum dated 17 February 2010), the Company and Stichting Prioriteit DIM Vastgoed agreed to abolish and/or cancel the priority shares following the acquisition of control by Equity One over at least 90% of the shares in the Company. This cancellation of the priority shares has been effected by the acquisition of those shares by the Company.

20. SHARE PREMIUM RESERVE

The share premium reserve has full fiscal approval.

21. OTHER RESERVES

Of the Other reserves at 31 December 2010, $15,300 is labeled as a legal, not freely distributable, reserve relating to the unrealized revaluation of investment properties (31 December 2009: $14,588).

22. BORROWINGS

Borrowings can be specified as follows:

	Note	2010				2009
		Due within 1 year	Due between 1 and 5 years	Due after 5 years	Total	Total
		$'000	$'000	$'000	$'000	$'000
Mortgages	a)	54,444	130,553	67,041	252,038	255,577
Short-term credit	b)	-	-	-	-	820
Total Borrowings at the end of the year		**54,444**	**130,553**	**67,041**	**252,038**	**256,397**

Non-current liabilities	-	200,886
Current liabilities	252,038	55,511
Total Borrowings at the end of the year	**252,038**	**256,397**

a) Mortgages

	2010	2009
	$'000	$'000
Balance at the beginning of the year	255,577	260,769
Extension Carolina Pavilion loans – loan extension costs	-	-41
Amortization and redemption of mortgages	- 3,755	-5,542
Change in valuation due to valuation at amortized cost	216	391
Balance at the end of the year	**252,038**	**255,577**

The nominal interest rates for the mortgages range from 4.80% to 9.02%. The weighted average effective interest rate at 31 December 2010 is 6.38% and the weighted average duration at 31 December 2010 is 3.6 years (2009: 6.38% respectively 4.4 years). The contractual amount due on mortgages within one year consists of $3,389 scheduled regular amortization and $51,022 redemption/ balloon payment on the two mortgage loans on Carolina Pavilion, which were both due to Equity One on 31 March 2011 (after the balance sheet date the maturity date was extended to 1 July 2012 by Equity One).

Further details of the mortgages can be found in this annual report on page 66.

All the mortgage loans, with the exception of the mortgage loans on Carolina Pavilion, contain prohibitions on transfers of ownership which may have been violated by Equity One's acquisition of a majority interest in the Company's common stock in combination with the redemption of the priority shares in the Company or by the change in the Company's property manager. If a violation were established, it could serve as a basis for a lender to accelerate amounts due under the affected mortgage. Because a violation of a non-monetary default could be alleged, all of the Company's mortgage loans have been classified as current in the accompanying consolidated balance sheet at 31 December 2010 in accordance with IAS 1.74. To date, no lender has notified us that it intends to accelerate its mortgage. In the event that the mortgage holders declare defaults under the mortgage documents management believes, if required, it could negotiate with lenders, seek to refinance the mortgage loans that could be refinanced, and/or sell the assets that have a fair market value in excess of the loan balances. Based on discussions with various lenders, current credit market conditions and other factors, management of the Company believes that the mortgages will not be accelerated. Hence management prepared the financial statements 2010 based on a going concern principle.

The real estate is collateralized as security to the amount of the remaining balances of the mortgages. The mortgage loans on Sunrise Town Center and Brawley Commons are subject to certain financial covenants (such as debt service coverage ratio, loan-to-value ratio and net worth requirements). These financial covenants are fully met by the Group. The mortgage loans are typically non-recourse, assuming normal circumstances (excluding carve outs such as fraud or willful damage).

As of 31 December 2010 the amortized cost value of the mortgages is $252,038. The fair value of the mortgage loans, based on cash flows discounted using relevant market interest rates with a company specific margin, amounts to $270,326.

b) Short-term credit

DIM Vastgoed has a US revolving loan facility with its major shareholder Equity One, Inc., for cash management purposes, backed by amongst others the library parcel at Hammocks Town Center, Phase II of The Shops at Lake Tuscaloosa and a few other outparcels. The total facility amounts to $3 million with an interest rate of 7.0%. At 31 December 2010 no balance was outstanding under this facility. The revolving loan arrangement matures on 1 July 2012, and any outstanding balances including accrued interest are due on that date.

23. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities consist of deposits received from tenants.

24. ACCOUNTS PAYABLE AND OTHER LIABILITIES

These liabilities due within one year can be specified as follows:

	2010	**2009**
	$'000	$'000
Accrued marketing expense compensation DIM B.V. (see note 25)	-	1,014
Accrued fee DIM B.V. for work beyond scope of DMA (see note 25)	-	144
Accrued fee Equity One, Inc. for property management	1,071	-
Interest accrued	1,791	1,089
Prepaid rents	858	594
Other liabilities and accruals	1,857	2,183
Total accounts payable and other liabilities	**5,577**	**5,024**

DIM B.V. was entitled to compensation for marketing expenses incurred in the past amounting to cumulative € 704 thousand. At 31 December 2009, € 704 thousand has been recognized as a liability on the balance sheet consequently ($1,014). This amount was paid on 1 April 2010.
DIM B.V. was furthermore entitled to a fee of € 125 thousand for the work performed on the rights issue and the public bid, of which € 100 thousand was allocated to the aborted rights issue was accrued at 31 December 2009 ($144).

25. RELATED PARTIES

Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial and reporting decisions. Such relationships include:

1. Parent-subsidiary relationships.
2. Entities under common control.
3. Individuals who, through ownership, have significant influence over the enterprise and close members of their families.
4. Key management personnel, comprising the members of the Management Board and members of the Supervisory Board.

The Group is controlled by Equity One, Inc., incorporated in the United States ('Equity One'), which owns 97.5% of the outstanding shares. The remaining 2.5% are held by the public.

Equity One is ultimately controlled by the Gazit group, which prepares consolidated accounts.

The Group has a related party relationship with its major shareholder, its management board members and their related companies. The Group has no joint ventures, associates or other minority interest and knows of no other related parties in this respect.

All agreements with the related parties are priced on an arm's-length basis.

The Management Agreement with Equity One, Inc.

Effective 1 April 2010, the Company entered into a Management Agreement with indirect majority shareholder Equity One, Inc. and Equity One Realty & Management FL, Inc. and Equity One Realty & Management SE, Inc. (together referred to as 'Equity One Realty & Management'; affiliated to the indirect majority shareholder of the Company, Equity One). According to the Management Agreement, as part of the property services, Equity One and Equity One Realty & Management– among other things – is responsible for assisting, advising and carrying out on behalf of the Company and as instructed and monitored by the Management Board and the Supervisory Board of the Company, the operational, financial and administrative property management as well as the selection, acquisition, financing and disposition of real estate. The Management Agreement is entered into for an indefinite period. Equity One can terminate the Management Agreement upon 12 months notice, which notice of termination must be given by registered letter. The Company can terminate the Management Agreement upon 12 months notice, with the prior approval of the Supervisory Board, which notice of termination must be given by registered letter.

Equity One is authorized to delegate the activities to third party subcontractors. Subcontracting activities with an annual value of $100 or higher requires the prior written approval of the Supervisory Board.

Equity One is entitled to a property management fee amounting to 5% of the annual minimum rent and percentage rent collected by the Company, which remuneration is payable to Equity One Realty & Management in advance every quarter over the rent to be collected in that calendar quarter. Furthermore, Equity One Realty & Management is entitled to an acquisition fee of 1% of the acquisition price upon the acquisition of investment properties or property interests and a disposition fee of 0.5% of the sales price upon the alienation of properties or property interests.

Property management fees paid to/ accrued to Equity One and/or Equity One Realty & Management during 2010 amount to $1,071 (2009: $0). During 2010 and 2009, no closing fees were paid for the acquisition or divestment of real estate.

Leasing agreements with Equity One Realty & Management

Equity One Realty & Management is appointed as exclusive leasing agent for the Group.

The term of the leasing agreement shall be automatically renewed for successive renewal terms of one year, unless sooner terminated. Either party can terminate this agreement with 30 days written notice to the other party. Leasing commissions payable to Equity One Realty & Management for new leases amount to 4.0% of the aggregate annual base rent due for the first ten years (for spaces less than or equal to 10,000 sq.ft.), 3.0% for spaces between 10,001 and 20,000 sq.ft., $3.00 per sq.ft. for spaces between 20,001 and 40,000 sq.ft., and $2.00 per sq.ft. for spaces between 40,001 and 80,000 sq.ft. and $1.50 per sq.ft for spaces of more than 80,000 sq.ft. Furthermore, other lease commissions are applicable, *e.g.* in case of relocations of tenants. If a cooperating broker is involved in the lease transaction, then Equity One Realty & Management shall receive a 50.0% override and shall be solely responsible for paying the cooperating broker.

Leasing commissions paid to/ accrued to Equity One Realty & Management during 2010 amount to $102 (2009: $0).

Financing by Equity One

The two mortgage loans secured by Carolina Pavilion have been assumed by Equity One in 2009. The first mortgage loan, amounting to approximately $39.2 million on 31 December 2010, has an interest rate of 8.73%. This loan matured on March 31, 2011, and was extended to 1 July 2012 by Equity One after the balance sheet date.

The second mortgage loan, amounting to approximately $11.9 million on 31 December 2010, has an interest rate of 9.02%. This loan matured on March 31, 2011, and was extended to 1 July 2012 by Equity One after the balance sheet date.

The Group has entered into a revolving loan facility with Equity One backed by amongst others the library parcel at Hammocks Town Center, Phase II of The Shops at Lake Tuscaloosa and a few other outparcels. The total facility amounts to $3 million with an interest rate of 7.0%. At 31 December 2010, no balance was outstanding under this facility (2009: $820). The revolving loan arrangement matures on 1 July 2012, and any outstanding balances including accrued interest are due on that date.

The previous Directorship and Management Agreement with DIM B.V.

Until 31 March 2010, the board of directors of the company consisted of Dane Investors Management B.V. ('DIM B.V.'), pursuant to a Directorship and Management Agreement ('DMA'). DIM B.V. acted as manager of the Company and had outsourced its activities for the Company to DBR & Associates, LLC, Freeland Corporate Advisors N.V. and Dane Real Estate B.V. respectively. DIM B.V. terminated the DMA on 16 March 2009, effective as of 1 April 2009 and subject to a 12 month notice period. The DMA management fee paid to DIM B.V. during the financial year amounts to $117 (2009: $833). The property management fee paid to DIM B.V. during 2010 amounts to $350 (2009: $1,484). During 2010 and 2009, no share issue and marketing fees were paid to DIM B.V.

DIM B.V. was entitled to compensation for marketing expenses incurred in the past amounting to cumulative € 704 thousand, which amount was paid on 1 April 2010. During the first quarter of 2010, DIM B.V. furthermore received a fee of € 125 thousand for the work performed beyond the scope of the DMA on the rights issue and the public bid.

Dutch services provided by the Freeland Group

The Company engaged the Freeland Group (‘Freeland’) to provide the Company with certain Dutch corporate, financial and regulatory compliance and support services as of 1 April 2010, upon the termination of the DMA with DIM B.V. The Company also engaged Freeland to provide the Company with two Managing Directors.

Mr. Wilbert O.C.M. van Twuijver and Mr. Frans A. Bakker, both Managing Director of the Company, each (indirectly) hold a 25% interest in Freeland Holding B.V. (the holding company of the Freeland Group) and both are managing directors of this company and its subsidiaries, including Freeland Corporate Advisors N.V. and DIM B.V.

At the end of 2009, Freeland Holding B.V. held 50% of the shares in DIM B.V. The other 50% was held by Mr. Jan Dane. On 29 September 2010, Freeland Holding B.V. acquired the shares from Mr. Dane and as of that date, DIM B.V. is a 100% subsidiary of Freeland Holding. The Freeland Group company providing the Dutch services as of 1 April 2010 is DIM B.V. The Company pays a fixed fee of €95 thousand per quarter to DIM B.V. for these services and for making available the two Managing Directors.

Dutch corporate services fees paid to/ accrued to the Freeland Group during 2010 amount to €285 or $394 (2009: $0).

Outstanding payables and receivables at year-end

	2010	**2009**
	$’000	$’000
Payables to related parties:		
- DIM BV – accrued marketing expense compensation (note 24)	-	1,014
- DIM BV – accrued fee for work beyond scope DMA (note 24)	-	144
- Equity One, Inc – property management fees payable	1,071	-
- Equity One Realty & Management – leasing fees payable	102	-
- Equity One, Inc. – Carolina Pavilion mortgage loans (note 22)	51,022	51,329
- Equity One, Inc. – short term credit (revolving loan facility) (note 22)	-	820
	52,195	**53,307**

All outstanding balances with these related parties are priced on an arm’s-length basis.
There are no receivables from any related party at 31 December 2010 and 31 December 2009.

26. REMUNERATION MANAGEMENT AND SUPERVISORY BOARD

The remuneration of the management board (DIM B.V.) is included in the management fee disclosed in note 25 above.

The fixed remuneration for a supervisory director is € 20,000 per year based on a maximum of six board meetings per year. If there are more than six board meetings during the year, each director receives an additional fee of € 2,500 for each additional meeting. For the purpose of determining the total remuneration for each supervisory director for the year, three telephone conference calls are taken into account as one additional meeting.

The total remuneration of the supervisory board amounted to € 67 thousand in 2010 (2009: € 179 thousand) and is included in Administrative expenses (note 9).

For each individual supervisory director this is split up as follows:

	2010		2009	
	€ '000	$'000	€ '000	$'000
E.J. Blaauboer	27	34	63	87
Th.A. Caputo*	-	-	-	-
C.J. van Rees	40	52	98	136
Th.W. Wernink (until 12 May 2009)	-	-	18	26
Total	**67**	**86**	**179**	**249**

* Mr. Caputo has waived his right to remuneration.

27. EXPENSE RATIO

The expense ratio which, within the scope of the *Besluit Gedragstoezicht financiële ondernemingen* ('BGfo'; Decree on supervision of financial institutions), should be reported by investment institutions in order to provide clear and comparable information on the level of costs, amounts to 8.0% for the financial year (2009: 8.8%). This ratio is calculated as the total costs compared to the weighted average net asset value over the quarters of the financial year (including the beginning of the year). As per the BGfo 'total costs' is defined as property operating expenses (including net service charges), administrative expenses and income tax expenses. Not included in the ratio are finance costs nor the movement in deferred tax liabilities.

28. DIVIDEND

In the light of the circumstances in the financial markets, management has decided to retain the net result for 2010. No dividend is therefore proposed to the shareholders (2009: no dividend).

29. OFF-BALANCE SHEET LIABILITIES

As part of the lease agreement with Nordstrom Rack, a discount fashion department store at Carolina Pavilion, DIM Vastgoed will have to pay a further amount of $0.4 million in tenant improvement contributions (first half of 2011). As part of the lease agreement with Jo-Ann Fabrics at Carolina Pavilion, DIM Vastgoed will have to pay an amount of $0.6 million in tenant improvement contributions (fourth quarter of 2011). For other lease agreements, another $0.1 million in total in tenant improvement contributions to be paid after the balance sheet date has been agreed.

30. EVENTS AFTER THE BALANCE SHEET DATE

Legal proceedings Equity One to acquire minority shares

On 27 July 2010, the Company announced that Southeast US Holdings B.V., had initiated legal proceedings in accordance with articles 2:92a of the Dutch Civil Code to acquire all outstanding shares in DIM Vastgoed by a ruling of the Enterprise Chamber of the Amsterdam Court of Appeal. These proceedings were initiated by Equity One following the acquisition of more than 95% of all issued and outstanding shares in the Company. In light of the Company still holding 152,394 shares in treasury, it acts as co-plaintiff in these proceedings. A number of minority shareholders as well as the Dutch Association of Shareholders (Vereniging van Effectenbezitters) have put up a defense. A ruling of the Enterprise Chamber is expected in the second half of 2011.

COMPANY INCOME STATEMENT

	Note	2010	2009
		$'000	$'000
Gross rental income		25,862	27,163
Service charge income		6,515	6,711
Total revenues		**32,377**	**33,874**
Service charge expenses		- 7,278	- 7,094
Property operating expenses		- 3,123	- 3,781
Net rental income		**21,976**	**22,999**
Revaluation result investment property		- 2,293	- 77,291
Impairment loss		-	- 71
Administrative expenses		- 2,578	- 3,895
Net operating result		**17,105**	**- 58,258**
Finance costs		- 15,126	- 15,257
Net result before tax		**1,979**	**- 73,515**
Income tax expense	4	1,342	9,149
Company result for the year		**3,321**	**- 64,366**
Result of subsidiaries after tax	5	2,322	- 2,557
Net shareholders' result for the year		**5,643**	**- 66,923**
Note: The net result for the year can be split as follows:			
- direct result		7,567	5,380
- indirect result		- 1,924	- 72,303
Net shareholders' result for the year		**5,643**	**- 66,923**
Net result per share ($)	7	**0.69**	**- 8.15**
Direct result per share ($)		**0.92**	**0.65**
Indirect result per share ($)		**- 0.23**	**- 8.80**

COMPANY BALANCE SHEET (before allocation of result)

	Note	31 December 2010	31 December 2009
		$'000	$'000
ASSETS			
Investment property		289,491	291,784
Investments in group companies	5	4,421	2,680
Deferred tax assets	4	7,167	4,962
Deferred lease incentives – tenant improvements		3,812	3,633
Capitalized rent free periods		178	146
Deferred leasing commissions		1,193	1,452
Cash on escrow accounts		2,492	2,286
Other non-current assets		73	68
Total non-current assets		**308,827**	**307,011**
Tenant receivables		2,084	2,049
Other receivables and prepaid expenses		250	346
Cash and cash equivalents		2,500	1,230
Total current assets		**4,834**	**3,625**
Total assets		**313,661**	**310,636**
SHAREHOLDERS' EQUITY	6		
Share capital		16,998	18,326
Share premium reserve		64,561	64,561
Revaluation reserve		15,300	14,588
Other reserves		- 34,563	31,744
Net result for the year		5,643	-66,923
Total shareholders' equity		**67,939**	**62,296**
PROVISIONS			
Deferred tax liabilities	4	7,323	6,205
Total provisions		**7,323**	**6,205**
LIABILITIES			
Borrowings		-	181,103
Other non-current liabilities		716	909
Total non-current liabilities		**716**	**182,012**
Borrowings		232,237	55,207
Accounts payable and other liabilities		5,446	4,916
Total current liabilities		**237,683**	**60,123**
Total equity and liabilities		**313,661**	**310,636**
Net asset value per share ($)	*8*	***8.27***	***7.58***

NOTES TO THE COMPANY INCOME STATEMENT AND BALANCE SHEET

1. GENERAL INFORMATION

The description of DIM Vastgoed N.V.'s activities and structure, as included in the notes to the consolidated financial statements, also apply to the company financial statements.

2. BASIS OF PREPARATION

The company accounts of DIM Vastgoed have been prepared in accordance with accounting principles generally accepted in the Netherlands, in accordance with the financial reporting requirements of Part 9, Book 2 of the Dutch Civil Code, as far as applicable.

Going concern All the mortgage loans, with the exception of the mortgage loans on Carolina Pavilion, contain prohibitions on transfers of ownership which may have been violated by Equity One's acquisition of a majority interest in the Company's common stock in combination with the redemption of the priority shares in the Company or by the change in the Company's property manager. If a violation were established, it could serve as a basis for a lender to accelerate amounts due under the affected mortgage. Because a violation of a non-monetary default could be alleged, all of the Company's mortgage loans have been classified as current in the accompanying consolidated balance sheet at 31 December 2010.To date, no lender has notified us that it intends to accelerate its mortgage. In the event that the mortgage holders declare defaults under the mortgage documents management believes, if required, it could negotiate with lenders, seek to refinance the mortgage loans that could be refinanced, and/or sell the assets that have a fair market value in excess of the loan balances. Based the fact that the loans are non-recourse and discussions with various lenders, current credit market conditions and other factors, management of the Company believes that the mortgages will not be accelerated. Hence management prepared the financial statements 2010 based on a going concern principle.

3. ACCOUNTING POLICIES

Investment property Investment property is property held by the Group as owner which is held either to earn rental income for the long-term or for capital appreciation or for both. Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value.

The fair value of a property is determined as the amount that the land and buildings will command in the market with a willing seller and buyer, within a reasonable time span.

Each property in the portfolio is subject to an external appraisal every two years (for the first time two years after acquisition), or earlier as considered advisable by management due to market circumstances. Experts are assigned to estimate the fair value of the property. The appraisers use a combination of the direct sales comparison approach and the income capitalization approach (the direct capitalization method - valuation based on capitalization at net initial yields for similar transactions - and the discounted cash flow method). In case of a difference between the internal and external valuation, the internally used capitalization rate will be adjusted to the market capitalization rate. For those properties in the portfolio which have not been externally appraised at year-end, an internal appraisal is done based on the same methods as used by external appraisers. The company only appoints external appraisers that are listed as 'State-Certified General Real Estate Appraiser' for the state in which the property is located.

All changes in fair value of investment property are recorded in the income statement.

Acquisition costs are accounted for as part of the total acquisition price of the property and are part of the fair value change on the first valuation after the acquisition.

Subsequent capital expenditures in investment property in principle are charged to net profit as repair and maintenance expense, part of operating expenses of the real estate. Only expenditures which lead to a higher fair value of the property are capitalized. In case of expansion or refurbishment of existing investment property, the expansion or refurbishment expenses are capitalized.

An investment qualifies as a capital item as soon as economic ownership is obtained. In practice, this will usually correspond with the transfer of legal ownership.

Deferred lease incentives, capitalized rent free periods and deferred leasing commissions Lease incentives are amortized over the lease term on a straight-line basis; the amortization charge is recognized as a reduction of gross rental income. Lease incentives are separated into incentives requiring upfront cash payments by the Group (tenant improvement work done by the landlord to bring a space up to 'move-in' condition or tenant improvement allowances given to new tenants) and incentives resulting in reduced cash income in the first period of the new lease contract (rent free periods or discounts).

Leasing commissions (including leasing listing commissions) are amortized over the lease term on a straight-line basis; the amortization charge is recognized as part of operating expenses.

Tenant receivables Receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less a provision for bad debts. This provision is determined on an item-by-item basis and established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the tenant receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate. The addition to the provision is recognized in the income statement. When a tenant receivable is uncollectible, it is written off against the provision for bad debts.

Cash and cash equivalents Cash and cash equivalents comprise cash balances and call deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Impairment The carrying amount of the Group's assets, other than investment property and deferred tax assets is assessed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Investments in group companies In accordance with section 389 sub 2 of Book 2 of the Dutch Civil Code, all subsidiaries are valued at net equity value. In order to determine the net equity value, all assets, liabilities, profits and losses are subject to the accounting principles as applied to the company financial statements.

Shareholders' equity Issued and paid up share capital, which is denominated in euro, is restated into US dollars at the exchange rate as of the balance sheet date, in accordance with section 373 sub 5 of Book 2 of the Dutch Civil Code. The difference is settled with Other reserves.

For each investment property, an amount equal to the balance of the total unrealized revaluation result (the difference between book value at the end of the financial year and the acquisition price, including acquisition costs) less the deferred capital gain tax provided for in the accounts for this property is allocated to a (statutory) revaluation reserve, if this net unrealized revaluation result is not negative.

This allocation to the revaluation reserve is debited to Other reserves. If an investment property is sold, the revaluation reserve for this property is released and credited to Other reserves.

The revaluation reserve is inclusive of any (statutory) reserve for subsidiaries, if applicable.

Other reserves consist of non-distributed current or prior years' net profits, less the statutory revaluation reserve.

Borrowings Mortgage loans and other interest-bearing loans are recognized initially at fair value, less transaction costs that are directly attributable to the issuance of these borrowings. Subsequent to initial recognition, borrowings are stated at amortized cost; any difference between the book value and the nominal value is recognized in the income statement over the period of the borrowings using the effective interest method.

The short-term part of borrowings which is due within twelve months is classified as current liabilities.

Leases Properties leased out under operating leases are included in investment property on the balance sheet. There are no assets leased out under a finance lease.

Gross rental income is determined based on contractual lease term entitlements and is recorded on an accrual basis. Gross rental income is exclusive of service charge expenses which have been charged to the tenants, such as real estate tax and common area maintenance. Lease incentives are amortized over the lease term on a straight-line basis; the amortization charge is recognized as a reduction of gross rental income.

Percentage rents (which are turnover based) are recorded as income in the years in which they are earned.

Service charge expenses and property operating expenses These include the service charge and property operating expenses attributable to the current financial year. These expenses comprise real estate tax, common area maintenance, property management fees, repair and maintenance costs, insurance premiums, amortization of leasing commissions and other property related expenses. Property operating expenses do not include general and administrative expenses.

Costs for service contracts entered into, property operating expenses and service charge income are recognized in the accounting period in which the services are rendered. The Group acts as a principal with respect to service charges and other expenses charged to the tenants. Accordingly, the services invoiced to the tenants and the corresponding expenses are shown separately in the income statement.

Net result on disposal of investment property When properties are sold, the profit or loss on disposal is calculated based on the difference between the net sales proceeds and the book value of the property as per the last published (interim) balance sheet.

Finance costs Net finance costs comprise interest attributable to the accounting period on borrowings, other debts, accounts receivable and cash and bank balances. The interest charge for borrowings is calculated using the effective interest method.

Income tax Income tax on the profit or loss for the year comprises current and deferred income tax and is calculated on results before taxes, taking into account any tax-exempt components of profit and non-deductible costs. Losses to be compensated are recognized as deferred tax receivables. Current income tax is the expected tax payable or receivable on the taxable income or loss for the period using tax rates prevailing at the balance sheet date and any adjustments to taxation in respect of previous years.

A provision for deferred income tax liabilities is formed in the company balance sheet using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of the provision for deferred income tax liabilities is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. The provision for deferred tax liabilities is stated at discounted value. The deferred tax liabilities are discounted at the net (after tax) weighted average interest rate due by the company on its mortgages, taking into account the average expected holding period of the real estate.

A deferred income tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets are offset against deferred tax liabilities only if the Group has a legal enforceable right to offset, the settlement dates are similar and the tax is levied by the same tax authority on the same taxable entity.

Deferred tax assets are carried on a discounted basis. The loss carry forward assets are discounted at the net (after tax) weighted average interest rate due by the company on its mortgages, taking into account the average expected realization period of these receivables.

4. INCOME TAX

(a) *Income tax in the company income statement*

	2010	2009
	$'000	$'000
Current income tax credit – nominal basis	2,479	1,302
Movement deferred tax assets – discounting effect	- 19	- 519
Movement deferred tax liabilities	- 1,118	8,366
Total income tax benefit/ (expense)	**1,342**	**9,149**

(b) *Deferred tax assets and liabilities*

The deferred tax assets relate to available loss carry forward assets. At December 31, 2010, the Company has federal and state net operating loss carry forwards of $20.9 million that begin to expire in 2027. The loss carry forward assets are discounted at the net (after tax) weighted average interest rate due by the company on its mortgages, taking into account the average expected realization period of these receivables.
At 31 December 2010, the net (after tax) weighted average interest rate is 3.89% (31 December 2009: 3.95%) and the total loss carry forward asset is expected to be realized in approximately 5 years with an average remaining lifetime until utilization of 4.0 years (31 December 2009: 7 years and 5.4 years, respectively).

The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences can be offset or become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on all available information, management believes that all of the deferred income tax assets are realizable.

The movements in the deferred tax assets are as follows:

Deferred tax assets	Loss carry forward assets available - nominal basis	Loss carry forward assets available - balance sheet valuation – valued on discounted basis
	$'000	$'000
At 1 January 2009	3,750	3,115
Transfer current tax receivable from subsidiaries to parent company	404	404
Reclassified from current tax receivable	1,839	1,839
Tax paid during the year	123	123
Movement recognized in net result	-	- 519
At 31 December 2009	**6,116**	**4,962**
Reclassified to other receivables	- 256	- 256
Movement recognized in net result	2,479	2,461
At 31 December 2010	**8,339**	**7,167**

The deferred tax liabilities relate to the difference between the fair value of the investment properties and their tax book values. The deferred tax liabilities are of a long term nature. Due to the negative revaluation results on the investment properties, for some properties the tax book value is higher than the fair value, resulting in a deferred tax asset for these properties. For balance sheet presentation purposes, these assets are offset with the deferred tax liabilities and the net balance is presented as deferred tax liabilities.

The amount of the provision for deferred income tax liabilities is based on the expected manner of realization or settlement of the carrying amounts of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. At 31 December 2010 this is 39.0% (31 December 2009: 38.0%).

The provision for deferred tax liabilities is stated at discounted value, based on the net (after tax) weighted average effective interest rate due by the company on its mortgages. At 31 December 2010 this is 3.89% (31 December 2009: 3.95%). These liabilities are discounted using an estimated average duration of 30 years (31 December 2009: 30 years), which is taking into account the average expected holding period of the real estate including the use of the available 1031-exchange facility, whereby long term capital gains of the subject property are deferred if reinvested in a 'like-kind' replacement property.

The movements in the deferred tax liabilities are as follows:

Deferred tax liabilities – balance sheet valuation – valued on discounted basis	**Fair value > tax book value of investment properties**	**Fair value < tax book value of investment properties**	**Net deferred tax liabilities**
	$'000		$'000
At 1 January 2009	14,571	-	14,571
Movement recognized in net result	- 7,419	- 947	- 8,366
At 31 December 2009	**7,152**	**- 947**	**6,205**
Movement recognized in net result	1,714	- 596	1,118
At 31 December 2010	**8,866**	**- 1,543**	**7,323**

The movements of the deferred tax liabilities on nominal basis are as follows:

Deferred tax liabilities – nominal basis	**Fair value > tax book value of investment properties**	**Fair value < tax book value of investment properties**	**Net deferred tax liabilities**
	$'000		$'000
At 1 January 2009	45,913	-	45,913
Change in liabilities - nominal	- 23,027	- 3,030	- 26,057
At 31 December 2009	**22,886**	**- 3,030**	**19,856**
Change in liabilities - nominal	4,967	- 1,817	3,150
At 31 December 2010	**27,853**	**- 4,847**	**23,006**

5. INVESTMENTS IN GROUP COMPANIES

Investments in group companies comprise subsidiaries of DIM Vastgoed.

At the end of 2010 there are two (100%)subsidiaries:

- DIM - Governors Town Square LP, Fort Lauderdale, Florida, acquired in March 2006;
- DIM – Whitaker Square, LP, Fort Lauderdale, Florida, established in October 2007.

The movement in Investments in group companies is as follows:

	2010	2009
	$'000	$'000
Balance at the beginning of the year	2,680	6,253
Transfer current tax balance to parent company	-	- 404
Distributions	- 581	- 612
Result of subsidiaries	2,322	- 2,557
Balance at the end of the year	**4,421**	**2,680**

6. COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Share premium reserve	Revaluation reserve	Other reserves	Result for the year	Total Share-holders' equity
	($'000)	($'000)	($'000)	($'000)	($'000)	($'000)
Balance at 31 December 2008	17,704	64,561	44,924	39,843	-37,813	129,219
Allocation result previous year	-	-	-	- 37,813	37,813	-
Currency restatement share capital	622	-	-	- 622	-	-
Net result for the year	-	-	-	-	- 66,923	- 66,923
Allocation to the revaluation reserve	-	-	-30,336	30,336	-	-
Balance at 31 December 2009	18,326	64,561	14,588	31,744	- 66,923	62,296
Allocation result previous year	-	-	-	- 66,923	66,923	-
Currency restatement share capital	-1,328	-	-	1,328	-	-
Net result for the year	-	-	-	-	5,643	5,643
Allocation to/(from) the revaluation reserve	-	-	712	- 712	-	-
Balance at 31 December 2010	**16,998**	**64,561**	**15,300**	**- 34,563**	**5,643**	**67,939**

<u>Share capital</u> - The authorized share capital of the company amounts to € 31,160,456, consisting of 300 priority shares and 20.5 million ordinary shares of € 1.52 each. As of 31 December 2010 € 12,720,982 (2009: € 12,720,982) is issued and paid up, being 300 priority shares and 8,368,767 (2009: 8,368,767) ordinary shares.

Ordinary shares
Shareholders holding ordinary shares are entitled to periodically declared dividends and have one vote per share at the general meetings of shareholders of DIM Vastgoed.

Priority shares
The following specific rights are attached to the priority shares:
- determination of the number and remuneration of supervisory directors
- determination of the number and remuneration of managing directors (in the current situation, nonetheless, the company is managed by Dane Investors Management B.V. and the directorship fee is laid down in the directorship and management agreement)
- binding nomination of supervisory and managing directors for appointment by the general meeting of shareholders
- appointment of the chairman of the supervisory board
- power of veto in respect of amendments to the articles of association and liquidation of DIM Vastgoed N.V.

On 12 July 2010, the Company acquired all 300 issued and outstanding priority shares of the Company held by Stichting Prioriteit DIM Vastgoed. Pursuant to the merger protocol between the Company and Southeast US Holdings B.V. dated 30 December 2009 (and as further described in the Offer Memorandum dated 17 February 2010), the Company and Stichting Prioriteit DIM Vastgoed agreed to abolish and/or cancel the priority shares following the acquisition of control by Equity One over at least 90% of the shares in the Company. This cancellation of the priority shares has been effected by the acquisition of those shares by the Company.

<u>Share premium reserve</u> – The share premium reserve has full fiscal approval.

<u>Revaluation reserve</u> – The revaluation reserve is maintained for unrealized value increases of the investment property. The revaluation reserve is a statutory, non-distributable, reserve in accordance with the Dutch legislation. Allocations to the revaluation reserve are made from the Other reserves.

Currency restatement share capital
The currency restatement on share capital comprises the effect of restating issued and paid up share capital, which is denominated in euro, into US dollars at the rate as of 31 December 2010. The difference is settled with Other reserves.

<u>Reconciliation between consolidated and non-consolidated shareholders' equity</u>
The reconciliation between shareholders' equity as of the end of the year as reported in the consolidated accounts of DIM Vastgoed (based on IFRS) and shareholders' equity as of the end of the year as reported in the company accounts of the company is as follows:

	2010	**2009**
	$'000	$'000
Consolidated shareholders' equity	52,581	49,735
Add: difference in valuation of deferred tax liabilities	16,530	13,715
Deduct: difference in valuation of deferred tax assets	- 1,172	- 1,154
Non-consolidated, company accounts shareholders' equity	**67,939**	**62,296**

7. NET RESULTS PER SHARE

The calculation of results per share at December 31, 2010 in the Company financial statements was based on the net result attributable to ordinary shareholders of $5,643 positive (2009: $66,923 negative) and a weighted average number of ordinary shares outstanding and in circulation during the year ended December 31, 2010 of 8,216,373 (2009: 8,216,373). The Company has no dilutive potential ordinary shares, therefore the diluted earnings per share is the same as the basic earnings per share.

8. NET ASSET VALUE PER SHARE

The net asset value per ordinary share at the end of the financial year and the preceding two years is as follows:

Date	Shareholders' equity ($'000)	Number of ordinary shares outstanding [1]	Net asset value per share ($)
December 31, 2010	67,939	8,216,373	8.27
December 31, 2009	62,296	8,216,373	7.58
December 31, 2008	129,219	8,216,373	15.73

1) Excluding the shares held by the Company.

Rotterdam, 29 April 2011

The management board	The supervisory board
Frans A. Bakker	Cornelis J. van Rees, Chairman
Arthur L. Gallagher	Ellard J. Blaauboer
Bob Mitzel	Thomas A. Caputo
Wilbert O.C.M. van Twuijver	

OTHER DATA

Profit appropriation

Appropriation of profit as per articles of association

Article 27 of the articles of association states that, if possible, a dividend of 5%, or, if the statutory interest rate is lower than 5%, a dividend based on this statutory interest rate, shall first of all be distributed on the priority shares (art. 27.1). Further, the management board, with the approval of the supervisory board, shall determine what part of the remaining profit shall be allocated to the reserves. The amount then remaining will be distributed, in proportion to the subscribed nominal capital, as a dividend to the holders of ordinary shares.

Proposed profit appropriation

Management has decided to retain the net result for 2010. No dividend is therefore proposed to the shareholders. Management proposes to allocate the net result for the year to the Other reserves, taking into consideration the required allocation to the legally required Revaluation Reserve.

Events after the balance sheet date

For a description of events after the balance sheet date, please refer to the notes to the consolidated financial statements, note 30 on page 44.

INDEPENDENT AUDITOR'S REPORT

To the general meeting of shareholders of DIM Vastgoed N.V.

Report on the financial statements

We have audited the accompanying financial statements 2010 of DIM Vastgoed N.V., Breda. The financial statements include the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2010, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of the significant accounting policies and other explanatory information. The company financial statements comprise the company balance sheet as at 31 December 2010 the company profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code and with the Act on Financial Supervision, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Dutch Civil Code and with the Act on Financial Supervision. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the consolidated financial statements
In our opinion, the consolidated financial statements give a true and fair view of the financial position of DIM Vastgoed N.V. as at 31 December 2010 its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code and with the Act on Financial Supervision.

Opinion with respect to the company financial statements
In our opinion, the company financial statements give a true and fair view of the financial position of DIM Vastgoed N.V. as at 31 December 2010 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the management board report , to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed. Further we report that the management board report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Zwolle, 29 April 2011

Ernst & Young Accountants LLP

Original signed by D.L. Groot Zwaaftink

REAL ESTATE PORTFOLIO AS OF 31 DECEMBER 2010

Glengary Shoppes

Nature:	shopping center, 'power center' (nationally known companies with discount formula), supplemented by a restaurant and a bank
Location:	on the US 41 in Sarasota on the west coast of Florida, diagonally opposite the regional covered 'South Gate Plaza' shopping center
Year of building:	1995
Purchase date:	10-01-1997
Purchase price ($'000):	13,775
Rentable surface area (sq.ft.):	99,182
Average base rent per leased sq.ft:	$18.04
Parking spaces:	566
Most important tenants:	Best Buy (46% of the surface area, lease expires January 2012); Barnes & Noble (31%, May 2011)
Percent leased:	100%

Brawley Commons

Nature:	shopping center, 'neighborhood shopping center' type, supplemented by office premises (20%) at the rear
Location:	in the new residential and working area on the Brawley peninsula, on the large 'Lake Norman' lake to the north of the city of Charlotte, North Carolina
Year of building:	phase 1: May 1997, phase 2: November 1997, phase 3: May/June 1998
Purchase date:	07-07-1998
Purchase price ($'000):	13,835
Rentable surface area (sq.ft.):	119,189
Average base rent per leased sq.ft:	$11.48
Parking spaces:	490
Most important tenants:	Lowe's Foods[1] (35% of the surface area, lease expires May 2017); Rite Aid (10%, May 2012)
Percent leased:	75.7%

[1] This tenant has relocated to another location. Although Lowe's Foods remains obligated to honor the financial terms of the Lease Agreement with the Company and must make rent payments until the expiration of the lease in May 2017, the premises may remain empty with a possible negative effect on existing tenants and on the attractiveness of the shopping center for prospective tenants. The Company is however confident that Lowe's Food will endeavor to sublease its space in order to mitigate its financial loss and that a new Anchor Tenant will re-invigorate the Property's appeal.

Magnolia Shoppes

Nature:	combination of a shopping center of the ‘neighborhood shopping center’ type, and a 16-screen cinema
Location:	Coral Springs, a suburb of Fort Lauderdale, Florida
Year of building:	1998
Purchase date:	02-17-1999
Purchase price ($’000):	11,550
Rentable surface area (sq.ft.):	114,118
Average base rent per leased sq.ft:	$11.01
Parking spaces:	1,296
Most important tenants:	Regal Cinemas (53% of the surface area, lease expires June 2018); Deal$ (13%, June 2014)
Percent leased:	89.5%

Hammocks Town Center

Nature:	shopping center, ‘neighborhood shopping center’ type, primary necessities of life, supplemented by a city library
Location:	Hammocks Boulevard in Kendall, on the southwest of Miami, Florida
Year of building:	1987, renovated in 1993
Purchase date:	03-31-1999
Purchase price ($’000):	18,300
Rentable surface area (sq.ft.):	172,806
Average base rent per leased sq.ft:	$12.81
Parking spaces:	1,322
Most important tenants:	Publix Supermarkets (23% of the surface area, lease expires June 2012); Metro Dade Library (23%, December 2012); Porky’s Gym (8%, May 2013); CVS Pharmacy (6%, June 2012)
Percent leased:	89.0%

Carolina Pavilion

Nature:	regional shopping center, 'power center' type (nationally known companies with discount formula) which serves in a radius of 16 km
Location:	Charlotte, North Carolina, located to the northeast of the crossing of the US 521Highway (an important north-south connection) and the Interstate 485 (part of the 'Beltway', the major road in the southern part of Charlotte and its suburbs)
Year of building:	1996
Purchase date:	09-24-1999
Purchase price ($'000):	76,900
Rentable surface area (sq.ft.):	731,678
Average base rent per leased sq.ft:	$10.65
Parking spaces:	4,378
Most important tenants:	AMC Theatres (11% of the surface area, lease expires May 2016); Kohl's Department Store (13%, January 2017); Value City Furniture (7%, December 2016); Nordstrom Rack (6%; September 2020. Store expected to open Spring 2011); Old Navy (The Gap) (6%, month-to-month); Ross Dress for Less (4%, January 2018); Bed, Bath & Beyond (5%, January 2016); Sports Authority (6%, November 2015); Babies 'R Us (6%, August 2016); Gregg Appliances (5%, August 2016); Michaels Crafts (4%, February 2012); Sears Retail Outlet Store (3%, June 2013); DSW Shoe Warehouse (3%, February 2012); Cost Plus World Market (3%, February 2016)
Percent leased:	93.7%

Salem Road Station

Nature:	shopping center, 'neighborhood shopping center' type, primary necessities of life
Location:	Covington, near Atlanta, Georgia, at the intersection of Browns Ridge Road and Salem Road
Year of building:	2000
Purchase date:	10-31-2002
Purchase price ($'000):	7,927
Rentable surface area (sq.ft.):	67,270
Average base rent per leased sq.ft:	$11.16
Parking spaces:	439
Most important tenants:	Publix Supermarkets (66% of the surface area, lease expires September 2020)
Percent leased:	90.3%

Keith Bridge Commons

Nature:	shopping center, 'neighborhood shopping center' type, primary necessities of life. This property also has a vacant plot suitable for development
Location:	Cumming, a suburb of Atlanta, Georgia, at Freedom Parkway
Year of building:	2002
Purchase date:	02-27-2003
Purchase price ($'000):	12,020
Rentable surface area (sq.ft.):	94,886 (extension planned for approx. 11,000 sq.ft.)
Average base rent per leased sq.ft:	$12.34
Parking spaces:	493
Most important tenants:	Kroger (57% of the surface area, lease expires August 2022)
Percent leased:	87.0%

Sunrise Town Center

Nature:	shopping center, 'neighborhood shopping center' type, 'shadow anchored' by Wal-Mart
Location:	Sunrise, Florida, a suburb of Fort Lauderdale
Year of building:	1989
Purchase date:	03-12-2003
Purchase price ($'000):	13,970
Rentable surface area (sq.ft.):	128,124
Average base rent per leased sq.ft:	$11.12
Parking spaces:	674
Most important tenants:	L.A. Fitness (41% of the surface area, lease expires November 2016); Office Depot (19%, June 2013)
Percent leased:	82.3%

Golden Park Village

Nature:	shopping center, 'neighborhood shopping center' type, primary necessities of life
Location:	Buford, a suburb of Atlanta, Georgia
Year of building:	2000
Purchase date:	06-01-2004
Purchase price ($'000):	9,500
Rentable surface area (sq.ft.):	68,738
Average base rent per leased sq.ft:	$10.83
Parking spaces:	377
Most important tenants:	Publix Supermarkets (65% of the surface area, lease expires February 2020)
Percent leased:	78.7%

The Vineyards at Chateau Elan

Nature:	shopping center, 'neighborhood shopping center' type, primary necessities of life
Location:	Braselton, a suburb of Atlanta, Georgia, nearby the entrance of Chateau Elan, a luxury living area and recreation resort center with, among others, a vineyard
Year of building:	2002
Purchase date:	06-29-2004
Purchase price ($'000):	13,300
Rentable surface area (sq.ft.):	79,047
Average base rent per leased sq.ft:	$14.42
Parking spaces:	439
Most important tenants:	Publix Supermarkets (56% of the surface area, lease expires January 2023)
Percent leased:	97.4%

Grayson Village

Nature:	shopping center, 'neighborhood shopping center' type, primary necessities of life. This property also has a vacant outparcel suitable for development
Location:	Loganville, a suburb of Atlanta, Georgia
Year of building:	2002
Purchase date:	12-14-2004
Purchase price ($'000):	13,608
Rentable surface area (sq.ft.):	83,155
Average base rent per leased sq.ft:	$11.51
Parking spaces:	477
Most important tenants:	Publix Supermarkets (53% of the surface area, lease expires January 2022)
Percent leased:	75.0%

The Shops at Lake Tuscaloosa

Nature:	shopping center, 'neighborhood shopping center' type, primary necessities of life. This property also has a vacant outparcel suitable for development
Location:	Tuscaloosa, Alabama, in an affluent residential corridor which houses the University of Alabama
Year of building:	2003, phase 2 completed in 2005
Purchase date:	12-22-2004
Purchase price ($'000):	10,530
Rentable surface area (sq.ft.):	70,242
Average base rent per leased sq.ft:	$12.22
Parking spaces:	361
Most important tenants:	Publix Supermarkets (63% of the surface area, lease expires December 2023)
Percent leased:	88.9%

Eustis Village

Nature:	shopping center, 'neighborhood shopping center' type, primary necessities of life
Location:	Eustis, near Orlando, Florida
Year of building:	2002
Purchase date:	05-10-2005
Purchase price ($'000):	17,178
Rentable surface area (sq.ft.):	156,927
Average base rent per leased sq.ft:	$11.25
Parking spaces:	766
Most important tenants:	Beall's Department Store (48% of the surface area, lease expires April 2022); Publix Supermarkets (28%, October 2022)
Percent leased:	95.1%

Freehome Village

Nature:	shopping center, 'neighborhood shopping center' type, primary necessities of life
Location:	Canton, Cherokee County, a suburb of Atlanta, Georgia
Year of building:	2003
Purchase date:	05-18-2005
Purchase price ($'000):	12,887
Rentable surface area (sq.ft.):	74,340
Average base rent per leased sq.ft:	$12.31
Parking spaces:	402
Most important tenants:	Publix Supermarkets (60% of the surface area, lease expires December 2023)
Percent leased:	72.2%

Loganville Town Center

Nature:	shopping center, 'neighborhood shopping center' type, primary necessities of life
Location:	Loganville, a suburb of Atlanta, Georgia
Year of building:	1997
Purchase date:	07-29-2005
Purchase price ($'000):	13,458
Rentable surface area (sq.ft.):	77,661
Average base rent per leased sq.ft:	$11.96
Parking spaces:	416
Most important tenants:	Publix Supermarkets (66% of the surface area, lease expires July 2017)
Percent leased:	88.9%

Wilmington Island Shopping Center

Nature:	shopping center, ‘neighborhood shopping center’ type, primary necessities of life
Location:	Wilmington Island, a suburb of Savannah, Georgia
Year of building:	1985, expanded and renovated in 1998 and 2003
Purchase date:	09-15-2005
Purchase price ($’000):	13,538
Rentable surface area (sq.ft.):	87,818
Average base rent per leased sq.ft:	$12.68
Parking spaces:	403
Most important tenants:	Kroger (48% of the surface area, lease expires September 2018);
Percent leased:	69.6%

South Plaza Shopping Center

Nature:	regional shopping center, ‘power center’ type (nationally known companies with discount formula)
Location:	St. Mary’s County, Maryland; 60 miles south of Washington, DC
Year of building:	2005
Purchase date:	12-08-2005
Purchase price ($’000):	22,955
Rentable surface area (sq.ft.):	92,335
Average base rent per leased sq.ft:	$16.95
Parking spaces:	508
Most important tenants:	Ross Dress for Less (31% of the surface area, lease expires January 2016); Best Buy (22%, January 2016); Old Navy (16%, November 2015); Petco (15%, January 2016)
Percent leased:	100%

Governors Town Square

Nature:	shopping center, ‘neighborhood shopping center’ type, primary necessities of life
Location:	Acworth, a suburb of Atlanta, Georgia
Year of building:	2005
Purchase date:	03-15-2006
Purchase price ($’000):	14,213
Rentable surface area (sq.ft.):	68,658
Average base rent per leased sq.ft:	$16.19
Parking spaces:	324
Most important tenants:	Publix Supermarkets (65% of the surface area, lease expires February 2025)
Percent leased:	100%

Dublin Village

Nature:	shopping center, 'neighborhood shopping center' type, primary necessities of life. This property also has a vacant outparcel suitable for development
Location:	Dublin, a suburb of Macon, Georgia
Year of building:	2005
Purchase date:	09-28-2006
Purchase price ($'000):	9,100
Rentable surface area (sq.ft.):	98,540
Average base rent per leased sq.ft:	$6.73
Parking spaces:	442
Most important tenants:	Kroger (71% of the surface area, lease expires August 2025)
Percent leased:	92.5%

Greensboro Village Shopping Center

Nature:	shopping center, 'neighborhood shopping center' type, primary necessities of life
Location:	Gallatin, a suburb of Nashville, Tennessee
Year of building:	2005
Purchase date:	01-11-2007
Purchase price ($'000):	12,375
Rentable surface area (sq.ft.):	70,203
Average base rent per leased sq.ft:	$14.21
Parking spaces:	396
Most important tenants:	Publix Supermarkets (65% of the surface area, lease expires November 2025)
Percent leased:	95.6%

Whitaker Square

Nature:	shopping center, 'neighborhood shopping center' type, primary necessities of life
Location:	Winston-Salem, North Carolina
Year of building:	1996
Purchase date:	11-21-2007
Purchase price ($'000):	12,825
Rentable surface area (sq.ft.):	82,760
Average base rent per leased sq.ft:	$12.24
Parking spaces:	400
Most important tenants:	Harris Teeter (63% of the surface area, lease expires February 2016); Rugged Wearhouse (14%, May 2012)
Percent leased:	100%

BORROWINGS AS OF 31 DECEMBER 2010

Property	Original nominal amount ($'000)	Maturity date		Contractual interest rate	Balance 12/31/10 ($'000)	Scheduled amortization 2011 ($'000)
Glengary Shoppes	17,150	06/11/16		5.75%	16,573	241
Brawley Commons	6,900	07/01/13		6.25%	6,712	87
Magnolia Shoppes	15,094	07/11/16		6.16%	14,260	220
Hammocks Town Center	12,950	07/01/12		6.95%	11,631	216
Carolina Pavilion	57,000	03/31/11	1)	8.73%	39,158	39,158
Carolina Pavilion	13,000	03/31/11	1)	9.02%	11,863	11,863
Salem Road Station	6,480	11/11/12		6.00%	5,732	121
Keith Bridge Commons	9,750	11/11/13		4.80%	8,561	202
Sunrise Town Center	11,285	04/30/14		5.69%	10,084	216
Golden Park Village	7,920	01/11/15		5.25%	7,204	145
The Vineyards	10,600	07/11/14		5.88%	9,662	182
Grayson Village	10,600	01/11/15		5.21%	9,635	195
The Shops at Lake Tuscaloosa	7,680	01/11/15		5.45%	7,010	136
Eustis Village	14,000	05/11/15		5.45%	13,095	231
Freehome Village	10,600	07/11/15		5.15%	9,706	192
Loganville Town Center	10,820	08/11/15		4.89%	9,897	202
Wilmington Island	10,200	11/11/15		5.05%	9,384	185
South Plaza Shopping Center	17,800	11/01/16		5.42%	16,518	302
Governors Town Square	11,000	06/01/15		5.20%	10,216	202
Dublin Village	6,800	11/12/16		5.78%	6,705	87
Greensboro Village	10,200	02/11/17		5.52%	9,652	160
Whitaker Square	9,750	12/01/17		6.32%	9,646	111
Total fixed rate mortgages, nominal value	**287,579**			**6.26%**	**252,904**	**54,654**
Change in valuation due to valuation at amortized cost using effective interest rate method				0.12%	- 866	- 243
Total fixed rate mortgages, amortized cost value				**6.38%**	**252,038**	**54,411**

1) extended to 1 July 2012 after the balance sheet date