UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934 Date of report (Date of earliest event reported): March 10, 2016

RETAIL OPPORTUNITY INVESTMENTS CORP

(Exact Name of Registrant as Specified in Its Charter)

Maryland (State or other jurisdiction of incorporation) 001-33749 (Commission File Number) 26-0500600 (I.R.S. Employer Identification No.)

RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP

(Exact Name of Registrant as Specified in Its Charter)

Delaware (State or other jurisdiction of incorporation) 333-189057-01 (Commission File Number) 94-2969738 (I.R.S. Employer Identification No.)

8905 Towne Centre Drive, Suite 108 San Diego, California (Address of Principal Executive Offices)

92122 (Zip Code)

Registrant's telephone number, including area code: (858) 677-0900

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obli	igation of the registrant under any of the following
provisions:	

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 3.02 Unregistered Sale of Equity Securities

On March 10, 2016, Retail Opportunity Investments Partnership, LP (the "<u>Operating Partnership</u>"), the operating partnership subsidiary of Retail Opportunity Investments Corp. (the "<u>Company</u>"), acquired Casitas Plaza Shopping Center, located in Carpinteria, California and Magnolia Center located in Santa Barbara, California (together, the "<u>Properties</u>") for total consideration of approximately \$63.2 million which was paid through a combination of the issuance of 2,434,833 units of limited partnership interest in the Operating Partnership (the "<u>OP Units</u>") and the assumption of approximately \$16.8 million of loans on the Properties (the "<u>Transaction</u>"). The OP Units are exchangeable for cash, or at the election of the Company, into shares of common stock of the Company on a one-for-one basis, subject to the terms of the Operating Partnership's partnership agreement. The OP Units were issued in a private placement in reliance on Section 4(2) of the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

In connection with the Transaction, the Company entered into a registration rights agreement (the "Registration Rights Agreement") with the seller of the Properties pursuant to which the Company agreed, subject to certain exceptions, to use commercially reasonable efforts to file a shelf registration statement covering the resale of shares of common stock that may be issued upon exchange of the OP Units received by such seller in the Transaction, and to use commercially reasonable efforts to cause such shelf registration statement to be declared effective as soon as practicable thereafter. In addition, the Company entered into a tax protection agreement (the "Tax Protection Agreement") pursuant to which it agreed, subject to certain exceptions, to indemnify the seller of the Properties against certain tax liabilities incurred by them, if such liabilities result from a transaction involving a direct or indirect taxable disposition of either or both properties or if the Operating Partnership fails to maintain and allocate to such holder for taxation purposes minimum levels of Operating Partnership liabilities as specified in the Tax Protection Agreement. In connection with the Transaction, the Second Amended and Restated Agreement of Limited Partnership of the Operating Partnership, as amended (the "Partnership Agreement"), was amended to reflect the issuance of OP Units in the Transaction.

The foregoing descriptions of the Registration Rights Agreement, the Tax Protection Agreement and the amendment to the Partnership Agreement are qualified in their entirety by reference to the text of such agreements attached as Exhibits 10.1, 10.2 and 10.3, respectively, to this Current Report on Form 8-K and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
10.1	Registration Rights Agreement, by and among Retail Opportunity Investments Corp. and the holder named therein, dated as of March 10, 2016
10.2	Tax Protection Agreement, by and among Retail Opportunity Investments Corp., Retail Opportunity Investments Partnership, LP and the protected partner identified therein, dated as of March 10, 2016
10.3	Fifth Amendment to the Second Amended and Restated Limited Partnership Agreement of Retail Opportunity Investments Partnership, LP, dated as of March 10, 2016

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: March 16, 2016 RETAIL OPPORTUNITY INVESTMENTS CORP.

By:/s/ Michael B. Haines Name: Michael B. Haines Title: Chief Financial Officer

Dated: March 16, 2016 RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP

By: RETAIL OPPORTUNITY INVESTMENTS GP, LLC, its general partner

By:/s/ Michael B. Haines Name: Michael B. Haines Title: Chief Financial Officer

REGISTRATION RIGHTS AGREEMENT

This REGISTRATION RIGHTS AGREEMENT (this "<u>Agreement</u>"), dated as of March 10, 2016, is made and entered into by and among Retail Opportunity Investments Corp., a Maryland corporation (the "<u>Company</u>"), and the entity listed on <u>Schedule I</u> hereto (such entity, in its capacity as a holder of Registrable Securities, the "<u>Holder</u>").

WITNESSETH

WHEREAS, the operating partnership of the Company, Retail Opportunity Investments Partnership, LP, a Delaware limited partnership ("ROIP"), and the Holder have entered into a Contribution Agreement, dated March 10, 2016 (the "Contribution Agreement"), pursuant to which the Holder contributed the real property and improvements commonly known as Casitas Plaza Shopping Center, located at 5412 Carpinteria Avenue, City of Carpinteria, Santa Barbara County, California and Magnolia Center located at 5186 Hollister Avenue, City of Santa Barbara, Santa Barbara County, California, to ROIP in exchange for 2,434,833 operating partnership units of ROIP (such units in the aggregate, the "OP Units"), which such OP Units upon presentation for redemption by the Holder in accordance with the provisions of the Second Amended and Restated Agreement of Limited Partnership of ROIP, as amended, may be redeemed for shares of common stock, par value \$0.0001 per share, of the Company (the "Common Stock"); and

WHEREAS, the Company desires to enter into this Agreement with the Holder in order to grant the Holder the registration rights contained herein.

NOW, THEREFORE, in consideration of the premises and the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Section 1. Definitions. As used in this Agreement, the following terms shall have the following meanings:

"Affiliate" shall mean, when used with reference to a specified Person, (i) any Person that directly or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the specified Person; (ii) any Person who, from time to time, is a member of the Immediate Family of a specified Person; (iii) any Person who, from time to time, is an officer or director or manager of a specified Person; or (iv) any Person who, directly or indirectly, is the beneficial owner of 50% or more of any class of equity securities or other ownership interests of the specified Person, or of which the specified Person is directly or indirectly the owner of 50% or more of any class of equity securities or other ownership interests.

"Agreement" shall mean this Registration Rights Agreement as originally executed and as amended, supplemented or restated from time to time.

- "Board" shall mean the Board of Directors of the Company.
- "Business Day" shall mean each day other than a Saturday, a Sunday or any other day on which banking institutions in the State of California are authorized or obligated by law or executive order to be closed.
 - "Commission" shall mean the Securities and Exchange Commission and any successor thereto.
 - "Common Stock" shall have the meaning set forth in the Recitals hereof.
 - "Company" shall have the meaning set forth in the introductory paragraph hereof.
 - "Contribution Agreement" shall have the meaning set forth in the Recitals hereof.
- "Control" (including the terms "Controlling," "Controlled by" and "under common Control with") shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person through the ownership of Voting Power, by contract or otherwise.
 - "Controlling Person" shall have the meaning set forth in Section 5 hereof.
- "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended (or any corresponding provision of succeeding law) and the rules and regulations thereunder.
 - "Holder" shall have the meaning set forth in the introductory paragraph hereof.
 - "OP Units" shall have the meaning set forth in the Recitals hereof.
- "Person" shall mean any individual, partnership, corporation, limited liability company, joint venture, association, trust, unincorporated organization or other governmental or legal entity.
- "Registrable Securities" shall mean the Common Stock that may be acquired by the Holder in connection with the exercise by the Holder of the redemption rights associated with the OP Units; provided, however, such Registrable Securities shall cease to be Registrable Securities upon the occurrence of the earliest of the following: (i) the date on which a registration statement with respect to the sale of such Registrable Securities shall have become effective under the Securities Act and all such Registrable Securities shall have been sold, transferred, disposed of or exchanged in accordance with such registration statement, (ii) the date on which such Registrable Securities shall have been sold and all transfer restrictions and restrictive legends with respect to such Registrable Securities are removed upon the consummation of such sale, (iii) the date on which such Registrable Securities become eligible to be publicly sold pursuant to Rule 144 (or any successor provision) under the Securities Act, or (iv) such Registrable Securities have ceased to be outstanding.

"Registration Expenses" shall mean (i) the fees and disbursements of counsel and independent public accountants for the Company incurred in connection with the Company's performance of or compliance with this Agreement, including the expenses of any special audits or "comfort" letters required by or incident to such performance and compliance, and any premiums and other costs of policies of insurance obtained by the Company against liabilities arising out of the sale of any securities and (ii) all registration, filing and stock exchange fees, all fees and expenses of complying with securities or "blue sky" laws, all fees and expenses of custodians, transfer agents and registrars, and all printing expenses, messenger and delivery expenses; provided, however, "Registration Expenses" shall not include any out-of-pocket expenses of the Holder, transfer taxes, underwriting or brokerage commissions or discounts associated with effecting any sales of Registrable Securities that may be offered.

"ROIP" shall have the meaning set forth in the Recitals hereof.

"Securities Act" shall mean the Securities Act of 1933, as amended (or any successor corresponding provision of succeeding law), and the rules and regulations thereunder.

"Shelf Registration Statement" shall have the meaning set forth in Section 2(a) hereof.

"Underwritten Offering" shall mean a sale of securities of the Company to an underwriter or underwriters for reoffering to the public.

"<u>Voting Power</u>" shall mean voting securities or other voting interests ordinarily (and apart from rights accruing under special circumstances) having the right to vote in the election of board members or Persons performing substantially equivalent tasks and responsibilities with respect to a particular entity.

Section 2. Shelf Registrations.

- a. <u>Shelf Registration</u>. The Company agrees to use commercially reasonable efforts to file with the Commission a registration statement under the Securities Act for the offering on a continuous or delayed basis in the future covering resales of the Registrable Securities (the "<u>Shelf Registration Statement</u>"), such filing to be made (subject to Section 3) on the date that is not more than one (1) year after the date on which the OP Units were issued as provided in the Contribution Agreement. Subject to Section 3, the Company shall use commercially reasonable efforts to cause such Shelf Registration Statement to be declared effective by the Commission as soon as practicable thereafter. The Shelf Registration Statement shall be on an appropriate form and the registration statement and any form of prospectus included therein (or prospectus supplement relating thereto) shall reflect the plan of distribution or method of sale as the Holder may from time to time notify the Company.
- b. <u>Effectiveness</u>. The Company shall use commercially reasonable efforts to keep the Shelf Registration Statement continuously effective for the period beginning on the date on which the Shelf Registration Statement is declared effective and ending on the date that all of the Registrable Securities registered under the Shelf Registration Statement cease to be Registrable Securities. During the period that the Shelf Registration Statement is effective, the Company shall supplement or make amendments to the Shelf Registration Statement, if required by the Securities Act or if reasonably requested by the Holder (whether or not required by the form on which the securities are being registered), including to reflect any specific plan of distribution or method of sale, and shall use commercially reasonable efforts to have such supplements and amendments declared effective, if required, as soon as practicable after filing.

Section 3. Black-Out Periods.

Notwithstanding anything herein to the contrary, the Company shall have the right to postpone the filing of a registration statement and the right, exercisable from time to time by delivery of a notice authorized by the Board at such times as the Company in its good faith judgment may reasonably determine is necessary and advisable, to require the Holder not to sell pursuant to a registration statement or similar document under the Securities Act filed pursuant to Section 2 or to suspend the use or effectiveness thereof if at the time of the delivery of such notice (i) it has determined that the use of any registration statement or similar document under the Securities Act filed pursuant to Section 2 would require the disclosure of material information that the Company has a bona fide business purpose for preserving as confidential or the disclosure of which would impede the Company's ability to consummate a significant transaction, and that the Company is not otherwise required by applicable securities laws or regulations to disclose, (ii) all reports required to be filed by the Company pursuant to the Exchange Act have not been filed by the required date without regard to any extension, or (iii) the consummation of any business combination by the Company has occurred or is probable for purposes of Rule 3-05, Rule 3-14 or Article 11 of Regulation S-X under the Securities Act or (iv) the Company is not eligible to use Form S-3 for purposes of registering the resale of the Registrable Securities. The Company, as soon as practicable, shall (i) give the Holder prompt written notice in the event that the Company has suspended sales of Registrable Securities pursuant to this Section 3, (ii) give the Holder prompt written notice of the termination of such suspension of sales of the Registrable Securities and (iii) promptly file any amendment or reports necessary for any registration statement or prospectus of the Holder in connection with the completion of such event.

The Holder agrees by acquisition of the Registrable Securities that upon receipt of any notice from the Company of the happening of any event of the kind described in this Section 3, the Holder will forthwith discontinue its disposition of Registrable Securities pursuant to the registration statement relating to such Registrable Securities until the Holder's receipt of the notice of completion of such event.

Section 4. Registration Procedures.

a. In connection with the filing of any registration statement, with respect to the resale of any of the Registrable Securities then held by Holder, as provided in this Agreement, the Company shall use commercially reasonable efforts to, as expeditiously as reasonably practicable:

(i) prepare and file with the Commission the requisite registration statement (including a prospectus therein and any supplement thereto) to effect such registration and use commercially reasonable efforts to cause such registration statement to become effective; provided, however, that before filing such registration statement or any amendments or supplements thereto, the Company will furnish copies of all such documents proposed to be filed to counsel for the Holder and provide reasonable time for the Holder and its counsel to comment upon such documents if so requested by the Holder;

- (ii) prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to maintain the effectiveness of such registration and to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement during the period in which such registration statement is required to be kept effective;
- (iii) furnish to the Holder, without charge, such number of conformed copies of such registration statement and of each such amendment and supplement thereto (in each case including all exhibits other than those which are being incorporated into such registration statement by reference), such number of copies of the prospectus contained in such registration statements (including each complete prospectus and any summary prospectus) and any other prospectus filed under Rule 424 under the Securities Act in conformity with the requirements of the Securities Act, and such other documents, as the Holder may reasonably request;
- (iv) register or qualify all Registrable Securities under such other securities or "blue sky" laws of such jurisdictions as the Holder and the underwriters of the securities being registered, if any, shall reasonably request, to keep such registration or qualification in effect for so long as such registration statement remains in effect, and take any other action which may be reasonably necessary or advisable to enable the Holder to consummate the disposition in such jurisdiction of the securities owned by the Holder, except that the Company shall not for any such purpose be required to qualify generally to do business as a foreign company or to register as a broker or dealer in any jurisdiction where it would not otherwise be required to qualify but for this Section 4(a)(iv), or to consent to general service of process in any such jurisdiction, or to be subject to any material tax obligation in any such jurisdiction where it is not then so subject;
- (v) immediately notify the Holder at any time when the Company becomes aware that a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made, and, at the request of the Holder, promptly prepare and furnish to the Holder a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made;
- (vi) comply or continue to comply in all material respects with the Securities Act and the Exchange Act and with all applicable rules and regulations of the Commission thereunder so as to enable the Holder to sell its Registrable Securities pursuant to Rule 144 promulgated under the Securities Act, as further agreed to in Section 6 hereof;

- (vii) provide a transfer agent and registrar for all Registrable Securities covered by such registration statement not later than the effective date of such registration statement;
- (viii) cooperate with the Holder to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any Securities Act legend; and enable certificates for such Registrable Securities to be issued for such number of shares and registered in such names as the Holder may reasonably request in writing at least three (3) Business Days prior to any sale of Registrable Securities;
- (ix) list all Registrable Securities covered by such registration statement on any securities exchange or national quotation system on which any such class of securities is then listed or quoted and cause to be satisfied all requirements and conditions of such securities exchange or national quotation system to the listing or quoting of such securities that are reasonably within the control of the Company including, without limitation, registering the applicable class of Registrable Securities under the Exchange Act, if appropriate, and using commercially reasonable efforts to cause such registration to become effective pursuant to the rules of the Commission;
- (x) in connection with any sale, transfer or other disposition by the Holder of any Registrable Securities pursuant to Rule 144 promulgated under the Securities Act, cooperate with the Holder to facilitate the timely preparation and delivery of certificates representing the Registrable Securities to be sold and not bearing any Securities Act legend, and enable certificates for such Registrable Securities to be issued for such number of shares and registered in such names as the Holder may reasonably request in writing at least three (3) Business Days prior to any sale of Registrable Securities;
- (xi) notify the Holder, promptly after it shall receive notice thereof, of the time when such registration statement, or any post-effective amendments to the registration statement, shall have become effective, or a supplement to any prospectus forming part of such registration statement has been filed;
- (xii) notify the Holder of any request by the Commission for the amendment or supplement of such registration statement or prospectus for additional information; and
- (xiii) advise the Holder, promptly after it shall receive notice or obtain knowledge thereof, of (A) the issuance of any stop order, injunction or other order or requirement by the Commission suspending the effectiveness of such registration statement or the initiation or threatening of any proceeding for such purpose, and use commercially reasonable efforts to prevent the issuance of any stop order, injunction or other order or requirement or to obtain its withdrawal if such stop order, injunction or other order or requirement should be issued, (B) the suspension of the registration of the subject shares of the Registrable Securities in any state jurisdiction and (C) the removal of any such stop order, injunction or other order or requirement or proceeding or the lifting of any such suspension.

b. In connection with the filing of any registration statement covering Registrable Securities and as a condition to the Holder's participation in the registration, the Holder shall furnish in writing to the Company such information regarding the Holder (and any of its Affiliates), the Registrable Securities to be sold, the intended method of distribution of such Registrable Securities and such other information requested by the Company as is necessary or advisable for inclusion in the registration statement relating to such offering pursuant to the Securities Act. Such writing shall expressly state that it is being furnished to the Company for use in the preparation of a registration statement, preliminary prospectus, supplementary prospectus, final prospectus or amendment or supplement thereto, as the case may be.

The Holder agrees by acquisition of the Registrable Securities that (i) upon receipt of any notice from the Company of the happening of any event of the kind described in Section 4(a)(v), the Holder will forthwith discontinue its disposition of Registrable Securities pursuant to the registration statement relating to such Registrable Securities until the Holder's receipt of the copies of the supplemented or amended prospectus contemplated by Section 4(a)(v); (ii) upon receipt of any notice from the Company of the happening of any event of the kind described in clause (A) of Section 4(a)(xiii), the Holder will discontinue its disposition of Registrable Securities pursuant to such registration statement until the Holder's receipt of the notice described in clause (B) of Section 4(a) (xiii), the Holder will discontinue its disposition of Registrable Securities pursuant to such registration statement in the applicable state jurisdiction(s) until the Holder's receipt of the notice described in clause (C) of Section 4(a)(xiii).

Section 5. Indemnification.

a. <u>Indemnification by the Company</u>. The Company agrees to indemnify and hold harmless the Holder, its partners, officers, directors, employees, agents and representatives, and each Person (a "<u>Controlling Person</u>"), if any, who controls the Holder (within the meaning of the Section 15 of the Securities Act or Section 20 of the Exchange Act), against any losses, claims, damages, and expenses (including, without limitation, reasonable attorneys' fees), arising out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the registration statement under which such Registrable Securities were registered and sold under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained therein, or any amendment or supplement thereto, or arising out of or based upon any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and the Company will reimburse the Holder for any reasonable legal or any other expenses reasonably incurred by it in connection with investigating or defending any such loss, claim, liability, action or proceedings; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon an untrue statement or alleged statement or omission or alleged omission made in such registration statement, any such preliminary prospectus, final prospectus, summary prospectus, amendment or supplement in reliance upon and in conformity with written information furnished to the Company by the Holder specifically stating that it is for use in the preparation thereof. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Holder or any such controlling Person and shall survive the tr

- b. <u>Indemnification by the Holder</u>. The Holder agrees to indemnify and hold harmless (in the same manner and to the same extent as set forth in Section 5(a)) the Company, each member of the Board, each officer, employee, agent and representative of the Company and each of their respective Controlling Persons, with respect to any untrue statement or alleged untrue statement of a material fact in or omission or alleged omission to state a material fact from such registration statement, any preliminary prospectus, final prospectus or summary prospectus contained therein, or any amendment or supplement thereto, if such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by the Holder regarding the Holder giving such indemnification specifically stating that it is for use in the preparation of such registration statement, preliminary prospectus, final prospectus, summary prospectus, amendment or supplement. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Company or any such Board member, officer, employee, agent, representative or Controlling Person and shall survive the transfer of such securities by the Holder.
- c. Notices of Claims, etc. Promptly as reasonably practicable after receipt by an indemnified party of notice of the commencement of any action or proceeding involving a claim referred to in the preceding paragraphs of this Section 5, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the latter of the commencement of such action; provided, however, that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations under the preceding paragraphs of this Section 5, except to the extent that the indemnifying party is actually prejudiced by such failure to give notice. In case any such action is brought against an indemnified party, unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, the indemnifying party shall be entitled to assume the defense thereof, for itself, if applicable, together with any other indemnified party similarly notified, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to the indemnified party for any legal or other expenses subsequently incurred by the latter in connection with the defense thereof.
- d. <u>Indemnification Payments</u>. To the extent that the indemnifying party does not assume the defense of an action brought against the indemnified party as provided in Section (5)(c), the indemnified party (or parties if there is more than one) shall be entitled to the reasonable legal expenses of common counsel for the indemnified party (or parties). In such event, however, the indemnifying party will not be liable for any settlement effected without the written consent of such indemnifying party, which consent shall not be unreasonably withheld. The indemnification required by this Section 5 shall be made by periodic payments of the amount thereof during the course of an investigation or defense, as and when bills are received or expense, loss, damage or liability is incurred. No indemnifying party shall, without the prior written consent of the indemnified party, consent to entry of judgment or effect any settlement of any claim or pending or threatened proceeding in respect of which the indemnified Party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such judgment or settlement includes an unconditional release of such indemnified party from all liability arising out of such claim or proceeding.

e. <u>Contribution</u>. If, for any reason, the foregoing indemnity is unavailable, or is insufficient to hold harmless an indemnified party, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of the expense, loss, damage or liability, (i) in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and the indemnified party on the other (determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission relates to information supplied by the indemnifying party or the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission) or (ii) if the allocation provided by subclause (i) above is not permitted by applicable law or provides a lesser sum to the indemnified party than the amount hereinafter calculated, in the proportion as is appropriate to reflect not only the relative fault of the indemnifying party and the indemnified party, but also the relative benefits received by the indemnifying party on the one hand and the indemnified party on the other, as well as any other relevant equitable considerations.

No indemnified party guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any indemnifying party who was not guilty of such fraudulent misrepresentation, and the liability for contribution of the Holder of Registrable Securities will be in proportion to and limited in all events to the net amount received by the Holder from the sale of Registrable Securities pursuant to such registration statement.

Section 6. Covenants Relating To Rule 144. At such times as the Company becomes obligated to file reports in compliance with either Section 13 or 15(d) of the Exchange Act, the Company covenants that it will file any reports required to be filed by it under the Securities Act and the Exchange Act and that it will take such further action as the Holder may reasonably request, all to the extent required from time to time to enable Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (a) Rule 144 under the Securities Act, as such rule may be amended from time to time or (b) any similar rule or regulation hereafter adopted by the Commission.

Section 7. Market Stand-Off Agreement. The Holder hereby agrees that it shall not, directly or indirectly sell, offer to sell (including without limitation any short sale), pledge, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of or otherwise dispose of or transfer any Registrable Securities or other Common Stock or any securities convertible into or exchangeable or exercisable for Common Stock then owned by the Holder (other than to permitted transferees of the Holder who agree to be similarly bound) for up to 180 days following the date of an underwriting agreement with respect to an underwritten public offering of the Company's securities; provided, however, that all officers and directors of the Company then holding Common Stock or securities convertible into or exchangeable or exercisable for Common Stock enter into similar agreements for not less than the entire time period required of the Holder hereunder.

In order to enforce the foregoing covenant, the Company shall have the right to place restrictive legends on the certificates representing the securities subject to this Section 7 and to impose stop transfer instructions with respect to the Registrable Securities and such other securities of the Holder (and the securities of every other Person subject to the foregoing restriction) until the end of such period.

Section 8. Miscellaneous.

- a. <u>Termination; Survival</u>. The rights of the Holder under this Agreement shall terminate upon the date that all of the Registrable Securities held by the Holder may be sold during any three-month period in a single transaction or series of transactions without volume limitations under Rule 144 (or any successor provision) under the Securities Act. Notwithstanding the foregoing, the obligations of the parties under Section 5 and paragraphs (d), (e) and (g) of this Section 8 shall survive the termination of this Agreement.
- b. <u>Expenses</u>. All Registration Expenses incurred in connection with any Shelf Registration under Section 2 shall be borne by the Company, whether or not any registration statement related thereto becomes effective.
- c. <u>Counterparts</u>. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the parties and delivered to each of the other parties.
 - d. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.
- e. <u>Prior Agreement; Construction; Entire Agreement</u>. This Agreement, including the exhibits and other documents referred to herein (which form a part hereof), constitutes the entire agreement of the parties with respect to the subject matter hereof, and supersedes all prior agreements and understandings between the parties except the Purchase Agreement, and all such prior agreements and understandings are merged herein and shall not survive the execution and delivery hereof.
- f. <u>Notices</u>. All notices or other communications required or permitted to be given hereunder shall be in writing and shall be delivered by hand or sent, postage prepaid, by registered, certified or express mail or reputable overnight courier service or by telecopier and shall be deemed given when so delivered by hand or, if mailed, three (3) Business Days after mailing (one (1) Business Day in the case of express mail or overnight courier service), addressed as follows:

If to the Holder: To each address indicated for the Holder in Schedule I hereto.

If to the Company: Retail Opportunity Investments Corp.

8905 Towne Centre Drive, Suite 108

San Diego, CA 92122 Attn: Chief Financial Officer

- g. <u>Successors and Assigns</u>. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties and shall inure to the benefit of the Holder. The Company may assign its rights or obligations hereunder to any successor to the Company's business or with the prior written consent of the Holder. Notwithstanding the foregoing, no assignee of the Company shall have any of the rights granted under this Agreement until such assignee shall acknowledge its rights and obligations hereunder by a signed written agreement pursuant to which such assignee accepts such rights and obligations.
- h. <u>Headings</u>. Headings are included solely for convenience of reference and if there is any conflict between headings and the text of this Agreement, the text shall control.
- i. <u>Amendments And Waivers</u>. The provisions of this Agreement may be amended or waived at any time only by the written agreement of the Company and the Holder. Any waiver, permit, consent or approval of any kind or character on the part of the Holder of any provision or condition of this Agreement must be made in writing and shall be effective only to the extent specifically set forth in writing. Any amendment or waiver effected in accordance with this paragraph shall be binding upon the Holder and the Company.
- j. <u>Interpretation</u>; <u>Absence Of Presumption</u>. For the purposes hereof, (i) words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires, (ii) the terms "hereof," "herein," and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, paragraph or other references are to the Sections, paragraphs, or other references to this Agreement unless otherwise specified, (iii) the word "including" and words of similar import when used in this Agreement shall mean "including, without limitation," unless the context otherwise requires or unless otherwise specified, (iv) the word "or" shall not be exclusive and (v) provisions shall apply, when appropriate, to successive events and transactions.

This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting or causing any instruments to be drafted.

k. <u>Severability</u>. If any provision of this Agreement shall be or shall be held or deemed by a final order by a competent authority to be invalid, inoperative or unenforceable, such circumstance shall not have the effect of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable, but this Agreement shall be construed as if such invalid, inoperative or unenforceable provision had never been contained herein so as to give full force and effect to the remaining such terms and provisions.

- l. Specific Performance; Other Rights. The parties recognize that various other rights rendered under this Agreement are unique and, accordingly, the parties shall, in addition to such other remedies as may be available to them at law or in equity, have the right to enforce the rights under this Agreement by actions for injunctive relief and specific performance.
- m. <u>Further Assurances</u>. In connection with this Agreement, as well as all transactions and covenants contemplated by this Agreement, each party hereto agrees to execute and deliver or cause to be executed and delivered such additional documents and instruments and to perform or cause to be performed such additional acts as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions and conditions of this Agreement and all such transactions and covenants contemplated by this Agreement.
- n. <u>No Waiver</u>. The waiver of any breach of any term or condition of this Agreement shall not operate as a waiver of any other breach of such term or condition or of any other term or condition, nor shall any failure to enforce any provision hereof operate as a waiver of such provision or of any other provision hereof.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first written above.

COMPANY:

RETAIL OPPORTUNITY INVESTMENTS CORP., a Maryland corporation

By: /s/ Michael B. Haines
Name: Michael B. Haines

Name: Michael B. Haines
Title: Chief Financial Officer

HOLDER:

HOLLMAN PROPERTY COMPANY, a California corporation

By: /s/ Robert R. Hollman

Name: Robert R Hollman

Title: President

[Signature Page to Registration Rights Agreement]

Schedule I

THE HOLDER

List of holders of the OP Units:

Name of the Holder	Number of OP Units Held	Address of the Holder
Hollman Property Company a California corporation	2,434,833	Hollman Property Company 315 Meigs Road, Suite 654 Santa Barbara, California 93109 Attention: Robert Hollman Telephone: (805) 368-2888 Email: rhollman@silcom.com
T	OTAL: 2,434,833	

Tax Protection Agreement

This TAX PROTECTION AGREEMENT (this "<u>Agreement</u>") is entered into as of March 10, 2016, by and among Retail Opportunity Investments Corp., a Delaware corporation (the "<u>REIT</u>"), Retail Opportunity Investments Partnership, L.P., a Delaware limited partnership (the "<u>Operating Partnership</u>"), and each Protected Partner identified as a signatory on <u>Schedule I</u>, as amended from time to time.

RECITALS

WHEREAS, pursuant to that certain Purchase and Sale Agreement dated December 4, 2015, between the REIT, the Operating Partnership and the Seller signatory thereto (the "<u>Purchase Agreement</u>"), the REIT intends cause the Operating Partnership to purchase the real property and improvements commonly known as Casitas Property and Magnolia Property (each as defined in the Purchase Agreement and collectively referred to as the "<u>Property</u>") from the Seller;

WHEREAS, in connection with the Purchase Agreement, the REIT and the Operating Partnership shall enter into this Agreement with Buyer, who is electing to receive common units of partnership interest in the Operating Partnership ("OP Units") in exchange for a portion of the purchase price for the Property pursuant to the Purchase Agreement;

NOW, THEREFORE, in consideration of the promises and mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I - DEFINED TERMS

Capitalized terms employed herein and not otherwise defined shall have the meanings assigned to them in the Purchase Agreement. Otherwise, for purposes of this Agreement the following definitions shall apply:

Section 1.1 "Affiliate" means, with respect to any Person, any Person directly or indirectly controlling or controlled by or under common control with such Person. For the purposes of this definition, "control" when used with respect to any Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

Section 1.2 "Agreement" has the meaning set forth in the preamble.

Section 1.3 "Closing Date" means the closing of the Operating Partnership's purchase of the Property pursuant to the Purchase Agreement.

Section 1.4 "Code" means the United States Internal Revenue Code of 1986, as amended.

- Section 1.5 "Collateral" has the meaning set forth in Section 1.24 under the definition of "Qualified Liability."
- Section 1.6 "Debt Gross Up Amount" has the meaning set forth in Section 1.15 under the definition of "Make Whole Amount."
- Section 1.7 "<u>Debt Notification Event</u>" means, with respect to a Qualified Liability for which a Guaranty Partner has previously executed a guaranty, any transaction in which such liability shall be refinanced, otherwise repaid (excluding for this purpose, scheduled payments of principal occurring prior to the maturity date of such liability), or guaranteed by any of the REIT, the Operating Partnership, or one or more of their Affiliates, or guaranteed by one or more partners of the Operating Partnership.
 - Section 1.8 "Exchange" has the meaning set forth in Section 2.1(b) of this Agreement.
- Section 1.9 "<u>Fundamental Transaction</u>" means a merger, consolidation or other combination of the Operating Partnership with or into any other entity, a transfer of all or substantially all of the assets of the Operating Partnership, any reclassification, recapitalization or change of the outstanding equity interests of the Operating Partnership, or a conversion of the Operating Partnership into another form of entity. Notwithstanding the above, a Fundamental Transaction shall not include any transaction to the extent that a Protected Party is provided with an opportunity to participate in such transaction in a manner that does not result in the recognition of taxable income or gain by such Protected Partner under Section 704(c) of the Code, regardless of whether such Protected Partner elects to participate in such transaction in such manner or otherwise.
 - Section 1.10 "Transfer Gross Up Amount" has the meaning set forth in Section 1.15 under the definition of "Make Whole Amount."
- Section 1.11 "Guaranteed Liability" means any Qualified Liability that is guaranteed, in whole or in part, by one or more Guaranty Partners in accordance with Section 2.4(b) of this Agreement.
 - Section 1.12 "Guaranty Opportunity" has the meaning set forth in Section 2.4(b).
- Section 1.13 "<u>Guaranty Partner</u>" means: (i) each signatory on <u>Schedule II</u> attached hereto, as amended from time to time; (ii) any person who holds OP Units and who acquired such OP Units from another Guaranty Partner in a transaction in which such person's adjusted basis in such OP Units, as determined for U.S. Federal income tax purposes, is determined, in whole or in part, by reference to the adjusted basis of the other Guaranty Partner in such OP Units; and (iii) with respect to a Guaranty Partner that is Pass Through Entity, and solely for purposes of computing the amount to be paid under <u>Section 2.4</u> with respect to such Guaranty Partner, any person who (y) holds an interest in such Guaranty Partner, either directly or through one or more Pass Through Entities, and (z) is required to include all or a portion of the income of such Guaranty Partner in its own gross income.

Section 1.14 "Guaranty Permissible Liability" means a liability with respect to which the lender with respect to such liability permits a guaranty.

Section 1.15 "Make Whole Amount" means, (a) with respect to any Protected Partner that recognizes gain under Section 704(c) of the Code as a result of a Tax Protection Period Transfer, the sum of (i) the product of (x) the income and gain recognized by such Protected Partner under Section 704(c) of the Code in respect of such Tax Protection Period Transfer (taking into account any adjustments under Section 743 of the Code to which such Protected Partner is entitled) multiplied by (y) the Make Whole Tax Rate, plus (ii) an amount equal to the combined Federal, applicable state and local income taxes (calculated using the Make Whole Tax Rate) imposed on such Protected Partner as a result of the receipt by such Protected Partner of a payment under Section 2.2 (the "Transfer Gross Up Amount"); and

(b) with respect to any Guaranty Partner that recognizes gain as a result of a breach by the Operating Partnership of the provisions of Section 2.4 hereof, the sum of (i) the product of (x) the income and gain recognized by such Guaranty Partner by reason of such breach, multiplied by (y) the Make Whole Tax Rate, plus (ii) an amount equal to the combined Federal, applicable state and local income taxes (calculated using the Make Whole Tax Rate) imposed on such Guaranty Partner as a result of the receipt by such Guaranty Partner of a payment under Section 2.4 (the "Debt Gross Up Amount").

For purposes of calculating the amount of Section 704(c) gain that is allocated to a Protected Partner, any "reverse Section 704(c) gain" allocated to such partner pursuant to Treasury Regulations § 1.704-3(a)(6) shall not be taken into account. The total amount of 704(c) gain and income taken into account for purpose of calculating the Make Whole Amount under the preceding clause (a) shall not exceed the initial Section 704(c) gain amount of the relevant Protected Partner as of the Closing Date (as set forth on Exhibit A), and the total amount of gain and income taken into account for purpose of calculating the Make Whole Amount under the preceding clause (b) shall not exceed the Required Liability Amount of the relevant Guaranty Partner as of the Closing Date (as set forth on Exhibit B).

Section 1.16 "Make Whole Tax Rate" means, with respect to a Protected Partner who is entitled to receive a payment under Section 2.2, and with respect to a Guaranty Partner who is entitled to receive payment under Section 2.4, the highest combined statutory Federal, state and local tax rate in respect of the income or gain that gave rise to such payment, taking into account the character of the income and gain in the hands of such Protected Partner or Guaranty Partner, as applicable (reduced, in the case of Federal taxes, assuming a full deduction is allowed for income taxes paid to a state or locality), for the taxable year in which the event that gave rise to such payment under Section 2.2 or Section 2.4 occurred.

Section 1.17 "OP Agreement" means the Agreement of Limited Partnership of Retail Opportunity Investments Partnership, L.P., as amended from time to time.

Section 1.18 "Partners' Representative" means Hollman Property Company and its successors or permitted assigns.

Section 1.19 "Pass Through Entity" means a partnership or grantor trust for U.S. Federal income tax purposes.

Section 1.20 "Permitted Disposition" means a sale, exchange or other disposition of OP Units (i) by a Protected Partner or Guaranty Partner: (a) to such Protected Partner's or Guaranty Partner's children, spouse or issue; (b) to a trust for such Protected Partner or Guaranty Partner or such Protected Partner's or Guaranty Partner's children, spouse or issue; (c) in the case of a trust which is a Protected Partner or Guaranty Partner, to its beneficiaries, or any of them, whether current or remainder beneficiaries; (d) to a revocable *inter vivos* trust of which such Protected Partner or Guaranty Partner is a trustee; (e) in the case of any partnership or limited liability company which is a Protected Partner or Guaranty Partner, to its partners or members; and/or (f) in the case of any corporation which is a Protected Partner or Guaranty Partner, to its shareholders, and (ii) by a party described in clauses (a), (b), (c) or (d) to a partnership, limited liability company or corporation of which the only partners, members or shareholders, as applicable, are parties described in clauses (a), (b), (c) or (d); *provided*, that for purposes of the definition of Tax Protection Period, such Protected Partner or Guaranty Partner shall be treated as continuing to own any OP Units which were subject to a Permitted Disposition unless and until there has been a sale, exchange or other disposition of such OP Units by a permitted transferee which is not another Permitted Disposition.

Section 1.21 "Person" means an individual or a corporation, partnership, trust, unincorporated organization, association, limited liability company or other entity.

Section 1.22 "<u>Protected Partner</u>" means: (i) each signatory on <u>Schedule I</u> attached hereto, as amended from time to time; (ii) any person who holds OP Units and who acquired such OP Units from another Protected Partner in a transaction in which such person's adjusted basis in such OP Units, as determined for Federal income tax purposes, is determined, in whole or in part, by reference to the adjusted basis of the other Protected Partner in such OP Units; and (iii) with respect to a Protected Partner that is Pass Through Entity, and solely for purposes of computing the amount to be paid under Section 2.2 with respect to such Protected Partner, any person who (y) holds an interest in such Protected Partner, either directly or through one or more Pass Through Entities, and (z) is required to include all or a portion of the income of such Protected Partner in its own gross income.

Section 1.23 "<u>Protected Property</u>" means (x) that certain project commonly known as Magnolia in the City of Santa Barbara, County of Santa Barbara, State of California, with street address of 5186 Hollister Avenue, and related personal property, and any property acquired in Exchange for the Protected Property as set forth in Section 2.1(b) and (y) that certain project commonly known as Casitas in the City of Santa Barbara, County of Santa Barbara, State of California, with street address of 5412 Carpinteria Avenue, and related personal property related personal property, and any property acquired in Exchange for the Protected Property as set forth in Section 2.1(b).

Section 1.24 "Qualified Liability" means either:

(a)	A direct or indirect liability of the Operating Partnership (or of an entity whose separate existence from the
Operating Partnership is disregarded for Federa	l income tax purposes) with respect to which all of the following requirements are satisfied:

(i) the liability is secured by real property or other assets (the "Collateral") owned directly or indirectly by the Operating Partnership (or by an entity whose separate existence from the Operating Partnership is disregarded for Federal income tax purposes);

(ii) on the date on which the Operating Partnership designated such liability as a Qualified Liability, the fair market value (as reasonably determined in good faith by the Operating Partnership) of the Collateral was at least 1.5 times the outstanding principal amount (and any accrued and unpaid interest) of the liability and any other Qualified Liabilities secured by such Collateral at such time, *provided* that if interest on such liability is not required to be paid at least annually or if the documents evidencing such liability permit the borrower to borrow additional amounts that are secured by the Collateral, the outstanding principal amount of such liability shall include the maximum amount that could be so added to the principal amount of such liability without a default;

(iii) no other person has executed any guaranties with respect to such liability other than: (A) guaranties by the Guaranty Partners under this Agreement or by partners in the Operating Partnership who have rights similar to Guaranty Partners under any other tax protection agreement entered into by the REIT or the Operating Partnership; (B) guaranties by Affiliates of the Operating Partnership, provided that each applicable Guaranty Partner indemnifies each such Affiliate against any liability of such Affiliate (to the extent such liability does not exceed such Guaranty Partner's Required Liability Amount) arising solely from the existence or performance of such guaranty; and (C) recourse carve out guaranties (*i.e.*, bad-boy guaranties); and

(iv) the Collateral does not provide security for another liability (other than another Qualified Liability) that ranks senior to, or *pari passu* with, the liability described in clause (i) above.

For purposes of determining whether clause (ii) has been satisfied in situations where one or more potential Qualified Liabilities are secured by more than one item of Collateral, the Operating Partnership shall allocate such liabilities among such items of Collateral in proportion to their relative fair market values (as reasonably determined in good faith by the Operating Partnership);

(b) A direct liability of the Operating Partnership that:

(i) is not secured by any of the assets of the Operating Partnership and is a general, recourse obligation of the Operating Partnership, and

(ii) is not provided by a lender that has an interest in the Operating Partnership or is related to the Operating Partnership within the meaning of Section 465(b)(3)(C) or the Code; or

- (c) Any other indebtedness approved by the Partners' Representative (or its successor or designee) in its sole and absolute discretion.
- (d) Notwithstanding any other provision in this Agreement to the contrary, the parties hereby agree that as of the date hereof each of (i) the loan from Minnesota Life Insurance Company secured by the Casitas Plaza Shopping Center and (ii) the loan from The Variable Annuity Life Insurance Company secured by the Magnolia Shopping Center, each of which are intended to be assumed by the Operating Partnership in connection with the acquisition of the Protected Property, shall constitute a Qualified Liability.
- Section 1.25 "Required Liability Amount" means, with respect to each Guaranty Partner, such Guaranty Partner's estimated "negative tax capital account" as of the Closing Date, as set forth on Exhibit B hereto for each such Guaranty Partner.
 - Section 1.26 "Section 2.4 Notice" has the meaning set forth in Section 2.4(c).
- Section 1.27 "<u>Tax Protection Period</u>" means, ten (10) years; *provided, however*, that such period shall end with respect to any Protected Partner or Guaranty Partner to the extent that such Partner owns less than fifty percent (50%) of the OP Units originally owned by the Protected Partner or Guaranty Partner as of the Closing Date, disregarding the sale, exchange or other disposition of any such OP Units sold, exchanged or otherwise disposed of by the Protected Partner or Guaranty Partner in a Permitted Disposition.
 - Section 1.28 "Tax Protection Period Transfer" has the meaning set forth in Section 2.1(a) of this Agreement.
 - Section 1.29 "Transfer" means any direct or indirect sale, exchange, transfer or other disposition, whether voluntary or involuntary.
- Section 1.30 "<u>Treasury Regulations</u>" means the income tax regulations under the Code, whether such regulations are in proposed, temporary or final form, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

ARTICLE II - TAX PROTECTIONS

Section 2.1 Taxable Transfers.

(a) Unless the Partners' Representative expressly consents in writing to a Tax Protection Period Transfer, during the Tax Protection Period, the Operating Partnership shall indemnify the Protected Partners as set forth in Section 2.2 if the Operating Partnership or any entity in which the Operating Partnership holds a direct or indirect interest shall cause or permit: (i) any Transfer of all or any portion of the Protected Property (including any interest in the Protected Property or in any entity owning, directly or indirectly, an interest in the Protected Property, other than the Operating Partnership) in a transaction that results in the recognition of taxable income or gain by any Protected Partner under Section 704(c) of the Code with respect to the Protected Property (such a Transfer or Fundamental Transaction, a "<u>Tax Protection Period Transfer</u>").

(b) Section 2.1(a) shall not apply to any Tax Protection Period Transfer of the Protected Property (including any interest therein or in the entity owning, directly or indirectly, the Protected Property): (i) in a transaction in which no gain is required to be recognized by a Protected Partner (an "Exchange"), including a transaction qualifying under Section 1031, Section 1033 or Section 721 (or any successor statutes) of the Code; provided, however, that any property acquired by the Operating Partnership in the Exchange shall remain subject to the provisions of this Article II in place of the exchanged Protected Property for the remainder of the Tax Protection Period; (ii) as a result of the condemnation or other taking of the Protected Property by a governmental entity in an eminent domain proceeding or otherwise, provided that the Operating Partnership shall use commercially reasonable efforts to structure such disposition as either a tax-free like-kind exchange under Section 1031 or a tax-free reinvestment of proceeds under Section 1033, provided that in no event shall the Operating Partnership be obligated to acquire or invest in any property that it otherwise would not have acquired or invested in.

Section 2.2 Indemnification for Taxable Transfers.

- (a) In the event of a Tax Protection Period Transfer described in Section 2.1(a), each Protected Partner shall receive from the Operating Partnership an amount of cash equal to the Make Whole Amount applicable to such Tax Protection Period Transfer. Any Make Whole Payments required under this Section 2.2(a) shall be made to each Protected Partner on or before April 15 of the year following the year in which the Tax Protection Period Transfer took place; *provided that*, if the Protected Partner is required to make estimated tax payments that would include such gain, the Operating Partnership shall make payment to such Protected Partner on or before the due date for such estimated tax payment and such payment from the Operating Partnership shall be in an amount that corresponds to the estimated tax being paid by the Protected Partner at such time.
- (b) Notwithstanding any provision of this Agreement to the contrary, the sole and exclusive rights and remedies of any Protected Partner under Section 2.1(a) shall be a claim against the Operating Partnership for the Make Whole Amount as set forth in this Section 2.2, and no Protected Partner shall be entitled to pursue a claim for specific performance of the covenants set forth in Section 2.1(a) or bring a claim against any person that acquires the Protected Property from the Operating Partnership in violation of Section 2.1(a).
- Section 2.3 <u>Section 704(c)</u> Gains. The initial amount of Section 704(c) gain allocable to each Protected Partner as of the Closing Date is set forth on <u>Exhibit A</u> hereto. The parties acknowledge that the initial amount of such Section 704(c) gain may be adjusted over time as required by Section 704(c) of the Code and the Regulations promulgated thereunder.

Section 2.4 Debt Maintenance and Allocation.

(a) During the Tax Protection Period, the Operating Partnership shall: maintain on a continuous basis an amount of Qualified Liabilities at least equal to the Required Liability Amount. For the avoidance of doubt, and notwithstanding any other provision of this Agreement, the Operating Partnership shall not be required to maintain any amount of Qualified Liabilities in excess of the aggregate Required Liability Amount of all Guaranty Partners.

(b) (a	i) At the Closing Date and during the Tax Protection Period as described in Section 2.4(c), the Operating
Partnership shall provide each Guaranty Partner wa	ith the opportunity to execute a guaranty, substantially in the form attached hereto as Exhibit C or otherwise
in a form and manner that is reasonably acceptable	e to each of the Partners' Representative and the Operating Partnership, of one or more Qualified Liabilities
that are Guaranty Permissible Liabilities in an amo	ount up to such Guaranty Partner's Required Liability Amount (each such opportunity and each opportunity
required by Section 2.4(c), a "Guaranty Opportun	ity"); provided, however, that the aggregate amount of all guaranties required to be made available by the
Operating Partnership for execution by all Guar	anty Partners need not exceed the aggregate Required Liability Amount of all Guaranty Partners. The
Operating Partnership shall have the discretion to	identify the Qualified Liability or Qualified Liabilities that shall be made available for guaranty by each
Guaranty Partner. Each Guaranty Partner and its	indirect owners may allocate the Guaranty Opportunity afforded to such Guaranty Partner in any manner
they choose. The Operating Partnership agrees to	file its tax returns allocating any debt subject to a Guaranty to the applicable Guaranty Partners; provided
that the Operating Partnership shall not be require	red to make such allocations to the extent it determines in good faith that there may not be "substantial
authority" (within the meaning of Section 6662(d)	(2)(B)(i) of the Code) for such allocations and so notifies the Guaranty Partner. Each Guaranty Partner shall
bear the costs incurred by it in connection with the	e execution of any guaranty to which it is a party. To the extent a Guaranty Partner executes a guaranty, the
Guaranty Partner and the Operating Partnership sh	all jointly deliver a copy of such guaranty to the lender under the Guaranteed Liability.

(c) During the Tax Protection Period, the Operating Partnership shall not allow a Debt Notification Event to occur unless the Operating Partnership provides at least thirty (30) days' written notice (a "Section 2.4 Notice") to each Guaranty Partner that may be affected thereby. The Section 2.4 Notice shall describe the Debt Notification Event and designate one or more Qualified Liabilities that may be guaranteed by the Guaranty Partners pursuant to Section 2.4(b) of this Agreement in an amount equal to the amount of the refinanced or repaid Qualifying Debt that was guaranteed by such Guaranty Partner immediately prior to the date of the refinancing or repayment. Any Guaranty Partner that desires to execute a guaranty following the receipt of a Section 2.4 Notice shall provide the Operating Partnership with notice thereof within fifteen (15) days after the date of the Section 2.4 Notice.

(d) Provided the Operating Partnership satisfies its obligations under Section 2.4(a), (b) and (c) of this Agreement, it shall have no liability under Section 2.4(e) for breach of Section 2.4, whether or not such Guaranty Partner accepts such Guaranty Opportunity. In the event a Guaranty Partner does not accept a Guaranty Opportunity, such person shall no longer be a Guaranty Partner and shall have no further rights to be offered subsequent Guaranty Opportunities. Furthermore, the Operating Partnership makes no representation or warranty to any Guaranty Partner concerning the treatment or effect of any guaranty under Federal, state, local, or foreign Tax law, and bears no responsibility for any Tax liability of any Guaranty Partner or Affiliate thereof that is attributable to a reallocation, by a taxing authority, of debt subject to a guaranty (other than an act or omission that is indemnifiable under Section 2.4(e) of this Agreement).

- (e) If the Operating Partnership shall fail to comply with any provision of this Section 2.4, the Operating Partnership shall pay a Make Whole Payment to each Guaranty Partner who recognizes income or gain as a result of such failure equal to the estimated Make Whole Amount applicable to such failure. Any Make Whole Payments required under this Section 2.4(e) shall be made to each Guaranty Partner on or before March 15 of the year following the year in which such failure took place; provided that, if the Guaranty Partner is required to make estimated tax payments that would include such gain, the Operating Partnership shall make payment to such Guaranty Partner on or before the due date for such estimated tax payment and such payment from the Operating Partnership shall be in an amount that corresponds to the estimated tax being paid by the Guaranty Partner at such time.
- (f) Notwithstanding any provision of this Agreement to the contrary, the sole and exclusive rights and remedies of any Guaranty Partner for a breach or violation of the covenants set forth in Section 2.4 shall be a claim against the Operating Partnership for the Make Whole Amount as set forth in Section 2.4(e), and no Guaranty Partner shall be entitled to pursue a claim for specific performance of the covenants set forth in Section 2.4.
- Section 2.5 <u>Dispute Resolution</u>. Any controversy, dispute, or claim of any nature arising out of, in connection with, or in relation to the interpretation, performance, enforcement or breach of this Agreement (and any closing document executed in connection herewith) shall be governed by Section 18.13 of the Purchase Agreement.

ARTICLE III - GENERAL PROVISIONS

- Section 3.1 <u>Notices</u>. All notices, demands, declarations, consents, directions, approvals, instructions, requests and other communications required or permitted by the terms of this Agreement shall be given in the same manner as in the OP Agreement.
- Section 3.2 <u>Titles and Captions</u>. All Article or Section titles or captions in this Agreement are for convenience only. They shall not be deemed part of this Agreement and in no way define, limit, extend or describe the scope or intent of any provisions hereof. Except as specifically provided otherwise, references to "Articles" and "Sections" are to Articles and Sections of this Agreement.
- Section 3.3 <u>Pronouns and Plurals</u>. Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa.
- Section 3.4 <u>Further Action</u>. The parties shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement.

- Section 3.5 <u>Binding Effect</u>. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, administrators, successors, legal representatives and permitted assigns.
- Section 3.6 <u>Creditors</u>. Other than as expressly set forth herein, none of the provisions of this Agreement shall be for the benefit of, or shall be enforceable by, any creditor of the Operating Partnership.
- Section 3.7 <u>Waiver</u>. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach or any covenant, duty, agreement or condition. Notwithstanding the foregoing, upon written request by the Operating Partnership, the Protected Partner, in its sole discretion, may waive the payment of any damages that is otherwise payable to such Protected Partner pursuant to Article II hereof. Such a waiver shall be effective only if obtained in writing from the affected Protected Partner.
- Section 3.8 <u>Counterparts</u>. This Agreement may be executed in counterparts, all of which together shall constitute one agreement binding on all of the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart. Each party shall become bound by this Agreement immediately upon affixing its signature hereto.
- Section 3.9 <u>Applicable Law</u>. This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of California, without regard to the principles of conflicts of law.
- Section 3.10 <u>Invalidity of Provisions</u>. If any provision of this Agreement is or becomes invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of other remaining provisions contained herein shall not be affected thereby.
- Section 3.11 Entire Agreement. This Agreement contains the entire understanding and agreement among the Partners with respect to the subject matter hereof and amends, restates and supersedes the OP Agreement and any other prior written or oral understandings or agreements among them with respect thereto.
- Section 3.12 <u>No Rights as Stockholders</u>. Nothing contained in this Agreement shall be construed as conferring upon the holders of the OP Units any rights whatsoever as stockholders of the REIT, including, without limitation, any right to receive dividends or other distributions made to stockholders of the REIT or to vote or to consent or to receive notice as stockholders in respect of any meeting of stockholders for the election of directors of the REIT or any other matter.

Section 3.13 <u>Tax Advice and Cooperation</u>. Each party hereto acknowledges and agrees that it has not received and is not relying upon tax advice from any other party hereto, and that it has and will continue to consult its own tax advisors. Each party hereto agrees to cooperate to the extent reasonably requested by any other party in connection with the filing of any tax returns or any audit, litigation or other proceeding related to taxes associated with the matters described herein, such cooperation shall include the retention and, upon request, provision of records and information that are relevant to such matters, and making employees available on a mutually convenient basis to provide such additional information as may reasonably be requested.

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

REIT:

RETAIL OPPORTUNITY INVESTMENTS CORP.,

a Maryland corporation

By: /s/ Michael B. Haines

Name: Michael B. Haines
Title: Chief Financial Officer

OPERATING PARTNERSHIP:

RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP,

a Delaware limited partnership

By: Retail Opportunity Investments GP, LLC, a Delaware limited liability company, its general partner

> By: Retail Opportunity Investments Corp., a Maryland corporation, its sole member

By: /s/ Michael B. Haines
Name: Michael B. Haines
Title: Chief Financial Officer

[Signature Page to Tax Protection Agreement]

PROTECTED PARTNERS:

HOLLMAN PROPERTY COMPANY, a California corporation,

By: /s/ Robert R. Hollman Name: Robert R. Hollman

Title: President

[Signature Page to Tax Protection Agreement]

SCHEDULE I

PROTECTED PARTNERS

Hollman Property Company

SCHEDULE II

GUARANTY PARTNERS

Hollman Property Company

EXHIBIT A

ALLOCATIONS OF SECTION 704(c) GAIN

<u>Partners</u> Hollman Property Company Total 704c <u>Gain</u> \$56,735,372

EXHIBIT B

REQUIRED LIABILITY AMOUNT

<u>Guaranty Partners</u> Hollman Property Company Required Liability Amount \$10,838,775

EXHIBIT C

FORM OF GUARANTY

FORM OF GUARANTY AGREEMENT

THIS GUARANTY (this "Guaranty") is made as of $[\bullet]$, 2016, by and among the guarantors identified on Exhibit A attached hereto (collectively, the "Guarantors") and ROIC Magnolia Center, LLC, a Delaware limited liability company (the "Borrower") in favor of The Variable Annuity Life Insurance Company (the "Lender").

RECITALS

Pursuant to that certain Loan Agreement dated September 25, 2003, by and among Hollman Property Company and Lender (the "Loan Agreement"), the Lender made a loan to the Hollman Property Company in the original amount of \$[●] (the "Loan"), which Loan is secured by, among other collateral, a security interest in certain real property known as Magnolia Center, located at 5186 Hollister Avenue, City of Santa Barbara, Santa Barbara County, California, and related personal property (the foregoing, collectively, the "Property" and together with any other property securing the Loan, if any, the "Collateral"). The documents which evidence the Loan or the Collateral, including, without limitation, the Deed of Trust, are collectively referred to herein as the "Loan Documents." Effective as of the date hereof, the Loan has been assumed by Borrower.

In order to assure the Borrower's payment of its obligations under the Loan and the performance of the Borrower's obligations under the Loan Documents, the Guarantors are willing to guarantee a portion of the amounts due under the Loan on the terms set forth below.

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantors hereby agree as follows:

1. **Guaranty**.

(a) If (i) an event of a default which permits the Lender to accelerate the repayment of the obligations of the Borrower to the Lender secured by the Deed of Trust (collectively, the "Obligations") has occurred (such default and repayment obligation referred to hereinafter as a "Default"), and (ii) the Lender has accelerated the Loan as a result of such Default, then each Guarantor, severally and not jointly, absolutely and unconditionally guarantees and promises to pay directly to the Lender on behalf of the Borrower in lawful money of the United States of America an amount equal to such Guarantor's Guaranty Percentage (as defined below) of the Obligations; provided that no demand shall be made under this Guaranty for payment by any Guarantor as a result of a Default (x) until such time as the Lender shall have fully and completely exercised (and not waived) all rights, powers, and remedies it has with respect to foreclosure on the Property and pursued all of its available rights and remedies against other assets of the Borrower which secure the Loan, if any, and any recoveries from such actions have been applied to reduce the amount of the Obligations or (y) following the date any such Default is cured. Notwithstanding the foregoing, each Guarantor's maximum liability hereunder shall in no event be greater than the "Maximum Liability" listed opposite the Guarantor's name on Exhibit A attached hereto, and under no circumstances shall a Guarantor be obligated to pay an aggregate amount under this Guaranty in excess of such Guarantor's Maximum Liability. Each Guarantor's "Guaranty Percentage" shall equal the Guaranty Percentage listed opposite such Guarantor's name on Exhibit A attached hereto. The obligations of each Guarantor hereunder are separate and distinct from the obligations of any other Guarantor hereunder and are not joint and several.

Form of Guaranty Agreement

- (b) Notwithstanding any provision to the contrary in this Guaranty, no Guarantor shall have any obligation to make any payment pursuant to this Guaranty to the extent that the Default occurs as a result of, or in connection with "material uninsured damage" to the Property caused by an earthquake or act of war or terrorism. For purposes of this Guaranty, the term "material uninsured damage" shall refer to damage to the Property that is not compensated for by insurance and which is in an amount greater than twenty percent (20%) of the original principal amount of the Loan.
- 2. **Term of Guaranty**. This Guaranty, as well as all of the rights, duties, requirements and obligations created hereunder, shall expire and be of no further force or effect with respect to each Guarantor as of the earlier of (a) the date on which the Obligations under the Loan are satisfied in full, or (b) the Termination Date with respect to such Guarantor. The "Termination Date" with respect to a Guarantor shall be the effective date set forth in a written notice from such Guarantor to the Borrower and the Lender, stating that such Guarantor is terminating its obligations under this Guaranty, provided that (i) such date shall not be earlier than the earlier of (x) three (3) months after the date such Guarantor has disposed of all of its equity interest in Retail Opportunity Investments Partnership, LP, a Delaware limited Partnership (the "Operating Partnership") or (y) six (6) months after such Guarantor has given written notice to the Operating Partnership that he wishes to be released from his obligations under this Guaranty, and (ii) the fair market value of the Collateral (as reasonably determined by the Guarantor) exceeds the outstanding balance of the Obligations, including accrued and unpaid interest, as of the Termination Date. Notwithstanding the foregoing, the obligations of a Guarantor hereunder shall continue after the Termination Date with respect to such Guarantor to the extent of any claims that are attributable fully and solely to an event or action that occurred on or before the Termination Date with respect to such Guarantor.
- 3. **Remedies.** If a Guarantor fails to promptly perform his obligations under this Guaranty, the Lender may from time to time bring an action at law or in equity, or both, to compel such Guarantor to perform his obligations hereunder, and to collect in any such action compensation for all loss, cost, damage, injury and expense sustained or incurred by the Lender as a consequence of the failure of such Guarantor to perform his obligations together with interest thereon at the rate of interest applicable to the principal balance of the Loan.
- 4. Rights of the Lender. Without in any manner limiting the generality of the foregoing, the Borrower, the Lender, or any subsequent holder of the Loan or beneficiary of the Deed of Trust may, from time to time, without notice to or consent of the Guarantors, agree to any amendment, waiver, modification or alteration of the Loan or the Deed of Trust relating to the Borrower and its rights and obligations thereunder (including, without limitation, renewal, waiver or variation of the maturity of the indebtedness pursuant to the Loan, increase or reduction of the rate of interest payable under the Loan, release, substitution or addition of any guarantor or endorser and acceptance of any security for the Loan). The Loan may be extended one or more times without notice to or consent from the Guarantors, and the Guarantors shall remain at all times bound to its obligations under this Guaranty, notwithstanding such extensions.

Guarantors' General Waivers. Until the Obligations are paid in full, each Guarantor waives: (a) any defense now existing or hereafter arising based upon any legal disability or other defense of the Borrower, such Guarantor or any other guarantor or other Person (as defined below), or by reason of the cessation or limitation of the liability of the Borrower, such Guarantor or any other guarantor or other Person from any cause other than full payment and performance of all obligations due under the Loan Documents; (b) any defense based upon any lack of authority of the officers, directors, partners or agents acting or purporting to act on behalf of the Borrower or any other Person, or any defect in the formation of the Borrower or any other Person; (c) the unenforceability or invalidity of any security or guarantee or the lack of perfection or continuing perfection, or failure of priority of any security for the obligations guarantied hereunder; (d) subject to Section 1(a), any and all rights and defenses arising out of an election of remedies by the Lender, even though that election of remedies, such as a non-judicial foreclosure with respect to security for a guaranteed obligation, has destroyed such Guarantor's rights of subrogation and reimbursement against the principal by the operation of the laws of the State of California or otherwise (or any other comparable laws of any other State applicable to this Guaranty or the security for the Loan); (e) any defense based upon the Lender's failure to disclose to such Guarantor any information concerning Borrower's or any other Person's financial condition or any other circumstances bearing on the Borrower's or any other Person's ability to pay and perform all obligations due under the Loan or any of the other Loan Documents; (f) any failure by the Lender to give notice to the Borrower, such Guarantor or any other Person of the sale or other disposition of security held for the Loan, and any defect in notice given by the Lender in connection with any such sale or disposition of security held for the Loan; (g) any failure of the Lender to comply with applicable laws in connection with the sale or disposition of security held for the Loan, including, without limitation, any failure by the Lender to conduct a commercially reasonable sale or other disposition of such security; (h) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in any other respects more burdensome than that of a principal, or that reduces a surety's or guarantor's obligations in proportion to the principal's obligation; (i) any use of cash collateral under Section 363 of the Federal Bankruptcy Code; (j) any defense based upon the Lender's election, in any proceeding instituted under the Federal Bankruptcy Code, of the application of Section 1111(b)(2) of the Federal Bankruptcy Code or any successor statute; (k) any defense based upon any borrowing or any grant of a security interest under Section 364 of the Federal Bankruptcy Code; and (1) any defense based upon the application by the Borrower of the proceeds of the Loan for purposes other than the purposes represented by the Borrower to the Lender or intended or understood by the Lender or such Guarantor. Each Guarantor agrees that the payment and performance of all obligations due under the Loan or any of the other Loan Documents or any part thereof or other act which tolls any statute of limitations applicable to the Loan or the other Loan Documents shall similarly operate to toll the statute of limitations applicable to such Guarantor's liability hereunder. Without limiting the generality of the foregoing or any other provision hereof, and subject to the proviso in Section 1(a), each Guarantor further waives any and all rights and defenses that such Guarantor may have because the Borrower's debt is secured by real property; this means, among other things, that if the Lender forecloses on any real property collateral, including the Property, pledged by the Borrower, then the Lender may collect from such Guarantor in accordance with the terms of this Guaranty even if the Lender, by foreclosing on the real property collateral, has destroyed any right such Guarantor may have to collect from the Borrower. Subject to Section 1(a), the foregoing sentence is an unconditional and irrevocable waiver of any rights and defenses such Guarantor may have because the Borrower's debt is secured by real property. Without limiting the generality of the foregoing or any other provision hereof, until the Obligations are paid in full (and subject to the provisos set forth in Paragraph 6), and subject to the proviso in Section 1(a), each Guarantor expressly waives to the extent permitted by law any and all rights and defenses, including without limitation any rights of subrogation, reimbursement, indemnification and contribution, which might otherwise be available to such Guarantor under the laws of the State of California or any other jurisdiction to the extent the same are applicable to this Guaranty or the agreements, covenants or obligations of such Guarantor hereunder (or any other comparable laws of any other State applicable to this Guaranty or the security for the Loan).

6. <u>Waiver of Rights of Subrogation</u> . Subject to Section 1(a), this is a guarantee of payment and not of collection, and the obligations
the Guarantors hereunder shall be in addition to and shall not limit or in any way affect the obligations of the Guarantors under any other existing or futu
guaranties unless said other guaranties are expressly modified or revoked in writing. Each Guarantor expressly waives any and all rights of subrogatio
reimbursement, indemnity, exoneration, contribution or any other claim which such Guarantor may now or hereafter have against the Borrower or any oth
Person directly or contingently liable for the payment or performance of the Loan or Deed of Trust (including, without limitation, any property collateralizing
the Obligations), arising solely from the existence or performance of this Guaranty. Each Guarantor further agrees that it will not enter into any agreeme
providing, directly or indirectly, for contribution, reimbursement or repayment by the Borrower or any other Person on account of any payment by su
Guarantor and further agrees that any such agreement, whether existing or hereafter entered into, would be void. In furtherance, and not in limitation, of the
preceding waiver, each Guarantor, the Borrower and the Operating Partnership by their acceptance hereof agree that (i) any payment to the Lender or a
Indemnified Party by such Guarantor pursuant to this Guaranty shall be treated as a contribution by such Guarantor to the capital of the Operating Partnershi
followed by a contribution of such capital to the Borrower, or, if the Operating Partnership owns Borrower through one or more entities, as a contribution l
the Operating Partnership to the Capital of Borrower through successive contributions through each such entity, and any such payment shall not cause such
Guarantor to be a creditor of the Operating Partnership, the Borrower or any partner or affiliate thereof, and (ii) such Guarantor shall not be entitled to, at
shall not receive, the return of any such capital contribution or receive any consideration in exchange therefor (including, but not limited to, any distribution
from the Operating Partnership with respect to such contribution or interests or units in the Operating Partnership).

7.	Unsecured Obligations .	This Guaranty	is not secured a	and shall not be	deemed to	be secured b	y any security	instrument u	nless such
security instrument e	xpressly recites that it secure	es this Guaranty	. Notwithstandi	ng the foregoing	g, in no ever	nt shall the D	eed of Trust se	cure this Gua	aranty.

- 8. <u>Understanding With Respect to Waivers</u>. Each Guarantor warrants and agrees that each of the waivers set forth in this Guaranty are made with such Guarantor's full knowledge of their significance and consequences, and that under the circumstances the waivers are reasonable and not contrary to public policy or law. If any of said waivers shall hereafter be determined by a court of competent jurisdiction to be contrary to any applicable law or against public policy, such waivers shall be effective only to the maximum extent permitted by law.
- 9. **Rules of Construction**. The term "Borrower" as used herein shall include the Borrower and any other Person at any time assuming or otherwise becoming primarily liable for all or any part of the obligations of the Borrower under the Loan or any of the other Loan Documents. The term "Person" as used herein shall include any individual, corporation, partnership, limited liability company, trust or other legal entity of any kind whatsoever. When the context and construction so require, all words used in the singular herein shall be deemed to have been used in the plural and vice versa. All headings appearing in this Guaranty are for convenience only and shall be disregarded in construing this Guaranty.
- 10. Governing Law. THIS GUARANTY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CALIFORNIA, EXCEPT TO THE EXTENT PREEMPTED BY FEDERAL LAWS. EACH GUARANTOR AND ALL PERSONS AND ENTITIES IN ANY MANNER OBLIGATED TO THE LENDER UNDER THIS GUARANTY CONSENT TO THE JURISDICTION OF ANY FEDERAL OR STATE COURT WITHIN THE STATE OF CALIFORNIA AND ALSO CONSENT TO SERVICE OF PROCESS BY ANY MEANS AUTHORIZED BY CALIFORNIA OR FEDERAL LAW (OR THE LAW OF ANY OTHER STATE APPLICABLE TO THIS GUARANTY OR THE SECURITY FOR THE LOAN).
 - 11. **Disclosure**. The Borrower shall furnish a copy of this Guaranty to the Lender at the closing of the Loan.
- 12. **No Assignment.** None of the parties shall be entitled to assign their rights or obligations under this Guaranty to any other Person without the written consent of the other parties.
- 13. **Entire Agreement.** The undersigned parties agree that this Guaranty contains the entire understanding and agreement between them with respect to the subject matter hereof and cannot be amended, modified or superseded, except by an agreement in writing signed by all of such parties in accordance with Paragraph 15.
- 14. <u>Notices</u>. All notices, demands, declarations, consents, directions, approvals, instructions, requests and other communications required or permitted by the terms of this Agreement shall be given in the same manner as in the partnership agreement of the Operating Partnership, as amended and restated from time to time.
- 15. **Amendments**. This Guaranty shall not be modified, amended or (except as expressly provided herein) terminated in a manner which is materially adverse to the Lender, the Borrower or any Indemnified Party without the written consent of such party.

16.	Miscellaneous. The provisions of this Guaranty shall bind and benefit, the heirs, executors, administrators, legal representative	es,
successors and assigns	s of each Guarantor, the Borrower, the Lender and the Indemnified Parties. If any provision of this Guaranty shall be determined by	y a
court of competent jur	risdiction to be invalid, illegal or unenforceable, that portion shall be deemed severed from this Guaranty and the remaining parts sh	ıall
remain in full force as	though the invalid, illegal or unenforceable portion had never been part of this Guaranty.	

- 17. <u>Counterparts</u>. This Guaranty may be executed in counterparts (including by scan or facsimile) with the same effect as if all parties hereto had signed the same document. All such counterparts shall be deemed an original, shall be construed together and shall constitute one and the same instrument.
- 18. <u>Condition of the Borrower</u>. The Guarantors are not relying in any manner upon any representation or statement of the Lender or any other Person. Each Guarantor hereby represents and warrants that it is not relying upon or expecting the Lender to furnish to it any information now or hereafter in the Lender's possession concerning the same or any other matter. By executing this Guaranty, each Guarantor knowingly accepts the full range of risks encompassed within a contract of this type, which risks it acknowledges. The Guarantors shall have no right to require the Lender to obtain or disclose any information with respect to the Obligations, the financial condition or character of the Property, the Borrower's ability to pay or perform the Obligations, the existence or non-existence of any guaranties of all or any part of the Obligations, any action or non-action on the part of the Lender, the Borrower or any other Person, or any other matter, fact or occurrence whatsoever.

[Signature page follows]

IN WITNESS WHEREOF, the Guarantors have duly authorized and executed this Guaranty as of the date first above written.
GUARANTORS:
PROTECTED PARTNERS:
Hollman Property Company, a California corporation,

By:
Name:
Title:

[Signature Page to Guaranty Agreement]

BORROWER:

ROIC Magnolia Center, LLC,

a Delaware limited liability company,

By: Retail Opportunity Investments Partnership, LP,

a Delaware limited partnership,

its sole member

By: Retail Opportunity Investments GP, LLC,

a Delaware limited liability company,

its general partner

By: Retail Opportunity Investments Corp.,

a Maryland corporation,

its sole member

By:

Name: Michael B. Haines
Title: Chief Financial Officer

[Signature Page to Guaranty Agreement]

Exhibit A

<u>Guarantors</u>	Maximum Liability	<u>Current Guaranty</u> <u>Percentage</u>
Hollman Property Company	\$[●]	100.00%
Total	\$[•] \$[•]	100.00%
1 – EXHIBIT A		

- 1 -

FIFTH AMENDMENT

TO

SECOND AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP

OF

RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP

This Fifth Amendment (this "Amendment") to the Partnership Agreement (as defined below) of Retail Opportunity Investments Partnership, LP, a Delaware limited partnership (the "Partnership"), is made and entered as of March 10, 2016 by Retail Opportunity Investments GP, LLC, a Delaware limited liability company, which is the sole general partner of the Partnership (the "General Partner").

WHEREAS, an Amendment to the Certificate of Limited Partnership of the Partnership was filed in the office of the Secretary of State of the State of Delaware on January 5, 2010;

WHEREAS, the General Partner and the limited partners of the Partnership entered into an Agreement of Limited Partnership of the Partnership, dated as of January 5, 2010, pursuant to which the Partnership was formed;

WHEREAS, the General Partner and the limited partners of the Partnership entered into the Second Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of September 27, 2013, as amended on December 11, 2014, and as further amended on December 4, 2015, December 10, 2015 and December 31, 2015 (the "Partnership Agreement");

WHEREAS, capitalized terms used but not defined herein shall have the meanings ascribed to them in the Partnership Agreement.

WHEREAS, pursuant to the terms and provisions of that certain Purchase and Sale Agreement dated December 4, 2015, by and among Retail Opportunity Investments Corp., a Maryland corporation (the "REIT"), the Partnership, and the Seller (as defined therein) (the "Purchase Agreement"), the Partnership, or its assignee, intends to purchase the real property and improvements commonly known as Casitas Plaza Shopping Center, located at 5412 Carpinteria Avenue, City of Carpinteria, Santa Barbara County, California and Magnolia Center located at 5186 Hollister Avenue, City of Santa Barbara, Santa Barbara County, California (the "Property") from the Seller;

WHEREAS, in connection with the Purchase Agreement, the REIT and the Partnership entered into a Contribution Agreement, dated the date hereof, with the Seller (as defined therein, the "Contributor")), and the Partnership shall issue OP Units, to pay the Purchase Price (as defined in the Purchase Agreement) for the Property, to the Contributor in exchange for the Property in accordance with the terms of the Purchase Agreement;

WHEREAS, pursuant to Section 4.03(a) of the Partnership Agreement, the General Partner has the power, without the prior consent of the Limited Partners (as defined in the Partnership Agreement), to cause the Partnership to issue additional Partnership Interests, in the form of Partnership Units (which includes OP Units), on such terms and conditions as shall be established by the General Partner in it sole and absolute discretion, in accordance with the Partnership Agreement; and

WHEREAS, pursuant to Sections 4.03(a) and 7.03(c) of the Partnership Agreement, the General Partner has the power, without the prior consent of the Limited Partners, to amend the Partnership Agreement to reflect any change in ownership of Partnership Interests, and the General Partner has determined that it is necessary and desirable to amend the Partnership Agreement, including any exhibits or schedules thereto, in order to reflect such changes.

NOW, THEREFORE, the General Partner desires to effect this Amendment to the Partnership Agreement as provided herein:

- 1. <u>Exhibit A</u>. Exhibit A to the Partnership Agreement is hereby amended and restated in its entirety as set forth in <u>Schedule A</u> hereto.
- 2. <u>Partnership Agreement</u>. Except as set forth herein, the Partnership Agreement shall remain in full force and effect.
- 3. <u>Governing Law.</u> This Amendment shall be governed by, and construed in accordance with, the laws of the State of Delaware.

[The remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF, this Fifth Amendment to the Partnership Agreement has been executed as of the date first written above.

GENERAL PARTNER:

RETAIL OPPORTUNITY INVESTMENTS GP, LLC,

a Delaware limited liability company

By: Retail Opportunity Investments Corp., a Maryland corporation, its sole member

> By: <u>/s/ Michael B. Haines</u> Name: Michael B. Haines Title: Chief Financial Officer

SCHEDULE A

PARTNERS AND PARTNERSHIP UNITS

As of March 10, 2016

Name of Partner	Partnership Units (Amount)	Type	Address
General Partner:			
Retail Opportunity Investments GP, LLC	1,121,742	1,121,742 OP Units	
Limited Partners:			
Retail Opportunity Investments Corp.	98,250,832	OP Units	8905 Towne Centre Drive, Suite 108, San Diego, California 92122 Attention: Chief Financial Officer Facsimile No.: (858) 408-3810
Abby Sher	23,986	OP Units	15935 Alcima Ave. Pacific Palisades, CA 90272
Ari Blum	14,290	OP Units	68 Madrone Avenue Larkspur, CA 94939
Blum Family Trust	48,010	OP Units	c/o Rawson, Blum & Co. 505 Sansome Street, Suite 450 San Francisco, CA 94111
Blum Irrev. Trust, The Joseph	4,602	OP Units	c/o Rawson, Blum & Co. 505 Sansome Street, Suite 450 San Francisco, CA 94111
Circe Sher	14,919	OP Units	681 So. Fitch Mountain Road Healdsburg, CA 95448
Clahan Revocable Trust	46,840	OP Units	c/o Eugene Clahan 16 Meadow Avenue Kentfield, CA 94904
Justin Sher	14,371	OP Units	268 Bush Street, #3133 San Francisco, CA 94104

Partner	Partnership Units (Amount)	Туре	Addre
Lacey Sher	11,850	OP Units	10500 NE 8th St, Suite 850 Bellevue, WA 98004
Morgan Blum	14,290	OP Units	3678 23 rd Street San Francisco, CA 94110
Nigel Sher	10,889	OP Units	10500 NE 8th St, Suite 850 Bellevue, WA 98004
Rachel Sher	8,295	OP Units	10500 NE 8th St, Suite 850 Bellevue, WA 98004
Rawson, Blum & Co.	732	OP Units	c/o Rawson, Blum & Co. 505 Sansome Street, Suite 450 San Francisco, CA 94111
Rawson, Living Trust	79,562	OP Units	c/o David Rawson 2744 Green Street San Francisco, CA 94123
Rebecca Wellington	10,889	OP Units	2729 51 st Avenue SW Seattle, WA 98116
SARM Enterprises	566,499	OP Units	10500 NE 8th St, Suite 850 Bellevue, WA 98004
Sher GP, Inc.	4,196	OP Units	c/o Ronald Sher 10500 NE 8 th St., Suite 850 Bellevue, WA 98004
Sher, Merritt & Pamela Living Trust	128,632	OP Units	c/o Sher Partners 10500 NE 8 th St., Suite 850 Bellevue, WA 98004
Sher, Ronald	143,160	OP Units	10500 NE 8 th St., Suite 850 Bellevue, WA 98004
TCA Holdings LLC	1,581,813	OP Units	10500 NE 8 th St., Suite 850 Bellevue, WA 98004
Terranomics	2,209	OP Units	c/o Sher Partners 10500 NE 8 th St., Suite 850 Bellevue, WA 98004
Thomas Bomar	24,236	OP Units	71 Reed Ranch Road Tiburon, CA 94920
W&P Stewart Trust dated 9/13/11	2,813	OP Units	27482 Willowbank Road Davis, CA 95618

			33855 Van Duyn Road
WS Harrison, LLC	989,272	OP Units	Eugene, Oregon 97408

Partner	Partnership Units (Amount)	Туре	Addre
Donald F. Gaube	377,788	OP Units	287 Cross Road Alamo, CA 94507
Frank K. Boscow and Sue C. Boscow Revocable Trust U/A dated December 12, 1996	113,657	OP Units	287 Cross Road Alamo, CA 94507
2015 JSG Separate Property Trust dated as of November 24, 2015	20,254	OP Units	287 Cross Road Alamo, CA 94507
Thomas Boscow	20,254	OP Units	3411 Gold Nugget Way Placerville, CA 95667
LaFrance Family Trust dated January 6, 1993	150,503	OP Units	500 Fairview Blvd. Incline Village, NV 89451
Deborah DeDomenico	32,210	OP Units	13424 Chalk Hill Road Healdsburg, CA 95448
Dennis T. DeDomenico	32,210	OP Units	650 Alvarado Road Berkeley, CA 94705
Claudia DeDomenico	32,210	OP Units	82 Beach St. Belvedere, CA 94920
Lois M. DeDomenico QTIP Trust dated April 28, 1988	32,210	OP Units	2 Requa Place Piedmont, CA 94611
Donna Holpainen	32,210	OP Units	4727 W. Roberts Way Seattle, WA 98199
CDD&D Management, LLC	1,627	OP Units	650 Alvarado Road Berkeley, CA 94705
Cesped 1992 Family Trust dated February 26, 1992	65,065	OP Units	970 Wedge Court Incline Village, NV 89451
David E. Cesped	16,271	OP Units	13148 Freemanville Rd Milton, GA 30004
Vidano 2005 Family Trust	16,271	OP Units	784 Cordilleras Ave San Carlos, CA 94070
Holpainen Holdings, LLC	32,533	OP Units	Seattle, WA 98199
Sean Rhatigan & Ellen Rhatigan	16,267	OP Units	Alameda, CA 94501
Engstrom Family Trust dated May 21, 2004	32,556	OP Units	West Sacramento, CA 95691
Jim and Marsha Engstrom Family Revocable Trust Established May 1,2006	40,685	OP Units	837 Jefferson Blvd.

	West Sacramento, CA 95691

Partner	Partnership Units (Amount)	Туре	Addre
Eric A. Engstrom and Sheila Engstrom	40,685	OP Units	837 Jefferson Blvd. West Sacramento, CA 95691
Matthew K. Engstrom and Jennifer Engstrom	8,141	OP Units	837 Jefferson Blvd. West Sacramento, CA 95691
Richard A. Bruzzone	118,787	OP Units	892 Broadmoor Court Lafayette, CA 94549
Jay Sternoff	94,126 (SC Limited Participation) 305,911	OP Units	22440 NE Union Hill Road Redmond, WA 98053
Nancy Sternoff	117,658 188,253 (SC Limited Participation)	OP Units	1 Grand Army Plaza #11a Brooklyn, NY 11238
Richard Sternoff	289,017	OP Units	5320 Lansdowne Lane Mercer Island, WA 98040
Plaza International	4,393,064	OP Units	21777 Ventura Boulevard Woodland Hills, CA 91364
Hollman Property Company	2,434,833	OP Units	Hollman Property Company 315 Meigs Road, Suite 654 Santa Barbara, California 93109
TOTALS	112,174,185	OP Units	