PLEDGE AGREEMENT  
  
  
 PLEDGE AGREEMENT (the "Agreement") made as of this \_\_\_ day  
of \_\_\_\_\_\_\_, 1998 by and between Xxxxxx X. Xxxxx ("Pledgor") and Brandywine  
Operating Partnership, L.P., a Delaware limited partnership ("Pledgee"). Terms  
used herein as defined terms but not defined herein have the meanings assigned  
to them in that certain Contribution Agreement dated as of \_\_\_\_\_\_\_\_\_\_, 1998 by  
and between Pledgee and certain other persons signatory thereto, including  
Pledgor (the "Contribution Agreement").  
  
 WITNESSETH:  
  
 WHEREAS, on the date hereof, Pledgor is depositing with  
Pledgee, in pledge pursuant to this Agreement, 312,500 Class A Units of  
limited partner interest of Pledgee ("Pledged Class A Units").  
  
 NOW, THEREFORE, intending to be legally bound hereby, the  
parties hereto agree as follows:  
  
 1. Defined Terms. For purposes of this Agreement, the  
following terms shall have the meanings specified below.  
  
 "Average Closing Price" means, with respect to a  
particular date, the average of the closing prices per share of common shares  
of beneficial interest ("Common Shares") of Brandywine Realty Trust, as  
reported by the New York Stock Exchange (as published in The Wall Street  
Journal or, if not reported thereby, by another authoritative source), for the  
fifteen (15) consecutive trading days ending on the date immediately preceding  
such particular date.  
  
 "Collateral" means the Pledged Class A Units and any  
Common Shares for which they may have been redeemed. Pledged Class A Units and  
any Common Shares and any dividends or proceeds deriving therefrom shall cease  
to constitute Collateral at such time as any such Class A Units or Common  
Shares are released to Pledgee under Section 6 or to Pledgor under Section 7.  
  
 "Collateral Value" shall mean, as of any particular date,  
(i) in respect of Collateral consisting of Pledged Class A Units and Common  
Shares, the Average Closing Price as of such particular date multiplied by the  
number of Pledged Class A Units and Common Shares; (ii) in respect of cash,  
the amount of such cash; and (iii) in respect of Collateral consisting of  
property other than Pledged Class A Units, Common Shares or cash, if any, the  
fair market value thereof as determined in good faith by the Board of Trustees  
of Brandywine Realty Trust.  
  
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 "First Release Date" means the \_\_ day of \_\_\_\_, 1999.  
  
  
  
 "Second Release Date" means the \_\_ day of \_\_\_\_, 2000.  
  
 "Reserve" shall mean, as of any given date, the aggregate  
amount of bona fide claims for indemnity that have been asserted by Pledgee  
under the Contribution Agreement as of such date but that have not then been  
resolved.  
  
 2. Pledge; Grant of Security Interest. The Pledgor hereby  
grants and confirms to Pledgee a first pledge and security interest in the  
Collateral, as collateral security for any and all liability of Pledgor and  
the other Contributors to or in favor of Pledgee in respect of Liquidated  
Claims arising out of the indemnification provisions of the Contribution  
Agreement.  
  
 3. Transfer Powers. Pledgor hereby delivers to Pledgee, and  
Pledgee acknowledges receipt of, a certificate representing the Pledged Class  
A Units, with an undated unit transfer power covering such certificate, duly  
executed in blank by Pledgor. Such certificates and unit transfer power shall  
be held and released by Pledgee pursuant to the terms hereof.  
  
 4. Representations and Warranties. Pledgor represents and  
warrants that: (a) Pledgor has the power and authority and the legal right to  
grant the lien on the Collateral pursuant to this Agreement; (b) Pledgor is  
the record owner of, and has good and marketable title to, the Pledged Class A  
Units, free of any and all liens or options in favor of any other person,  
except the lien granted by this Agreement; (c) the lien granted and confirmed  
pursuant to this Agreement constitutes a valid, first priority lien on the  
Collateral, enforceable as such against all creditors of Pledgor and any  
persons purporting to purchase any Collateral from Pledgor; and (d) this  
Agreement constitutes the valid and binding obligations of Pledgor,  
enforceable against Pledgor in accordance with its terms, except as  
enforceability may be limited by applicable bankruptcy, insolvency,  
reorganization, moratorium, or similar rights of creditors generally and by  
general principles of equity, and the execution, delivery and performance of  
this Agreement does not violate any agreement or understanding to which  
Pledgor is a party or by which Pledgor is bound, or any applicable law, rule  
or regulation.  
  
 5. Covenants. Pledgor and Pledgee covenant and agree that  
from the date of this Agreement until such time as Pledgee no longer holds any  
remaining Collateral:  
  
 (a) If Pledgor shall, as a result of its ownership of the  
Pledged Class A Units or any proceeds thereof, become entitled to receive or  
shall receive any additional units of limited partner interest in Pledgee or  
Common Shares or any other property, as a result of any Unit or Common Share  
dividend, distribution or split, Pledgor shall immediately deliver the same to  
  
  
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Pledgee in the exact form received, duly endorsed by Pledgor to Pledgee, if  
required, together with a valid transfer power covering any certificates  
received, duly executed in blank by Pledgor to be held as part of the  
Collateral pursuant to this Agreement.  
  
 (b) Pledgor will not create, incur or permit to exist any  
lien or option in favor of, or any claim of any person with respect to, the  
Collateral, or any interest therein, except for the lien provided for by this  
Agreement. Pledgor will, at its expense, defend the right, title and interest  
of Pledgee in and to the Collateral against the claims and demands of all  
person.  
  
 (c) Pledgor agrees to pay, and to save Pledgee harmless  
from, any and all liability with respect to or resulting from any delay in  
paying any and all stamp, excise, sales or other taxes which may be payable or  
determined to be payable as a result of transactions contemplated by this  
Agreement.  
  
 (d) As to Collateral consisting of Pledged Class A Units  
and Common Shares, Pledgor shall be permitted to direct the voting with  
respect to any such Collateral, and, except as provided in subparagraph (a),  
to receive all distributions, dividends or other similar payments payable on  
any such Collateral for all periods prior to such time as Pledgee is entitled  
to such Collateral as provided herein in satisfaction of a payment obligation  
owing to it under the Contribution Agreement.  
  
 6. Procedures and Remedies.  
  
 (a) In the event Pledgee asserts that it is entitled to  
payment from Pledgor under the Contribution Agreement, concurrent with such  
assertion Pledgee shall deliver a written notice (the "Indemnification  
Notice") to Pledgor describing in reasonable detail the facts and  
circumstances giving rise to such indemnification obligation and the amount of  
the indemnification obligation. Any assertion by Pledgee of its entitlement to  
payment under the Contribution Agreement shall be subject to any applicable  
time limitations set forth in the Contribution Agreement. In the event that  
Pledgor does not dispute the validity or accuracy of Pledgee's assertion set  
forth in the Indemnification Notice by delivering to Pledgee a written notice  
(a "Dispute Notice") within twenty (20) days of its receipt of the  
Indemnification Notice, such claim shall be deemed a Liquidated Claim and  
Pledgee shall be deemed to be entitled to the payment described in the  
Indemnification Notice and to take the actions provided in Section 6. In the  
event that Pledgor delivers a Dispute Notice to Pledgee within twenty (20)  
days of its receipt of the Indemnification Notice, then the matter shall be  
resolved through arbitration in the manner provided in Section 29(b) of the  
Contribution Agreement unless Pledgor and Pledgee otherwise agree to a  
contrary approach to resolving the dispute.  
  
 (b) In the event that (i) Pledgor receives an  
Indemnification Notice and fails to timely deliver a Dispute Notice to the  
Pledgee and fails to make payment to the Pledgee in respect of the claimed  
indemnification obligation within thirty (30) days after receipt by it of an  
Indemnification Notice or (ii) it has been determined pursuant to the  
arbitration procedures set forth in Section 29(b) of the Contribution  
Agreement that the Pledgor has an indemnification obligation to the Pledgee  
under the Contribution Agreement, and if the Pledgor does not satisfy  
  
  
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such obligation within ten (10) days after the decision rendered pursuant to  
such arbitration procedures, then, in either event, the Pledgee's claim shall  
be deemed a "Liquidated Claim" and the Pledgee shall be deemed, without the  
payment of any further consideration or the taking of any further action by  
the Pledgor, to have acquired from the Pledgor such portion of the Collateral  
as shall be equal in value (based on the Collateral Value, as of the date of  
such deemed acquisition) to the amount set forth in the Indemnification Notice  
or, in the case of clause (ii), the amount determined as a result of the  
arbitration procedures set forth in Section 29(b) of the Contribution  
Agreement. In the event the Pledgee shall have acquired from the Pledgor any  
collateral pursuant to this Section 6, the Pledgee shall deliver written  
notice to the Pledgor within five (5) Business Days thereafter identifying the  
specific collateral acquired.  
  
 (c) The Pledgor shall have the right, in its sole  
discretion at any time and from time to time, to substitute cash (to be held  
in an escrow account and on such terms as the Pledgor and the Pledgee, acting  
in good faith, shall agree at the time of the first such substitution) for all  
or any portion of the Collateral and, in connection therewith, to have  
Collateral consisting of securities released from the pledge established  
hereby, so long as the total value of the Collateral released (based on the  
Collateral Value as of the date of the release) equals the amount of  
substituted cash.  
  
 7. Disposition of Collateral.  
  
 (a) Promptly, but in no event later than five (5) days,  
after the First Release Date, the Second Release Date, and any Interim Release  
Date (as defined below), Pledgee shall distribute to Pledgor that portion of  
the Collateral, if any, determined as respectively set forth in clauses (i),  
(ii) and (iii) below; provided that if the Collateral is comprised of  
different types of property, Pledgee shall release whatever mix of property  
comprising the Collateral that it elects.  
  
 (i) The value of Collateral, if any, to be released  
on the First Release Date shall be equal to "x" where "x" is calculated as  
follows:  
  
 x = [(0.5)(Collateral Value at the First Release Date)]  
 - (Reserve at the First Release Date)  
  
 (ii) The value of Collateral to be released on the  
Second Release Date, if any, shall be equal to "y" where "y" is calculated as  
follows:  
  
 y = [(1.0)(Collateral Value at the Second Release Date)]  
 - (Reserve at the Second Release Date)  
  
  
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 (iii) On any date (an "Interim Release Date") after  
the First Release Date on which Pledgee determines that the Reserve has  
decreased since Pledgee's most recent release of Collateral, or, if no such  
release has occurred, since the First Release Date, Pledgee shall release  
Collateral with a value equal to "z" where "z" is calculated as follows:  
  
 z = (Reserve at the time of the most recent - (Reserve at such Interim  
 release, or, if no such release has Release Date)  
 occurred, at the First Release Date)  
  
provided; however, that "z" will be capped such that, prior to the Second  
Release Date, Pledgee shall always be entitled to hold Collateral with a value  
equal to [(0.5)(Collateral Value at the First Release Date)] + (Reserve at  
such Interim Release Date), and on or after the Second Release Date, Pledgee  
shall be entitled to hold Collateral with a value equal to the Reserve at such  
Interim Release Date until such claim becomes a Liquidated Claim.  
  
 (b) This Agreement shall terminate on the later of  
the Second Release Date or the first day after the Second Release Date when  
all releases of Collateral to which Pledgor has become entitled pursuant to  
Section 7(a) have been made and either (i) the Reserve on such day is equal to  
zero, or (ii) the Collateral Value on such day is equal to zero (the  
"Termination Date"). Any remaining Collateral at the Termination Date shall be  
promptly released to Pledgor (the "Termination Date Release").  
  
 8. Further Assurances. Pledgor agrees to cooperate with  
Pledgee and to execute and deliver, or cause to be executed and delivered, all  
such other instruments and to take all such actions as Pledgee may reasonably  
request from time to time which shall be appropriate or necessary in Pledgee's  
judgment in order to carry out the provisions and purposes of this Agreement.  
  
 9. Miscellaneous.  
  
 (a) Indulgences, Etc. Neither the failure nor any  
delay on the part of Pledgee to exercise any right, remedy, power or privilege  
under this Agreement shall operate as a waiver thereof, nor shall any single  
or partial exercise of any right, remedy, power or privilege preclude any  
other or further exercise of the same or of any other right, remedy, power or  
privilege, nor shall any waiver of any right, remedy, power or privilege with  
respect to any occurrence be construed as a waiver of such right, remedy,  
power or privilege with respect to any other occurrence. No waiver shall be  
effective unless it is in writing and signed by the party asserted to have  
granted such waiver.  
  
  
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 (b) Controlling Law. This Agreement and all questions  
relating to its validity, interpretation, performance and enforcement  
(including, without limitation, provisions concerning limitations of actions),  
shall be governed by and construed in accordance with the laws of the State of  
Delaware, notwithstanding any conflict-of-laws doctrines of such state or  
other jurisdiction to the contrary, and without the aid of any canon, custom  
or rule of law requiring construction against the draftsman.  
  
 (c) Notices. All notices required or permitted  
hereunder shall be deemed given when delivered (personally or by recognized  
courier service such as Federal Express), or upon receipt by the party  
entitled to receive the notice two days after being sent by registered or  
certified mail, postage prepaid, addressed as follows or to such other address  
or addresses as may hereafter be furnished in writing by notice similarly  
given by one party to the other:  
  
 (i) If to Pledgor:  
  
 000 Xxxxxxx Xxxxxxxx  
 Xxxxxxx, Xxx Xxxx 00000  
 Attention: Xxxxxx X. Xxxxx  
  
 With a copy to:  
  
 Lazer, Aptheker, Xxxxxxx,  
 Xxxxxxx & Xxxxx, LLP  
 Melville Law Center  
 000 Xxx Xxxxxxx Xxxx  
 Xxxxxxxx, XX 00000-0000  
 Attention: Xxxxxx X. Xxxxxxxx, Esquire  
  
 (ii) If to Pledgee:  
  
 Brandywine Operating Partnership, L.P.  
 00 Xxxxxx Xxxxxxxxx, Xxxxx 000  
 Xxxxxxx Xxxxxx, XX 00000  
 Attention: Xxxxxx X. Xxxxxxx, President  
 and Chief Executive Officer  
  
 With a copy to:  
  
 Brandywine Realty Trust  
 00 Xxxxxx Xxxxxxxxx, Xxxxx 000  
 Xxxxxxx Xxxxxx, XX 00000  
 Attention: Xxxx X. Xxxxxxxx, Esquire  
 General Counsel  
  
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 (d) Binding Nature of Agreement; No Assignment. This  
Agreement shall be binding upon and inure to the benefit of the parties hereto  
and their respective successors and assigns.  
  
 (e) Settlement of Disputes. Any and all controversies  
of every kind and nature between the parties hereto shall be resolved in  
accordance with the provisions set forth in Section 29(b) of the Contribution  
Agreement.  
  
 (f) No Limitation. This Agreement and the security  
arrangements established hereby shall not limit any recourse Pledgee may have  
under any agreements entered into with Pledgor or Pledgor's affiliates or any  
other party to the Contribution Agreement.  
  
 (g) Provisions Separable. The provisions of this  
Agreement are independent of and separable from each other, and no provision  
shall be affected or rendered invalid or unenforceable by virtue of the fact  
that for any reason any other or others of them may be invalid or  
unenforceable in whole or in part.  
  
 (h) Entire Agreement. This Agreement, together with  
the Contribution Agreement, contains the entire understanding among the  
parties hereto with respect to the subject matter hereof, and supersedes all  
prior and contemporaneous agreements and understandings, inducements or  
conditions, express or implied, oral or written, except as herein contained.  
The express terms hereof control and supersede any course or performance  
and/or usage of the trade inconsistent with any of the terms hereof. This  
Agreement may not be modified or amended other than by agreement in writing.  
  
 (i) Section Headings. The section headings in this  
Agreement are for convenience only; they form no part of this Agreement and  
shall not affect its interpretation.  
  
  
  
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 (j) Execution in Counterparts. This Agreement may be  
executed in any number of counterparts, each of which shall be deemed to be an  
original as against any party whose signature appears thereon, and all of such  
shall together constitute one and the same instrument. This Agreement shall  
become binding when one or more counterparts hereof, individually or taken  
together, shall bear the signatures of all of the parties reflected hereon as  
the signatories. Execution of this Agreement may be delivered by fax  
transmission.  
  
  
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 IN WITNESS WHEREOF, the undersigned have caused this  
Agreement to be duly executed and delivered as of the date first above  
written.  
  
 PLEDGEE  
  
 BRANDYWINE OPERATING PARTNERSHIP, L.P.  
  
 By: BRANDYWINE REALTY TRUST, its  
 sole general partner  
  
  
 By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
 Name:  
 Title:  
  
  
  
 PLEDGOR  
  
  
  
 ---------------------------------  
 Xxxxxx X. Xxxxx  
  
  
  
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