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MEMORANDUM OF LEASE

Between

SMITH'S FOOD KING PROPERTIES, INC.,
a Utah corporation
1544 South Redwood Road
Salt Lake City, Utah 84104

and

SMITH'S MANAGEMENT CORP.,
a Utah corporation
1544 South Redwood Road
Salt Lake City, Utah 84104

REQUEST: **SOUTHERN UTAH TITLE**
BOOK 501 PAGE 653-659
FEE 5.00 ABS
1988 OCT 26 PM 4:44
DOCUMENT **339565**
HERBERT S. BENTLEY
WASHINGTON COUNTY RECORDER
BY [Signature]

This Lease has been assigned to and is subject to a security interest in favor of American General Life and Accident Insurance Company under that certain Assignment of Lease dated as of October 1, 1988, whose post office address is c/o American General Corporation, 2929 Allen Parkway, Houston, Texas 77019, Attention: Investments Department, and all subsequent registered holders of the Notes secured thereby.

The property secured is located in the County of Washington, State of Utah.

This Memorandum of Lease has been executed in three counterparts of which this is counterpart No. 1.

Retail Grocery and Drug Facility
(St. George, Utah)

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE, dated as of December 1, 1987, between SMITH'S FOOD KING PROPERTIES, INC., a Utah corporation (herein, together with any corporation succeeding thereto by consolidation, merger, or acquisition of its assets substantially as an entirety, called "Landlord"), having an address at 1544 South Redwood Road, Salt Lake City, Utah 84104, and SMITH'S MANAGEMENT CORP., a Utah corporation (herein, together with any corporation succeeding thereto by consolidation, merger or acquisition of its assets substantially as an entirety, called "Tenant"), having an address at 1544 South Redwood Road, Salt Lake City, Utah 84104.

WITNESSETH:

WHEREAS, Landlord and Tenant have entered into a lease dated as of the date hereof (herein called the "Lease Agreement," which Lease Agreement, together with this Memorandum of Lease, is herein called the "Lease"), whereby Landlord has let and demised to Tenant, for the Initial Term, Primary Term and Extended Term hereinafter described, the premises (herein called the "Premises") consisting of (i) the land described in Schedule A hereto, (ii) all buildings and other improvements thereon, and (iii) all easements, rights and appurtenances relating thereto; and Landlord has therein granted to Tenant certain rights and options to purchase the Premises and Tenant has undertaken to purchase the Premises under certain circumstances; and a copy of the Lease Agreement is being held by Tenant at its office at its address stated above; and

WHEREAS, Landlord and Tenant desire to enter into this Memorandum of Lease, which is to be recorded in order that third parties may have notice of the estate of Tenant in the Premises and of the Lease Agreement;

NOW, THEREFORE, in consideration of the rents and covenants provided for in the Lease Agreement to be paid and performed by Tenant, Landlord does hereby let and demise unto Tenant the Premises.

The Initial Term of this Lease shall commence on October 26, 1988 and shall end at midnight on October 31, 1988.

The Primary Term of this Lease shall commence on the expiration of the Initial Term and shall end at midnight on November 1, 2003.

Tenant is hereby given the option to extend the term of this Lease beyond the Primary Term for up to four consecutive Extended Terms of five years each, at the rentals and upon the terms and conditions set forth in the Lease Agreement. The Tenant shall exercise its option to extend the term of this Lease for one or more Extended Terms by giving notice thereof to Landlord not less than six months prior to the expiration of the then existing term. The entire term of this Lease shall not extend beyond midnight on November 1, 2023.

Tenant shall have the right during the term hereof to make additions to and alterations of the buildings and other improvements to the Premises and to construct upon the Premises additional buildings and other improvements and make substitutions therefor and replacements thereof, all as provided in the Lease Agreement.

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All the terms, conditions, provisions and covenants of the Lease Agreement are incorporated in this Memorandum of Lease by reference as though written out at length herein, and both the Lease Agreement and this Memorandum of Lease shall be deemed to constitute a single instrument or document.

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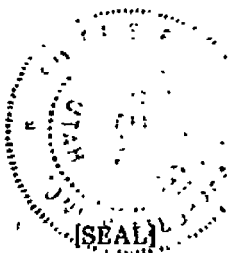
IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Lease to be signed and sealed as of the date first above written.

SMITH'S FOOD KING PROPERTIES, INC.

By

Richard D. Smith
Printed Name: RICHARD D. SMITH
Its _____ President

as LANDLORD



ATTEST:

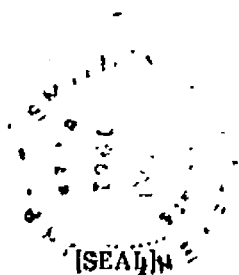
Thomas W. Lee
Printed Name: THOMAS W. LEE
Its _____ Secretary

SMITH'S MANAGEMENT CORP.

By

Richard D. Smith
Printed Name: RICHARD D. SMITH
Its _____ President

as TENANT



ATTEST:

Thomas W. Lee
Printed Name: THOMAS W. LEE
Its _____ Secretary

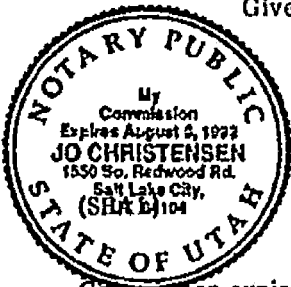
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STATE OF UTAH)
) SS
COUNTY OF SALT LAKE)

339565

I, Jo Christensen, a Notary Public in and for the County and State aforesaid, do hereby certify that Richard D. Smith and Thomas Welch, personally known to me to be the same persons whose names are respectively, as President and Secretary of SMITH'S FOOD KING PROPERTIES, INC., a Utah corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

Given under by hand and notarial seal this 24th day of October, 1988.



Commission expires:
8/6/92

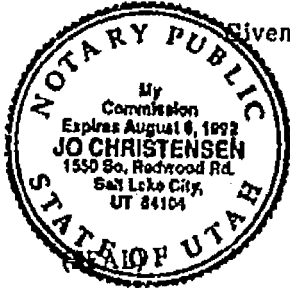
Jo Christensen
Notary Public
Printed Name: Jo Christensen

STATE OF UTAH)
) SS
COUNTY OF SALT LAKE)

339565

I, Jo Christensen, a Notary Public in and for the County and State aforesaid, do hereby certify that Richard D. Smith and Thomas Welch, personally known to me to be the same persons whose names are respectively, as President and Secretary of SMITH'S MANAGEMENT CORP., a Utah corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

Given under by hand and notarial seal this 24th day of October, 1988.



Jo Christensen
Notary Public
Printed Name: Jo Christensen

Commission expires:
8/6/92

Schedule A

339565

All of Block 21, Plat "A", Part of Block 22, Plat "A", part of vacated 400 West Street and vacated portions of Old Bluff Street, St. George City Survey:

BEGINNING at the Southeast Corner of Lot 2, Block 22, Plat "A", ST. GEORGE CITY SURVEY, and running thence North $0^{\circ}04'17''$ East 265.30 feet along the East line of Lots 2 and 3 to the Southeast corner of Lot 4 in said Block 22; thence North $89^{\circ}51'16''$ West 66.24 feet along the South line of said Lot 4; thence North $0^{\circ}04'34''$ East 124.70 feet; thence North $89^{\circ}55'26''$ West 105.00 feet; thence South $0^{\circ}04'34''$ West 25.00 feet; thence North $89^{\circ}55'26''$ West 163.69 feet; thence North $0^{\circ}05'19''$ East 165.95 feet to a point on the South line of St. George Boulevard being 70.00 feet North $89^{\circ}51'16''$ West from the Northwest Corner of Block 22; thence North $89^{\circ}51'16''$ West 445.96 feet along the South line of St. George Boulevard (also the North line of Block 21); thence South $24^{\circ}25'38''$ West 58.19 feet to the East line of the present alignment of Bluff Street being 60.00 feet perpendicularly distant Easterly from said Centerline; thence along the East line of present Bluff Street the following two courses: South $19^{\circ}52'35''$ East 189.28 feet to a point of curvature; and Southeasterly along the arc of a 1969.859 foot radius curve to the right a distance of 311.36 feet (Long Chord bears North $15^{\circ}20'50''$ West 311.04 feet) to the North line of Tabernacle Street; thence South $89^{\circ}51'16''$ East 657.55 feet along said North line (also the South line of Block 22) to the point of beginning. Contains 7.534 Acres, more or less.

TOGETHER WITH an Easement for Ingress and egress in, to, upon, over and under the following described property:

A Part of Lot 4, Block 22, Plat "A", ST. GEORGE CITY SURVEY, More particularly described as follows:

BEGINNING at the Southeast Corner of said Lot 4 and running thence North $89^{\circ}51'16''$ West 66.24 feet along the South line of said Lot 4 to the Southwest Corner of the East half of the East half of said Lot 4; thence North $0^{\circ}04'34''$ East 124.70 feet along the West line of said East Half of the East Half of Lot 4; thence South $89^{\circ}55'26''$ East 66.23 feet to the East line of said Lot 4; thence South $0^{\circ}04'17''$ West 124.78 feet along said East Lot line to the point of beginning.

ALSO TOGETHER with a joint Parking easement in, to, upon, over and under the following described property:

A Part of vacated 400 West Street, St. George City Survey, more particularly described as follows:

BEGINNING at a point 70.00 feet North $89^{\circ}51'16''$ West from the Northwest Corner of Lot 5, Block 22, Plat "A", ST. GEORGE CITY SURVEY, and running thence South $89^{\circ}51'16''$ East 30.00 feet; thence South $0^{\circ}05'19''$ West 165.91 feet; thence North $89^{\circ}55'26''$ West 30.00 feet thence North $0^{\circ}05'19''$ East 165.95 feet to the point of beginning.

Store No. 189

Location of Property: 20 North Bluff Street
St. George, Utah 84770