

10835162
 11/10/2009 9:06:00 AM \$14.00
 Book - 9778 Pg - 5447-5449
 Gary W. Ott
 Recorder, Salt Lake County, UT
 SCALLEY & READING BATES HANSEN
 BY: eCASH, DEPUTY - EF 3 P.

When recorded return to:

J. Bruce Reading (2700)
 SCALLEY READING BATES
 HANSEN & RASMUSSEN
 15 West South Temple, Suite 600
 Salt Lake City, Utah 84101

Parcel No. 15-01-227-008-0000

THIRD AMENDMENT TO RETAIL LEASE

This **THIRD AMENDMENT TO RETAIL LEASE** is entered into and made effective as of this 9th day of ~~October~~ **NOVEMBER**, 2009, by and between **UTAH WOOLEN MILLS**, a Utah corporation ("Utah Woolen Mills") and **CITY CREEK RESERVE, INC.** ("CCRI"), a Utah corporation, collectively, the "Parties."

RECITALS:

- A. CCRI, as lessor, and Utah Woolen Mills, as lessee, through themselves or their respective predecessors in interest, are parties to that certain Lease, dated April 29, 1978, as amended (the "Retail Lease"), covering portions of a commercial building located at 59 West South Temple, Salt Lake City, Utah (the "Retail Premises"). Utah Woolen Mills conducts a retail business on the Retail Premises;
- B. The Retail Lease was amended by that certain letter agreement dated April 12, 1984 between CCRI's predecessor in interest, as lessor, and Utah Woolen Mills, as lessee;
- C. The Retail Lease was again amended by that certain Agreement dated May 15, 1989 by CCRI's predecessor in interest, as lessor, and Utah Woolen Mills, as lessee;
- D. CCRI is the developer of a mixed-use real estate development (hereinafter the "City Creek Center Project") that will comprise portions of Block 75 and Block 76 in Salt Lake City, Utah. The City Creek Center Project includes (1) the property leased to CCRI under a ground lease with Utah Woolen Mills; and, (2) property on Block 76 adjacent to the Retail Premises;
- E. A dispute has arisen between the predecessor of CCRI, Property Reserve Inc., on the one hand, and Utah Woolen Mills, on the other, concerning their respective rights and obligations under the Retail Lease in light of the impending development of the City Creek Center Project;
- F. Utah Woolen Mills and the predecessor of CCRI resolved their dispute by entering into a confidential Settlement Agreement on February 2, 2007. Pursuant to that agreement, the Parties entered into an Amendment to Ground Lease effective December 17, 2008, which amendment was recorded with the Salt Lake County Recorder as Entry No. 10592631 on January 1, 2009; and
- G. As part of the resolution to the dispute between CCRI's predecessor and Utah Woolen Mills, the Parties have agreed to, among other things, amend the Retail Lease as specifically set forth herein.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Term and Extension Options.**

a. Within ninety (90) days of the date on which certificates of occupancy have been issued for at least eighty-five percent (85%) of the retail square footage of the City Creek Center Project (the "City Creek Center Project Opening"), CCRI shall notify Utah Woolen Mills in writing that the City Creek Center Project Opening has occurred. So long as Utah Woolen Mills is not in default under the Retail Lease as amended, commencing as of the date CCRI sends written notice to Utah Woolen Mills of the City Creek Center Project Opening (the "Opening Notice Date"), Utah Woolen Mills shall have the option, in its sole discretion, to extend the term of the Retail Lease for up to eight (8) separate and consecutive periods of ten (10) years each, subject to the provisions of the Retail Lease as amended (individually, an "Extension Option," collectively, the "Extension Options"); provided however, that the final Extension Option, if exercised, shall terminate on that date which is exactly eighty (80) years from the date of the City Creek Center Project Opening.

b. To exercise the initial Extension Option, Utah Woolen Mills shall notify CCRI in writing of its election to exercise the option on or before that date which is sixty (60) days following the Opening Notice Date. To exercise subsequent Extension Options, Utah Woolen Mills shall notify CCRI in writing of its election to exercise such Extension Option on or before that date which is sixty (60) days prior to the expiration of the then current terms of the Retail Lease as amended. If exercised, the Parties' rights and obligations during the Extension Options, including but not limited to rental increases, shall be governed by the terms of the Retail Lease as amended.

c. Notwithstanding the foregoing, should Utah Woolen Mills fail to notify CCRI in writing of its election to exercise an Extension Option on or before the deadlines set forth in the preceding paragraph, CCRI shall notify Utah Woolen Mills in writing of its failure to timely exercise an Extension Option (the "Extension Notice") and shall give Utah Woolen Mills thirty (30) days from the date of the Extension Notice in which to cure its failure to exercise the Extension Option by providing written notice of its election to exercise the option (the "Cure Period"). Should Utah Woolen Mills fail to notify CCRI in writing of its election to exercise the Extension Option before the end of the Cure Period, then the Retail Lease shall terminate as of the expiration of the then current term.

d. This paragraph 2 amends paragraph 23 of the Retail Lease.

2. **Notices.** All notices to be provided under the Retail Lease as amended shall be made as follows:

If to Utah Woolen Mills:

Notice to Utah Woolen Mills shall be sent by certified mail to Utah Woolen Mills, 59 West South Temple, Salt Lake City, Utah 84101.

If to CCRI:


Notice to CCRI shall be sent by certified mail to City Creek Reserve Inc., Joseph Smith Memorial Building, 8th Floor, Salt Lake City, Utah 84111.

3. **Construction and Enforceability.** This Third Amendment to Retail Lease shall not be deemed to modify or amend the Retail Lease except as herein specifically provided. The Retail Lease as previously amended and as amended hereby shall be deemed to remain in full force and effect and enforceable in accordance with its terms.

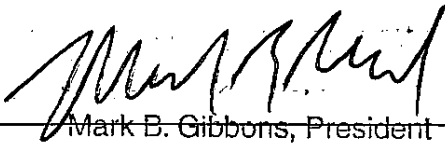
4. **Binding.** This Third Amendment to Retail Lease is and shall be binding upon and inure to the benefit of the parties hereto and their respective affiliates, successor and/or assigns.

IN WITNESS WHEREOF, this Third Amendment to Retail Lease has been executed as of the date and year first above written.

UTAH WOOLEN MILLS,
a Utah corporation

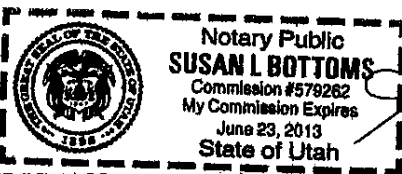

By: _____
Its: President


CITY CREEK RESERVE, INC.,
a Utah corporation


By: _____
Its: Mark B. Gibbons, President

STATE OF UTAH)
: ss
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 9th day of ~~October~~ ^{Nov}, 2009, by Bart Sprunghan, the President of Utah Woolen Mills, a Utah corporation, on behalf of Utah Woolen Mills.

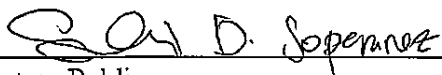
(SEAL)  Notary Public
SUSAN L. BOTTOMS
Commission #579262
My Commission Expires
June 23, 2013
State of Utah


Notary Public

STATE OF UTAH)
: ss
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 3rd day of ~~October~~ ^{November}, 2009, by Mark B. Gibbons, the President Of City Creek Reserve, Inc., a Utah corporation, on behalf of City Creek Reserve, Inc.

(SEAL)  SARAH D. SOPERANEZ
NOTARY PUBLIC - STATE OF UTAH
1821 W. VILLAGE PARK AVE.
SALT LAKE CITY, UT 84116
My Comm. Exp. 04/22/2012


Notary Public