

Recorded at the Request of
and When Recorded Return to:

LeBoeuf, Lamb, Leiby & MacRae
500 Kearns Building
136 South Main Street
Salt Lake City, Utah 84101
Attention: John R. Morris, Jr., Esq.

SECOND AMENDMENT
TO
COVENANTS FOR OPERATION,
MAINTENANCE AND RECIPROCAL EASEMENTS

THIS SECOND AMENDMENT TO COVENANTS FOR OPERATION, MAINTENANCE AND RECIPROCAL EASEMENTS made and entered into as of this 15th day of February, 1982, among ANGELO GASPARE, an individual (the "Developer"), CEDAR CITY, IRON COUNTY, UTAH, a municipal corporation and political subdivision under the laws of the State of Utah (the "City"), and SKAGGS COMPANIES, INC., a Delaware corporation (the "Lessee"), collectively referred to herein as the "Owners";

SECURITY TITLE COMPANY

W I T N E S S E T H: 13297-2-724
53-724

WHEREAS, the Developer and the City's predecessor-in-interest, Skaggs Properties, Inc., a Delaware corporation

235091

Recorded at
Request of LeBoeuf, Lamb, Leiby & MacRae
Date MAY 12 1982 Time 9 a.m.
Fee 11.00 Book 289 Page 932-939
By CORA J. HULET, IRON COUNTY RECORDER
Ret'd Indx'd Abst'd Proof

932

("Skaggs"), entered into certain Covenants for Operation, Maintenance and Reciprocal Easements dated June 5, 1981, as modified by the First Amendment to Covenants for Operation, Maintenance and Reciprocal Easements, dated September 18, 1981 (said Covenants, as modified, are hereinafter referred to as the "Agreement"), with respect to certain real property located to the Southeast of the intersection of South Main and Fir Streets, Cedar City, Iron County, Utah, and more fully described in the Agreement and in Exhibit "A" attached hereto; and

WHEREAS, Skaggs conveyed fee interest to its portion ("Parcel II") of said real property to the City, and the City leased Parcel II to Lessee, causing Lessee to become an "owner" of Parcel II for purposes of and as defined in Section 1.3 of the Agreement; and

WHEREAS, the Owners hereto desire to further amend and modify the Agreement;

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Owners hereto agree that the Agreement shall be and is hereby amended and modified as follows:

1. Section 9, Construction of Shops on Parcel III, is hereby amended by deleting the last sentence of the first paragraph.

2. Section 11.4, Enforcement, page 22, 12th line from top of page; insert after "recording of such lien", the words "and shall also be subordinate to each unrecorded lease that was executed and delivered prior to the recording of such lien,".

3. Except as expressly amended herein, all other terms, conditions and provisions of the Agreement are and shall remain in full force and effect.

IN WITNESS WHEREOF, the Owners hereto have executed this Second Amendment to Covenants for Operation, Maintenance and Reciprocal Easements as of the day and year first above mentioned.

#235091

933

ANGELO GASPARE

Angelo Gaspare

CEDAR CITY, IRON COUNTY, UTAH

Attest: Magueline Bullock By: Robert H. Ginn
Title: Recorder Title: Mayor

SKAGGS COMPANIES, INC.

Attest: Richard D. Dunlop By: Richard E. ...
Title: Asst. Sec. Title: Executive Vice President

Approved as to form
James, Waldo, Holbrook &
McDonough

[Signature]

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934

CONSENTS

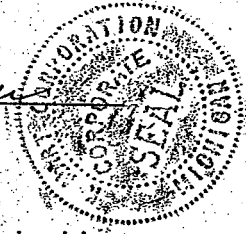
K mart Corporation, a Michigan corporation, hereby consents to the foregoing Second Amendment to Covenants for Operation, Maintenance and Reciprocal Easements.

1982. DATED this 6th day of May,

K MART CORPORATION

By: [Signature]
Vice President

Attest: [Signature]
Asst. Secty.



First Interstate Bank of Utah, a Utah banking institution, as Trustee, hereby consents to the foregoing Second Amendment to Covenants for Operation, Maintenance and Reciprocal Easements.

1982. DATED this 23rd day of March,

FIRST INTERSTATE BANK OF UTAH, as Trustee

By: [Signature]
Title: TRUST OFFICER

Attest: [Signature]
Title: Senior Vice-Pres. & Senior Trust Officer

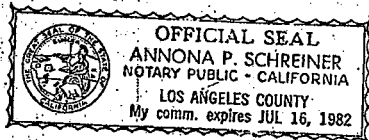
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935

ACKNOWLEDGEMENTS

STATE OF California)
COUNTY OF Los Angeles) :ss.

On the 3rd day of March 1982, personally appeared before me, Angelo Gaspare, the signer of the foregoing Second Amendment to Covenants for Operation, Maintenance and Reciprocal Easements, who being by me duly sworn, said and acknowledged to me that he executed the same for the purposes and consideration therein expressed.



Annona P. Schreiner
Notary Public in and for
Los Angeles County, California

My Commission Expires:

July 16, 1982

STATE OF UTAH)
COUNTY OF Iron) :ss.

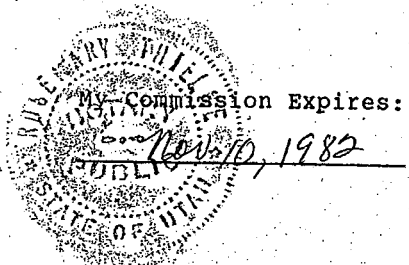
On the 4th day of April 1982, personally appeared before me Robert H. Lindford and Jacqueline Ballech, who being by me duly sworn did say, each for himself, that he is the Mayor and the Recorder, respectively, of Cedar City, Iron County, Utah, a municipal corporation and political subdivision under the laws of the State of Utah, and that the foregoing Second Amendment to Covenants for Operation, Maintenance and Reciprocal Easements was signed in behalf of said city by

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936

authority and each duly acknowledges to me that said city executed the same.

Rosemary Thielke
Notary Public in and for
Iron County, Utah

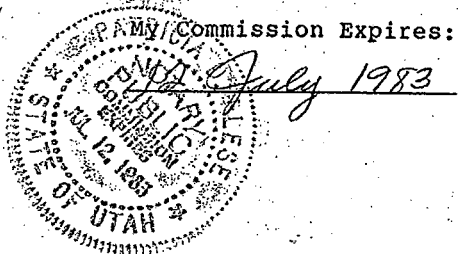


My Commission Expires:
Nov 10, 1982

STATE OF Utah)
 : ss.
COUNTY OR Salt Lake)

On the 22nd day of March, 1982, personally appeared before me Ralph E. Davis and Richard G. Dunlop, who being by me duly sworn did say, each for himself, that he is the Executive V.P. and the Asst. Secy., respectively, of Skaggs Companies, Inc., a Delaware corporation, and that the foregoing Second Amendment to Covenants for Operation, Maintenance and Reciprocal Easements was signed in behalf of said corporation by authority of its by-laws or a resolution of its board of directors and each duly acknowledged to me that said corporation executed the same.

Patricia J. Glase
Notary Public in and for
Salt Lake County, Utah



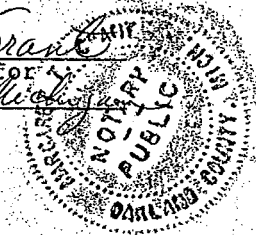
My Commission Expires:
July 1983

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937

STATE OF MICHIGAN)
:ss.
COUNTY OF OAKLAND)

On the 10th day of May, 1982 personally appeared before me J. P. Johnson and C. E. Lotzar, Jr., who being by me duly sworn did say, each for himself, that he is the Vice President and Assistant Secretary, respectively, of K mart Corporation, a Michigan corporation, and that the foregoing consent to the Second Amendment to Covenants for Operation, Maintenance and Reciprocal Easements was signed in behalf of said corporation by authority of its by-laws and each duly acknowledged to me that said corporation executed the same.

Margaret T. Grant
Notary Public in and for
Oakland County, Michigan



My Commission Expires:

MARGARET T. GRANT
Notary Public, Oakland County, Mich.
My Commission Expires May 29, 1985

STATE OF UTAH)
:ss.
COUNTY OF Salt Lake)

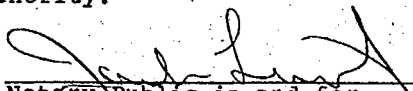
On the 13rd day of March, 1982, personally appeared before me J. H. Clark and George S. Moosman, who being by me duly sworn did say, each for himself, that he is the Treasurer and the Sec. Trust Officer, respectively, of First Interstate Bank of Utah, a Utah banking institution, and that the foregoing consent to the Second Amendment to Covenants for Operation, Maintenance and Reciprocal Easements was signed in behalf of said institution by authority of its by-laws or a resolution of its board of directors and each duly acknowledged to me

235091

938

-7-

that said bank executed the same in its capacity as trustee and pursuant to authority.


Notary Public in and for
Salt Lake County, Utah



My Commission Expires:

11-85

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939