

AFTER RECORDING RETURN TO:
Staples, Inc.
Attention: Real Estate Legal Department
500 Staples Drive
P.O. Box 9271
Framingham, MA 01701-9271

00494055 Bk00952 Pg00849-00857
PATSY CUTLER - IRON COUNTY RECORDER
2004 NOV 22 11:39 AM FEE \$31.00 BY PTC
REQUEST: STAPLES INC

MEMORANDUM OF LEASE

NOTICE is hereby given of the following described lease, as the same may be hereafter amended (the "Lease"), for the purpose of recording the same and giving notice of the existence of said Lease. All references to "Exhibits" in this Memorandum of Lease refer to Exhibits attached to the Lease. The provisions hereof do not necessarily reflect amendments and modifications to the Lease after the date hereof.

Landlord hereby leases to Tenant the Premises and certain rights to the Common Facilities for the Term, all in accordance with the following terms and conditions and those other terms and conditions contained in the Lease described below, which terms and conditions are hereby incorporated herein as if set forth in full.

PROPERTY ADDRESS: 889 South Main
Cedar City, UT 84720-3516

LANDLORD: **CEDAR PARTNERS I, LLC**, a Utah limited liability company
c/o Cedar Partners Management, Inc.
358 South Rio Grande, Suite 250
Salt Lake City, UT 84104

TENANT: **STAPLES THE OFFICE SUPERSTORE, LLC**, a Delaware limited liability company
500 Staples Drive
P.O. Box 9271
Framingham, MA 01701-9271
Ref: Cedar City, UT

DATE OF EXECUTION
OF LEASE:

July 16, 2004

PREMISES: Approximately square feet of space which is designated as "PREMISES" on Exhibit A attached to the Lease (the "Premises") together with rights in Common Facilities. A legal description of the property of which the Premises and Common Facilities are a part is attached hereto as Schedule I.

TERM: 10 Lease Years, commencing on the Commencement Date unless the Term shall be earlier terminated or extended as defined in the Lease.

COMMENCEMENT DATE: As set forth in Section 3.1 of the Lease.

OPTION(S) TO EXTEND: 2 options to extend the Term for 5 years each.

RESTRICTIONS: *Section 2.3. Common Facilities.* Landlord grants to Tenant, its employees and invitees, in common only with other tenants and their business invitees, the non-exclusive right and easement to use all of the sidewalks, driveways, parking areas, alleys, service areas including loading and unloading facilities (other than the loading area, if any, which is designed for use with the Premises or other premises within the Center), Center signs (with Tenant's rights to same being governed under Section 6.7 hereof), landscaping, if any, septic systems, cesspools and other facilities of the Center designed for use by all occupants of the Center (the "Common Facilities"). Landlord grants to Tenant the exclusive right to use that portion of the service area, including loading areas, designed for use with the Premises and the right to use the sidewalks adjacent to the Premises for the storage of shopping carts (provided the same do not unreasonably interfere with pedestrian traffic on such sidewalks, such carts are safely stored in a bin or other enclosure to minimize rolling, Tenant periodically retrieves such carts from the parking areas as reasonably necessary, and Tenant indemnifies Landlord for all costs, claims and liabilities arising out of the use and storage of such carts). Landlord agrees to:

- (a) allow uninterrupted use of the Common Facilities, and unobstructed pedestrian and vehicular access to the Common Facilities from other areas of the Center and from Main Street South (Highway 130) and Fir Street and from other public ways (including all means of ingress and

gress shown on Exhibit A), at all times except during reasonable periods of time required to provide necessary maintenance or repairs or to prevent public dedication (which periods Landlord shall give advanced notice of and use best efforts to minimize); provided, however, that, except in the event of emergency, Landlord shall not perform or allow other tenants in the Center to perform any non-routine repair, maintenance or other work in the Common Facilities from August 1 through September 15 or from November 20 through January 7 of any Lease Year;

(b) not (i) construct or allow any buildings, free-standing signs, kiosks or other structures within the No-Build Area shown on Exhibit A, (ii) increase the height of any buildings in the Center above the height of the Premises for in-line buildings or above 18 feet for outparcel or pad site buildings, (iii) except as expressly provided herein, construct or allow any signage or other improvement upon the exterior walls or roof serving the Premises, or (iv) modify the exterior of the Building from that shown on Exhibit E without the prior consent of Tenant;

(c) not otherwise materially change the Common Facilities located within Tenant's Protected Area shown on Exhibit A in any manner without the consent of Tenant;

(d) not reduce the number of parking spaces serving the Center below a ratio of 4.0 spaces per 1000 square feet of Center leaseable area, or reduce the number of spaces or change the arrangement of parking spaces in the Tenant's Protected Area designated on Exhibit A, or impose a parking fee without the prior consent of Tenant;

(e) use its best efforts to require all occupants of the Center and their employees to park their automobiles in a portion of the parking area designated for such purpose located in the part of the Center least likely to be used by the customers of Tenant and other tenants and occupants of the Center, and prevent commuter parking in the parking area; and

(f) maintain a no solicitation policy within the Center. Tenant shall have the right, but not the obligation, to enforce such no solicitation policy against violators located anywhere within the Center.

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PROHIBITED USES:

Section 5.2. Exclusive, Prohibited and Restricted Uses. Subject to Section 5.3 hereof, Landlord covenants that, other than the Premises:

Section 5.2.1. Exclusive Use. No part of the Center shall be used for the sale, leasing or distribution of equipment (including computers and telecommunications equipment), furniture or supplies for business or office (including home office) use, or the provision of business or office services (including copying, printing, telecommunications, packing, shipping and business equipment repair services) (collectively, the "Exclusive Goods and Services") and no property located within one mile of the Center owned by Landlord or by an entity under common control with Landlord shall be used for the operation of a so-called "office supply superstore" as such retailing concept is generally defined and acknowledged within the retail industry. Landlord shall not advertise any other providers of the Exclusive Goods and Services within the Center or on any Center-specific internet web site, nor shall Landlord provide the general public with direct internet access (via link or otherwise) to any such other providers of the Exclusive Goods and Services; and

Section 5.2.2. Prohibited Uses. No part of the Center shall be used for any of the following: (i) tanning, health, exercise or racquet club or spa (unless the front door to same is located in excess of ~~300~~ feet from the Premises), ¹⁰⁰ ~~gymnasium~~ ¹⁰⁰ (unless the front door to same is located in excess of ~~300~~ feet from the Premises), bowling alley, skating rink or other sports or recreational facility; (ii) school, library, reading room, or house of worship; (iii) movie theatre, gallery, auditorium, meeting hall, hotel or motor inn, or any residential use; (iv) massage parlor, adult bookstore, a so-called "head" shop, off-track betting, gambling, gaming or check cashing facility; (v) car wash, automobile repair work or automotive service or gas station, tire store, automobile body shop, automobile, boat, trailer or truck leasing or sales, or laundromat; (vi) tavern, bar, amusement park, carnival, banquet facility, dance hall, disco, nightclub, or other entertainment facility including video game, virtual reality or laser tag room or facility, pool hall, arcade, indoor children's recreational facility or other amusement center; (vii) any manufacturing, warehouse or office use (except incidental to a retail operation); (viii)

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funeral parlor, animal raising or storage (except incidental to a full-line retail pet supply operation), pawn shop, flea market or swap meet, junk yard; (ix) drilling for and/or removal of subsurface substances, dumping, disposal, incineration or reduction of garbage or refuse, other than in enclosed receptacles intended for such purposes; or (x) any use which constitutes a public or private nuisance or produces objectionable noise or vibration; and

Section 5.2.3. Restricted Uses. No part of the Center within 300 feet of the Premises shall be used for a restaurant or any other use which would place an undue burden on parking.

Section 5.3. Covenants in General. The covenants set forth in Section 5.2 shall run with the land comprising the Center for the Term of this Lease. In the event of a breach of any such covenants, Tenant shall be entitled to injunctive relief and any other appropriate remedy. Notwithstanding the foregoing, Section 5.2 shall not prohibit any tenant under a lease existing on the date of this Lease (as such lease may be renewed or extended) from using space occupied by it for any use permitted under such tenant's lease as of the date hereof, nor prohibit the replacement of a tenant existing as of the date hereof with a tenant located in the same space and operating the same use as operated as of the date hereof, nor prohibit any future tenant or occupant from selling, leasing, distributing or providing the Exclusive Goods and Services incidental to such tenant's or occupant's primary business in no more than an aggregate of 5% of such tenant's or occupant's sales floor area.

LANDLORD'S TITLE:

Deed recorded with the _____, in Book _____, Page _____.

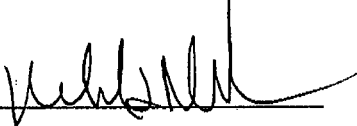
[Signature page to follow]

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EXECUTED as a sealed instrument on the date first set forth above.

LANDLORD:

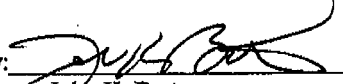
CEDAR PARTNERS I, LLC
CEDAR PARTNERS MANAGEMENT, INC.
its Managing Partner

By: 

Its: President

TENANT:

**STAPLES THE OFFICE SUPERSTORE,
INC.**

By: 

Its: John K. Barton
Executive Vice President - Real Estate

ACKNOWLEDGMENTS

STATE OF Utah
COUNTY OF Salt Lake

June 28, 2004

Then appeared before me Michael L. Nielsen, a resident of S.L.C., Utah and President of Cedar Partners Management, LLC and acknowledged that s/he signed and delivered the foregoing instrument on behalf of such corporation, pursuant to authority given by its Board of Directors, as her/his free act and deed and as the free and act and deed of such corporation.



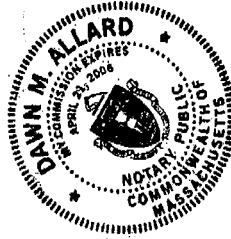
Connie Christopher
Name:
Notary Public
My Commission Expires: 9/14/04

COMMONWEALTH OF MASSACHUSETTS)
COUNTY OF MIDDLESEX)

July 16, 2004

Then appeared before me John K. Barton, a resident of Westborough, Massachusetts and Executive Vice President – Real Estate of Staples the Office Superstore, Inc., and acknowledged that he signed and delivered the foregoing instrument on behalf of such corporation, pursuant to authority given by its Board of Directors, as his free act and deed and as the free and act and deed of such corporation.

John M. Allard
Name:
Notary Public
My Commission Expires:



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Schedule I

DESCRIPTION

PARCEL 1:

Commencing 371.48 feet North 0°16' West of the Southwest Corner of the Northwest Quarter of the Northwest Quarter of Section 23, Township 36 South, Range 11 West, Salt Lake Base & Meridian; thence North 0°16' West 324.92 feet, more or less, to the Southeasterly Right-of-Way line of State Route No. 130 (Old U.S. Highway 91, also known as South Main Street); thence North 45°37' East along the said Right-of-Way a distance of 311 feet; thence South 44°23' East 173.10 feet; thence Southeasterly along the arc of a 382.5 foot radius curve to the right 21.4 feet (the Chord of which bears South 42°47' East 21.40 feet, said curve has a Delta Angle of 3°12'00"); thence North 45°37' East 114.10 feet to the Southwesterly line of Pine Street at a corner common to Lots 2 and 3, Block 4 of the original Plat of Valley View Subdivision; thence South 44°23' East 36.9 feet; thence Southeasterly along the arc of a 352.5 foot radius curve to the right 272.34 feet (the Chord of which bears South 22°15' East 265.61 feet, said curve has a Delta Angle of 44°16'00"); thence South 0°07' East 208 feet; thence South 89°44' West 564.73 feet to the point of beginning.

PARCEL 2:

Commencing at the Southwest Corner of the Northwest Quarter of the Northwest Quarter of Section 23, Township 36 South, Range 11 West, Salt Lake Base & Meridian; thence North 0°16'00" West 150.00 feet; thence North 89°44'00" East 285.23 feet; thence South 0°16'00" East 26.52 feet; thence North 89°44'00" East 75.00 feet; thence South 0°16'00" East 170.50 feet; thence South 89°15'30" West 360.37 feet; thence North 0°07'00" West 50.00 feet to the point of beginning.

THE ABOVE-DESCRIBED PARCEL 1 BEING TOGETHER WITH AND SUBJECT TO, AND THE ABOVE-DESCRIBED PARCEL 2 BEING TOGETHER WITH, a perpetual, nonexclusive easement for purposes of ingress and egress of vehicular and pedestrian traffic over and across the following-described land (which said easement was provided for in that certain Warranty Deed recorded in Iron County, Utah, on July 16, 1981 as Entry No. 228615 in Book 278 at Page 288): Commencing 150.00 feet North 0°16' West of the Southwest Corner of the Northwest Quarter of the Northwest Quarter of Section 23, Township 36 South, Range 11 West, Salt Lake Base & Meridian; thence North 0°16' West 281.48 feet; thence North 89°44' East 30.00 feet; thence South 0°16' East 281.48 feet; thence South 89°44' West 30.00 feet to the beginning.

EACH OF THE ABOVE-DESCRIBED PARCEL 1 AND PARCEL 2 ALSO BEING TOGETHER WITH all of the easements, rights, covenants, restrictions, and requirements which are appurtenances of and/or intended to benefit the Parcel (i.e., Parcel 1 or Parcel 2) in question and which are created or provided for in that certain "Covenants for Operation, Maintenance and Reciprocal Easements" recorded in Iron County, Utah on July 16, 1981 as Entry No. 228617 in Book 278 at Page 298, as said instrument has heretofore been amended by that certain First Amendment thereto recorded on November 17, 1981 as Entry No. 231361 in Book 284 at Page 113 and by that certain Second Amendment thereto, dated February 15, 1982, recorded on May 12, 1982 as Entry No. 235091 in Book 289 at Page 932.

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PARCEL 3:

Beginning at the most Easterly corner of Lot 2, Block 4, VALLEY VIEW SUBDIVISION, thence South 45°37'00" West 114.10 feet along the Southeasterly line of said Lot 2; thence along the arc of a non-tangent curve to the left, having a radius of 382.50 feet, a distance of 21.40 feet (the chord of which bears North 42°47' West 21.40 feet, said curve has a delta angle of 3°12'00"); thence North 44°23'00" West 174.41 feet (173.10 feet record); thence North 45°37'00" East 143.50 feet along the Southeasterly right of way line of Highway SR-130; thence South 44°23'00" East 195.81 feet (194.50 feet record) along the center line of Pine Street; thence South 45°37'00" West 30.00 feet to the point of beginning.

PARCEL 4:

Beginning at the Northeast corner of W. H. LEIGH SUBDIVISION; said point also being located on the Southeasterly Right of Way of State Route No. 130 at a point North 0°16'00" West, 696.40 feet from the Southeast corner of the Northeast quarter of the Northeast quarter of Section 22, Township 36 South, Range 11 West, Salt Lake Base and Meridian; thence South 0°16'00" East, along the Subdivision boundary 222.13 feet to an intersection with Northeastly Right of Way of Fir Street; thence following said Right of Way, Northwesterly around the arc of a curve to the left, the radius point of which is located South 89°44'00" West, 229.10 feet, a distance of 176.40 feet to an intersection with the Southeasterly Right of Way of State Route 130; thence along said Right of Way North 45°37'00" East, 90.00 feet to the point of beginning.

PARCEL 5:

~~Beginning at the Northeast corner of the Southeast Quarter of the Northeast Quarter of Section 22, Township 36 South, Range 11 West, Salt Lake Base and Meridian; thence South 0°13'45" East 100.00 feet along the Section line; thence South 89°42'00" West 258.70 feet to a point on the Easterly line of Fir Street; thence along the Easterly line of Fir Street as follows: thence North 0°16'00" West 40.61 feet; thence Northeastly along the arc of a curve to the right, having a radius of 168.00 feet, a distance of 134.54 feet; thence North 45°37'00" East 247.50 feet; thence along the arc of a curve to the left, having a radius of 100.00 feet, a distance of 80.08 feet; thence departing said Fir Street, South 0°16'00" East 364.80 feet to the point of beginning.~~

Handwritten initials/signature

PARCEL 6:

Beginning at the most Easterly corner of Lot 2, Block 4, VALLEY VIEW SUBDIVISION, thence North 45°37'00" East 30.0 feet; thence along the centerline of Pine Street as follows: thence South 44°23'00" East 36.90 feet; thence along the arc of a curve to the right, having a radius of 382.5 feet, a distance of 143.01 feet; thence departing said street centerline South 0°07'00" East 148.49 feet, to a point being North 0°07'00" West 5.0 feet from the Northeast corner of Lot 7, Block 4, VALLEY VIEW SUBDIVISION; thence along the arc of a curve to the left (note: radius point for said curve bears South 89°53'00" West 352.50 feet) a distance of 272.34 feet; thence North 44°23'00" West 36.90 feet to the point of beginning.

The above described property also known by the street address of:
N/A

* * *

Meaning and intending to describe the same premises shown on Exhibit A to the Lease.