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FOR: SOUTHERN UTAH TITLE CO

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made as of June 30, 1999, by and between the STATE OF UTAH, acting by and through the Director of the School and Institutional Trust Lands Administration ("Lessor") and SUNCOR DEVELOPMENT COMPANY, an Arizona corporation ("Lessee").

RECITALS

A. On June 30, 1999, Lessor and Lessee entered into Development Lease Agreement No. 610 (the "Lease"), pursuant to which Lessor leased to Lessee and Lessee leased from Lessor real property, which real property is more particularly described on Exhibit A-1 to this Memorandum (the "Premises").

B. Lessor and Lessee desire to execute this Memorandum to provide constructive notice of Lessee's rights under the Lease to all third parties.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Term. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the Premises for a term of 20 years commencing on the date of this Memorandum and ending at 11:59 p.m. on that day which is 20 years after the date of this Memorandum.

2. Option to Renew. Pursuant to the Lease, Lessee has the option to extend the term of the Lease for one additional term of 10 years.

3. Lease Terms. This Lease of the Premises to Lessee is pursuant to the Lease, which is incorporated in this Memorandum by this reference. If there is a conflict between the terms of this Memorandum and the terms of the Lease, the Lease provisions shall prevail.

4. Inquiries. Inquiries concerning the precise terms of the Lease may be made to:

Lessor:

**SCHOOL AND INSTITUTIONAL TRUST
LANDS ADMINISTRATION**
Attn: Development Department
675 East 500 South, Suite 500
Salt Lake City, UT 84102

NielsegSLC093326.01

81612

Lessee:

SUNCOR DEVELOPMENT COMPANY
3838 North Central Avenue
Suite 1500
Phoenix, Arizona 85012
Attention: Steve Gervais

5. Successors and Assigns. This Memorandum and the Lease shall bind and inure to the benefit of the parties and their respective heirs, successors and assigns; *subject, however,* to the provisions of the Lease on assignment.

6. Governing Law. This Memorandum and the Lease are governed by Utah law.

Executed as of the date first above written.

LESSOR:

**STATE OF UTAH, ACTING THROUGH THE
SCHOOL AND INSTITUTIONAL TRUST
LANDS ADMINISTRATION**

By *David T. Ten*
Its DIRECTOR

Approved as to Form:

Jan W. Andrews
Jan Graham, Utah Attorney General
by *Jan W. Andrews*, Assistant
Attorney General *Special*

LESSEE:

SUNCOR DEVELOPMENT COMPANY,
an Arizona corporation

By *[Signature]*
Its President & CEO

STATE OF UTAH

COUNTY OF Salt Lake) ss.

The foregoing instrument was acknowledged before me this 30 day of June, 1999 by David T. Teepe, the Director of the STATE OF UTAH, ACTING THROUGH THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION, on behalf of the State of Utah School and Institutional Trust Lands Administration.

My Commission Expires: March 1, 2002

DANA HENSON
NOTARY PUBLIC
Residing at Salt Lake County



STATE OF Arizona)
COUNTY OF Maricopa) ss.

The foregoing instrument was acknowledged before me this 1 day of July, 1999 by John C. Gden, the President & CEO of SUNCOR DEVELOPMENT COMPANY, an Arizona corporation, on behalf of the corporation.

My Commission Expires:

GAIL SANCHEZ
NOTARY PUBLIC
Residing at Maricopa County

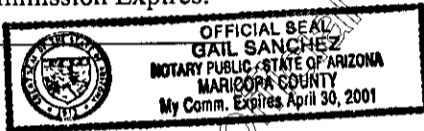


EXHIBIT A-1 - LEGAL DESCRIPTION

Beginning at the North Quarter (N 1/4) Corner of Section 4, Township 42 South, Range 14 West of the Salt Lake Base and Meridian and running thence South 00°28'35" West 1896.88 feet along the Center Section Line to the Northeast Corner of Knollwood Townhomes Phase 1-Amended, Entry Number 489341, Book 879, Page 76, Washington County Records; Thence along the Boundary Line of said Knollwood Townhomes Phase 1-Amended and Knollwood Townhomes Phase 2 in the following eight (8) courses: North 89°32'22" West 137.53 feet; Thence North 00°27'38" East 8.79 feet; Thence North 89°32'22" West 218.40 feet; Thence South 60°39'29" West 193.33 feet; Thence South 65°48'07" West 87.65 feet to the Northwest Corner of said Knollwood Townhomes Phase 2; Thence South 19°18'31" East 156.71 feet; Thence North 70°41'29" East 22.39 feet; Thence South 19°18'31" East 178.00 feet to the Northerly Right-of-Way Line of Highway 91 realignment, Entry Number 579572, Book 1141, Page 84, Washington County Records; Thence leaving Knollwood Townhome Phase 2 Boundary Line and along said Northerly Right-of-Way Line in the following two (2) courses: South 70°41'29" West 69.58 feet to the point of curvature of a 650.00 feet radius curve concave to the Southeast; Thence Southwesterly 568.18 feet along the arc of said curve through a central angle of 50°05'01" to the Northeast Corner of that certain Hurricane Associates Property at Entry Number 552744, Book 1062, Page 306 of the Washington County Records; Thence leaving said Northerly Right-of-Way Line and along Boundary Line of said Hurricane Associates property in the following six (6) courses: North 73°35'59" West 226.48 feet; Thence South 16°24'01" West 139.00 feet; Thence South 30°30'26" West 99.86 feet; Thence South 00°52'12" West 205.77 feet to the Northerly Right-of-Way Line of S.R. 9 Highway, and a point on the arc of a 1709.86 foot radius curve concave to the North, from which point the radius bears North 07°36'34" West; Thence Northeasterly 111.01 feet along the arc of said curve through a central angle of 03°43'11" to the point of tangency; Thence North 78°40'15" East 155.74 feet to the Westerly Right-of-Way Line of said Highway 91 Realignment; Thence South 03°40'34" West 513.87 feet along said Westerly Right-of-Way Line to the point of curvature of an 1150.00 foot radius curve concave to the Northwest; Thence continuing along said Right-of-Way Line Southwesterly 1544.75 feet along the arc of said curve through a central angle of 76°57'47" to the point of tangency; Thence South 80°38'21" West 207.84 feet to the point of curvature of a 1250.00 foot radius curve concave to the Southeast; Thence Southwesterly 37.88 feet along the arc of said curve through a central angle of 01°44'11" from which point the radius bears South 11°05'50" East; Thence leaving said Right-of-Way Line South 10°56'26" East 100.00 feet; Thence South 01°05'53" West 174.20 feet to the Northeast Corner of Section 8, Township 42 South, Range 14 West; Thence South 213.85 feet; Thence North 40°28'45" West 327.21 feet; Thence North 46°25'46" West 171.31 feet; Thence North 04°14'38" West 576.08 feet; Thence North 13°25'06" West 477.18 feet; Thence North 13°27'52" West 860.98 feet to the North Line of Section 7, Township 42 South, Range 14 West;

LEGAL DESCRIPTION (CONTINUED)

Thence leaving the toe of the slope South 89°00'45" East 527.59 feet along the Section Line to the North Quarter (N 1/4) Corner of Section 7, said Township and Range; Thence North 01°19'03" West 1316.26 feet along the Center Section Line of Section 6 to the Center-South Sixteenth Corner; Thence North 88°51'17" West 1339.43 feet, more or less, to the Southeasterly Right-of-Way Line of Interstate 15 Freeway; Thence along said Southeasterly Right-of-Way Line in the following Nineteen (19) courses; North 73°33'14" East 242.95 feet; Thence North 78°30'53" East 308.84 feet; Thence North 73°32'06" East 1099.66 feet; Thence North 72°44'58" East 626.70 feet; Thence North 71°21'19" East 504.55 feet; Thence North 70°07'02" East 504.15 feet; Thence North 68°13'28" East 1012.22 feet; Thence North 65°41'48" East 1005.76 feet; Thence North 63°55'32" East 509.45 feet; Thence North 63°13'10" East 494.79 feet; Thence North 63°13'02" East 675.86 feet; Thence North 63°13'03" East 908.00 feet; Thence North 63°13'08" East 921.82 feet; Thence North 63°12'10" East 494.35 feet; Thence North 63°13'46" East 499.47 feet; Thence North 63°10'30" East 499.98 feet; Thence North 63°13'22" East 449.95 feet; Thence North 63°14'11" East 1049.81 feet; Thence North 64°26'50" East 1500.79 feet to the Northwest corner of the Wal-Mart Stores Inc. property, Entry No. 425232, Book 705, Page 786, Washington County Records; Thence leaving said Interstate 15 Freeway Right-of-Way Line South 24°12'06" East 1771.61 feet along an existing fence line to a point on the North Line of Section 4, Township 42 South, Range 14 West; Thence North 89°09'38" West 791.16 feet along the Section line to the North Quarter (N 1/4) Corner of said Section 4 and the point of beginning.

Contains 1838.741 Acres.

Less and Excepting the following areas:

1. The area lying within the S.R. 9 Highway Right-of-Way.
Approx. area = 45 acres
2. The area lying within the old Highway 91 and the new realigned Highway 91. Approx. area = 24 acres
3. The area that lies within the Southeast Quarter of the Southeast Quarter (SE 1/4 SE 1/4) of Section 6, Township 42 South, Range 14 West, Salt Lake Base and Meridian. Approx. area = 40 acres

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