

with Legal Requirements, and (c) any structures or objects existing on the date of this Lease or as may be generally reflected on Exhibit A1 or replacements thereof of the same or smaller size.

(B) In the event Landlord violates any provision of Section 4.2(A) of the Unrecorded Lease, Tenant, subject to the notice provisions of Section 4.2(B)(1) thereof, at its option, and in addition to any available remedies at law or in equity, may collect from Landlord as liquidated damages (and not as a penalty) an amount equal to Two Thousand Dollars (\$2,000) for each day Landlord has violated any provision of Section 4.2(A).

(1) If Landlord violates Subsection 4.2(A)(1) or (2) and the obstruction or barrier is readily movable, Landlord shall have twenty-four (24) hours from Tenant's written notice to cure the violation.

(2) If Landlord violates Subsection 4.2(A)(1) or (2) and the obstruction or barrier is not readily movable, Landlord shall be in violation without any requirement of notice from Tenant.

(3) If Landlord violates Subsection 4.2(A)(3) or (4), Landlord shall have five (5) days from Tenant's written notice to cure the violation.

(4) Tenant shall provide such notice to Landlord within a reasonable time following Tenant's actual knowledge of such violation by Landlord.

If Landlord fails to pay any portion of the liquidated damages within ten (10) days after demand therefor, then in addition to all other rights and remedies that Tenant may have against Landlord (but without duplication in recovering the amounts due Tenant), Tenant shall be entitled to deduct the unpaid and overdue portion of the liquidated damages from the Rent otherwise becoming due hereunder, together with interest on the unpaid balance thereof at the prime rate per annum of Wells Fargo Bank of San Francisco for short term commercial loans plus four percent (4%) (the "Legal Rate"). The parties agree that Tenant's actual damages as a result of Landlord's breach herein would be extremely difficult or impracticable to determine, and acknowledge that the liquidated damages has been agreed upon, after negotiation, as the parties' best and reasonable estimate of Tenant's damages.

(C) With respect to the remainder of the Common Area outside of the No Build Area, Landlord shall not decrease the number of parking spaces, reduce in size or eliminate any driveways nor do any act which will materially interfere with access to or visibility of the Premises without Tenant's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed.

5. **Use.** The Premises shall be used primarily for the sale of wearing apparel and related accessories, including, at Tenant's option, footwear. The Premises may also be used for the sale of: luggage; umbrellas; sunglasses; watches; pins; infants', toddlers' and children's items such as baby strollers, stuffed animals, toys and games and furniture; cosmetics and other personal care items; domestic products, including, without limitation, candles, sundries, kitchenware, bedding, bath items, furniture and accents for the home; and pre-packaged foods and candies. The Premises may also be used for an operation for the preparation and sale of ready-to-eat foods and non-alcoholic beverages. Except to the extent prohibited in Section 12.2 of the Unrecorded Lease, in addition, up to ten percent (10%) of the GLA of the Premises may be used for any other lawful retail purpose, selling such merchandise or offering such services as are found in any of Tenant's other stores operating under the same tradename as is used by Tenant at the Premises. Any merchandise may be sold through the use of vending machines. The foregoing is collectively referred to herein as the "Permitted Use." Landlord shall take no action which would impair or limit Tenant's ability to conduct the Permitted Use.

6. **Restrictions.** Tenant is entering into this Memorandum of Lease and has entered into the Unrecorded Lease in reliance upon its ability to conduct the Permitted Use without any limitation or restriction whatsoever by reason of any exclusive provision or contractual restriction granted to any other party whatsoever and wherever located, which applies or pertains to the Premises or Tenant's use therein.

(A) Landlord has furnished to Tenant the names of the parties and verbatim excerpts of all Restrictions existing as of the date of this Lease (an "existing Restriction"), regardless of such parties' use or business, which have been granted to any party and which are applicable to the Property. A schedule containing such existing Restrictions is attached to the Unrecorded Lease

as Exhibit D. If Landlord fails to furnish Tenant any such existing Restriction, Landlord shall indemnify, defend and hold Tenant harmless from and against any and all Indemnified Costs relating to the enforcement by any party (including Landlord) of such existing Restriction.

(B) Any Restriction granted after the date of the Unrecorded Lease (a "future Restriction") that would in any way or manner pertain to the Permitted Use or the Premises shall have no application whatsoever to the Premises, and all such future Restrictions shall expressly exclude, by specific reference, the Premises (as the same may be enlarged or decreased) during the Term (as the same may be extended pursuant to this Lease or otherwise). Landlord shall advise the beneficiaries of such future Restrictions of the provisions of Section 12.1 and Section 12.2 of the Unrecorded Lease, and is hereby authorized to disclose such provisions verbatim to such parties. Landlord shall indemnify, defend and hold Tenant harmless from and against any and all Indemnified Costs relating to the enforcement by any party (including Landlord) of any future Restriction.

7. **Interpretation.** Landlord and Tenant have entered into this Memorandum of Lease in order that third parties may have notice of the existence of the Unrecorded Lease and some of its specific provisions. This Memorandum of Lease is not a complete summary of the Unrecorded Lease. This Memorandum of Lease is not intended to amend, modify, or otherwise change the terms and conditions of the Unrecorded Lease between the parties hereto. Provisions in this Memorandum shall not be used in interpreting the provisions of the Unrecorded Lease. In the event of a conflict between this Memorandum and the Unrecorded Lease, the Unrecorded Lease shall control.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Lease as of the date and year first above written.

LANDLORD

Witness or Attest:

Goodman Road/I-55 Development Company, LLC,
an Arkansas Limited Liability Company
c/o Clary Development Corp.
2200 Rodney Parham, Suite 210
Little Rock, AR 72212
Attn: Steve Clary

By South Lake Centre, LLC,
as Administrator

By Jeffrey L. Maxwell

By Clary Development Corp.
Its: Authorized Member

By: Roger S. Clary
Roger S. Clary, President

TENANT

Witness or Attest:

OLD NAVY (HOLDINGS) INC.,
a California corporation

By Cara Kasperge

By George Blankenship

Title George Blankenship
Vice-President

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN MATEO)

On _____, before me, _____, Notary Public, personally appeared _____ personally known to me to or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

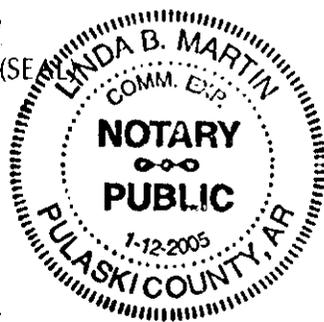
(SEAL)
Notary Public Signature

STATE OF Arkansas)
) ss:
COUNTY OF Pulaski)

On 1/3/00, before me, Linda B. Martin, Notary Public, personally appeared Roger Z. Clary personally known to me to or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Linda B. Martin
Notary Public Signature



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN MATEO)

On December 22, 1999, before me, Josie Garcia, Notary Public, personally appeared George Blankenship, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Josie Garcia (SEAL)
Notary Public Signature



EXHIBIT A

Legal Description

34.2325 acre partition of the remaining Goodman Road Associates, LTD property as recorded at Deed Book 199 Page 93 - Parcel 1 and Deed Book 199 Page 97, said property being in the Northeast Quarter of Section 36, Township 1 South, Range 8 West, in the City of Southaven in DeSoto County, Mississippi.

Commencing at the accepted Northeast corner of Section 36, Township 1 South, Range 8 West, in DeSoto County, Mississippi, being the intersection of the centerline of Goodman Road (Mississippi 302) with the centerline of Airways Boulevard; thence in a Southwestwardly direction, along the centerline of Airways Boulevard (106 foot total Right Of Way as per Plat Book 55 Page 45) and the East line of Section 36, South 00 degrees 03 minutes 32 seconds West, a distance of 341.13 feet to a set ½ inch rebar, being the Northernmost Northeast corner of the remaining Goodman Road Associates, LTD property as recorded at Deed Book 199 Page 93 - Parcel 1 and Deed Book 199 Page 97, which this 34.2325 acre partition is a part, and the "TRUE POINT OF BEGINNING" of said partition, also being the Easternmost Northeast corner of said partition; thence in a Southwestwardly direction, continuing along the proposed centerline of Airways Boulevard (under construction and as evidenced by Plat Book 57 Page 40) and the East line of the remaining Goodman Road Associates, LTD property and said partition, South 00 degrees 03 minutes 32 seconds West, a distance of 1097.14 feet to a set ½ inch rebar, being the Southeast corner of said partition; thence in a Southwestwardly direction, along the South line of this partition, South 89 degrees 53 minutes 21 seconds West, a distance of 1423.54 feet to a set ½ inch rebar, being the Southwest corner of said partition; thence in a Northwestwardly direction, along a West line of this partition, North 00 degrees 06 minutes 39 seconds West, a distance of 98.50 feet to a found ½ inch rebar, being an exterior corner of said partition, and the Southeast corner of Lot 4 of South Lake Commercial Subdivision as recorded at Plat Book 55 Page 44, and the Southwest corner of the Right Of Way for South Crest Parkway as recorded at Plat Book 55 Page 44; thence in a Northeastwardly direction, along a North line of the remaining Goodman Road Associates, LTD property and this partition, also being the South Right Of Way line of South Crest Parkway, North 89 degrees 53 minutes 21 seconds East, a called and measured distance of 90.00 feet (as per Plat Book 55 Page 44) to a set ½ inch rebar, being an interior corner of the remaining Goodman Road Associates, LTD property and this partition, also being the Southeast corner of the Right Of Way for South Crest Parkway; thence in a Northwestwardly direction, along the East Right Of Way line of South Crest Parkway and the West line of the remaining Goodman Road Associates, LTD property and this partition, North 00 degrees 06 minutes 39 seconds West, a distance of 937.96 feet to a set ½ inch rebar, being the Westernmost Northwest corner of said partition; thence in a Southeastwardly direction, along a North line of this partition, along a curve to the left having a radius of 25.00 feet, a delta angle of 90 degrees 00 minutes 00 seconds, an arc length 39.27 feet, a tangent length of 25.00 feet, a chord bearing of South 45 degrees 06 minutes 39 seconds East, and a chord length of 35.36 feet to a set ½ inch rebar, being a point of tangency in said North line; thence in a Northeastwardly direction, continuing along a North line of this partition, the following two (2) courses, North 89 degrees 53 minutes 21 seconds East, a distance of 32.41 feet to a set ½ inch rebar, being an angle point; thence North 81 degrees 38 minutes 16 seconds East, a distance of 521.76 feet to a set ½ inch rebar, being a point of curvature; thence continuing in a Northeastwardly direction, along a West line of this partition, along a curve to the left having a radius of 25.00 feet, a delta angle of 75 degrees 24 minutes 54 seconds, an arc length of 32.91 feet, a tangent length of 19.33 feet, a chord bearing of North 43 degrees 55 minutes 49 seconds East, and a chord length of 30.58 feet to a set ½ inch rebar, being a point of tangency in said West

line; thence continuing in a Northwardly direction, along a West line of this partition, the following two (2) courses, North 06 degrees 13 minutes 22 seconds East, a distance of 160.63 feet to a set ½ inch rebar, being an angle point; thence North 00 degrees 08 minutes 18 seconds West, a distance of 79.85 feet to a set ½ inch rebar, being a point of curvature in said West line; thence in a Northwestwardly direction, along a South line of this partition, along a curve to the left having a radius of 25.00 feet, a delta angle of 91 degrees 04 minutes 07 seconds, an arc length of 39.74 feet, a tangent length of 25.47 feet, a chord bearing of North 45 degrees 40 minutes 22 seconds West, and a chord length of 35.68 feet to a set ½ inch rebar in the South Right Of Way line of Goodman Road (Mississippi 302), and the North line of the remaining Goodman Road Associates, LTD property, being the Northernmost Northwest corner of said partition; thence in a Northeastwardly direction, along the South Right Of Way line of Goodman Road and the North line of the remaining Goodman Road Associates, LTD property and this partition, the following two (2) courses, North 88 degrees 47 minutes 35 seconds East, a distance of 25.61 feet to a found concrete Right Of Way monument, being an angle point; thence North 89 degrees 19 minutes 10 seconds East, a distance of 82.38 feet to a set ½ inch rebar; being the Northernmost Northeast corner of said partition; thence in a Southwestwardly direction, along an East line of this partition, along a curve to the left having a radius of 25.00 feet, a delta angle of 89 degrees 27 minutes 28 seconds, an arc length of 39.03 feet, a tangent length of 24.76 feet, a chord bearing of South 44 degrees 35 minutes 26 seconds West, and a chord length of 35.19 feet to a set ½ inch rebar, being a point of tangency in an East line of said partition; thence in a Southeastwardly direction, along an East line of this partition, South 00 degrees 08 minutes 18 seconds East, a distance of 248.73 feet to a set ½ inch rebar, being an interior corner of said partition; thence in a Northeastwardly direction, along a North line of this partition, North 81 degrees 38 minutes 16 seconds East, a distance of 330.96 feet to a set ½ inch rebar, being an interior corner of said partition; thence in a Northwestwardly direction, along a West line of this partition, North 00 degrees 39 minutes 47 seconds West, a distance of 20.08 feet to a found ¾ inch conduit, being an interior corner of the remaining Goodman Road Associates, LTD property and an exterior corner of said partition, also being the Southwest corner of Lot 6 of The First Addition to South Lake Commercial Subdivision as recorded at Plat Book 55 Page 45; thence in a Northeastwardly direction, along a North line of the remaining Goodman Road Associates, LTD property and this partition, also being a South line of Lot 6, North 89 degrees 31 minutes 00 seconds East, a called distance of 286.55 feet (as per Plat Book 55 Page 45), but a measured distance of 286.61 feet to a found ¾ inch conduit in the West Right Of Way line of Airways Boulevard (106 foot total Right Of Way as per Plat Book 55 Page 45), being an exterior corner of the remaining Goodman Road Associates, LTD property and said partition; thence in a Southwestwardly direction, along the West Right Of Way line of Airways Boulevard and an East line of the Goodman Road Associates, LTD property and this partition, South 00 degrees 03 minutes 32 seconds West, a called and measured distance of 72.67 feet (as per Plat Book 55 Page 45) to a set ½ inch rebar, being an interior corner of the remaining Goodman Road Associates, LTD property and said partition, and the Southwest corner of the Right Of Way for Airways Boulevard; thence in a Northeastwardly direction, along a North line of the remaining Goodman Road Associates, LTD property and this partition, and a South Right Of Way line of Airways Boulevard, North 89 degrees 54 minutes 32 seconds East, a called distance of 53.00 feet (as per Plat Book 55 Page 45), but a measured distance of 52.48 feet to the "TRUE POINT OF BEGINNING" and containing 34.2325 acres, more or less

LESS AND EXCEPT:

Lot 13, South Lake Commercial Subdivision, Third Addition, in the Northeast Quarter of Section 36, Township 1 South, Range 8 West, City of Southaven, DeSoto County, Mississippi, as shown by plat appearing of record in Plat Book 66, Page 8, in the office of the Chancery Clerk of DeSoto County, Mississippi and being more particularly described as follows, to-wit:

Commencing at the northeast corner of said Northeast Quarter; thence West 341.69 feet; thence South 69.54 feet to the South right of way line of Goodman Road (Mississippi Highway No. 302); thence South $89^{\circ}19'03''$ West along said South right of way line 79.89 feet; thence North $88^{\circ}25'04''$ West along said South right of way line 195.80 feet; thence South $89^{\circ}19'10''$ West along said South right of way line 107.55 feet; thence South $88^{\circ}47'35''$ West along said South right of way line 174.44 feet; thence South $81^{\circ}38'55''$ West, along said south right of way line 125.29 feet; thence South $84^{\circ}55'28''$ West along said south right of way line 267.46 feet; thence along said South right of way line along a curve to the left having a radius of 35.00 feet an arc length of 51.95 feet, and a chord bearing and distance of South $42^{\circ}24'25''$ West 47.31 feet to the East right of way line of Southcrest Parkway; thence South $00^{\circ}06'39''$ East along East right of way line 130.00 feet; thence South $08^{\circ}58'46''$ West along said East right of way line 101.27 feet; thence south $00^{\circ}06'39''$ East along said East right of way line 524.99 feet for the Point of Beginning; thence North $89^{\circ}53'21''$ East 215.00 feet; thence South $00^{\circ}06'39''$ East 216.88 feet; thence South $59^{\circ}53'21''$ West 136.24 feet; thence South $89^{\circ}53'21''$ West 97.01 feet to the East right of way line of Southcrest Parkway; thence North $00^{\circ}06'39''$ West along said East right of way line 285.00 feet to the Point of Beginning. Containing 1.31 acres (57,256 Square Feet) more or less.

