

STATE MS - DESOTO CO.

Nov 4 3 10 PM '00

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Indexing Instructions:

Located in the City of Olive Branch,
Mississippi and Being Part of the Southeast
Quarter, Section 25, Township 1 South, Range 6
West, DeSoto County, Mississippi

OPTION FOR THE PURCHASE OF REAL ESTATE

THIS AGREEMENT, made and entered into as of the 3rd day of November, 2000 (the "Effective Date"), by **HEWSON/DESOTO SOUTH, L.L.C.**, an Arizona limited liability company ("Optionor"), and **WILLIAMS-SONOMA, INC.**, a California corporation ("Optionee").

WITNESSETH:

WHEREAS, Optionee has conveyed to Hewson/DeSoto Partners III, L.L.C. ("Hewson") by Warranty Deed of even date herewith, recorded contemporaneously herewith in the Office of the Chancery Clerk of DeSoto County, Mississippi, a certain parcel of land containing approximately 67.836 acres and located in DeSoto County, Mississippi, more particularly described in **Exhibit "B,"** attached hereto and incorporated herein by reference, (the "Parcel IV Property") for the purpose of allowing Hewson to develop the Parcel IV Property and to build a distribution warehouse facility containing approximately 1,100,000 square feet and related amenities ("Phase III") on such property for lease by Hewson or its assignee to a subsidiary of Optionee, namely, Williams-Sonoma Retail Distribution Center, Inc. ("WSRDC");

WHEREAS, the cost of acquiring the Parcel IV Property and constructing Phase III are expected to be financed by issuance of Mississippi Business Finance Corporation Taxable Industrial Development Revenue Bonds Series 2000 (the "Bonds");

WHEREAS, WSRDC and Hewson have entered into preliminary negotiations regarding arrangements whereby WSRDC will lease Phase III from Hewson, but a definitive lease agreement has not been entered into between WSRDC and Hewson as of the date of this Agreement;

WHEREAS, in order to meet the distribution needs of Optionee, Phase III is expected to be completed by approximately September 30, 2001, and, to that end, Hewson has expended, and expects to expend, its own funds in anticipation of (a) a definitive lease agreement of Phase III being entered into by and between WSRDC and Hewson and (b) the closing of the Bonds;

WHEREAS, Optionee and Hewson have entered into an agreement of even date herewith (the "Reimbursement Agreement") by which Optionee and Hewson have agreed that, (a) if WSRDC and Hewson have not entered into a satisfactory definitive lease agreement on or before January 31, 2001, or (b) if Hewson has not closed on the Bonds on or before January 31, 2001, Hewson will have the right, exercisable on or before March 31, 2000, to "Put" Phase III and the Parcel IV Property to Optionee (the "Put") and to require Optionee to reimburse Hewson for its Costs (as that term is defined in the Reimbursement Agreement), and Optionee will have a "Call," exercisable on or before March 31, 2001, to acquire Phase III and the Parcel IV Property from Hewson (the "Call") in consideration of Optionee's reimbursement of all of Hewson's

Costs, all on the terms and subject to the conditions set forth more particularly in the Reimbursement Agreement;

WHEREAS, in connection with the above-referenced transactions, Optionor, an affiliate of Hewson, is willing to grant unto Optionee, and Optionee desires to obtain, the sole and exclusive option to purchase certain real property containing approximately 69.325 acres and located in DeSoto County, Mississippi, as more particularly described in **Exhibit "A"** attached hereto and incorporated herein (the "Parcel I Property"), upon the terms, covenants and conditions hereinafter stipulated;

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained and other good and valuable consideration, the receipt and legal sufficiency of all of which are hereby acknowledged, the parties hereto agree as follows:

1. Grant of Option; Term of Option; Exercise Price. Optionor hereby grants to Optionee the sole and exclusive option (the "Option") to purchase the Parcel I Property in accordance with and subject to the terms and conditions of this Agreement. As consideration for the Option hereby granted, Optionee has paid to Optionor the sum of One Hundred Dollars (\$100.00) as Option Money. Said Option Money is immediately earned by Optionor and shall not be applied as a credit to the Purchase Price.

(a) If WSRDC and Hewson shall have entered into a satisfactory definitive lease agreement for Phase III, as described in the Reimbursement Agreement, then Optionee shall have the option to purchase the Parcel I Property at any time during a two (2) year period commencing upon the Effective Date of this Agreement (hereinafter, "Scenario I Option") for an option exercise price equal to:

(i) the sum of (A) Hewson's actual out-of-pocket expenditures in acquiring the Parcel I Property, (B) Hewson's actual out-of-pocket expenditures in connection with the ownership of the Parcel I Property (including real property taxes, insurance and maintenance), from the date of payment to the Effective Date of this Agreement, and (C) interest on items of expenditure covered in clauses (A) and (B) from the date of payment to the Effective Date of this Agreement, at the rate of nine percent (9%) per annum compounded annually [a breakdown of this clause (i) amount being attached hereto as **Exhibit "C"**]; plus

(ii) Hewson's actual out-of-pocket expenditures in connection with the ownership of the Parcel I Property (including real property taxes, insurance and maintenance), from the Effective Date of this Agreement to the date on which a deed transferring the Parcel I Property from Optionor to Optionee is recorded; provided, however, that such out-of-pocket expenditures under this clause (ii) shall not, without the prior written consent of Optionee, materially exceed the historic out-of-pocket expenditures in connection with the ownership of the Parcel I Property reflected on **Exhibit "C"**; plus

(iii) an amount equal to interest on the sum computed on clauses (i) and (ii), preceding, at the rate of nine percent (9%) per annum, compounded annually, in the case

of clause (i) expenditures, from the Effective Date of this Agreement to the date on which a deed transferring the Parcel I Property from Optionor to Optionee is recorded, and in the case of clause (ii) expenditures, from the date of payment to the date on which a deed transferring the Parcel I Property from Optionor to Optionee is recorded.

If WSRDC and Hewson shall have entered into a satisfactory definitive lease agreement for Phase III and if the Scenario I Option shall not have been exercised by Optionee within the two-year period commencing upon the Effective Date of this Agreement, then the Option shall expire and be of no further force or effect.

(b) If Hewson or Optionee shall have exercised the Put or Call, respectively, under the Reimbursement Agreement, then Optionee shall have the option (hereinafter, the "Scenario II Option") exercisable within ten (10) business days after exercise of such Put or Call to purchase the Parcel I Property for an option exercise price equal to the Purchase Price (hereinafter defined) based upon the Fair Market Value of the Parcel I Property at the time Optionee exercises the Scenario II Option (subject, however, to Optionee's right to rescind the exercise of the Scenario II Option as hereinafter described). Optionor and Optionee shall proceed as promptly as possible to determine the Fair Market Value of the Parcel I Property in accordance with Section 2 herein. Notwithstanding Optionee's exercise of the Scenario II Option or any steps taken by the parties in connection with the determination of Fair Market Value or preparation for closing of the purchase of the Parcel I Property, Optionee may in its discretion rescind its exercise of the Scenario II Option by giving written notice of such rescission to Optionor within ten (10) business days after the final determination of the Fair Market Value of the Parcel I Property provided that Optionee shall agree to pay the actual fees and expenses of the MAI appraiser appointed by Optionor under Section 2 hereof (but not to exceed the fees and expenses of the MAI appraiser appointed by Optionee under Section 2) plus all fees and expenses of the third MAI appraiser, if any, appointed by the other two appraisers.

In the event that Optionee shall not exercise the Scenario II Option within ten (10) business days after exercise of the Put or Call, or in the event that Optionee, having exercised the Scenario II Option, shall rescind the exercise thereof as hereinabove provided, the Option shall terminate and be of no further force or effect.

2. Determination of Fair Market Value for Scenario II Option.

(a) (i) The term "Fair Market Value," as used to determine the exercise price of the Scenario II Option, means the prevailing market value that a willing buyer would pay and a willing seller would accept in arm's-length, bona fide negotiations for a purchase and sale of the Parcel I Property at the time of determination. The determination of the Fair Market Value will be based upon a comparison of the purchase price in other commercial real estate transactions in the Memphis, Tennessee metropolitan area (which shall include Desoto County, Mississippi), with appropriate adjustments as necessary to equate the comparison transactions with the sale of the Parcel I Property pursuant to this Section 2 of this Agreement, taking into consideration all relevant factors.

(ii) The process for determining the Fair Market Value of the Parcel I Property is as follows:

(A) For a reasonable time [not to exceed twenty-five (25) days] after Optionee's exercise of the Scenario II Option, Optionor and Optionee shall use reasonable good faith efforts to agree upon the Fair Market Value of the Parcel I Property by conferring and negotiating with each other, and, upon agreement, such mutually determined Fair Market Value shall be the Purchase Price of the Parcel I Property.

(B) In the event that Optionor and Optionee do not reach mutual agreement as to Fair Market Value under subparagraph (A) above, then on or before the thirtieth (30th) day after Optionee's exercise of the Scenario II Option under this Agreement, Optionor and Optionee shall each appoint a Member of the American Institute of Real Estate Appraisers ("MAI") as appraiser of its choice. Each MAI appraiser shall determine the Fair Market Value of the Parcel I Property within thirty (30) days of the appointment of the second of the two MAI appraisers and give Optionor and Optionee written notice of such determination. If the determinations of Fair Market Value of the Parcel I Property by the MAI appraisers are within two percent (2%) of each other, then the purchase price (the "Purchase Price") of the Parcel I Property under the Scenario II Option shall be the numerical average of the two determinations of Fair Market Value of the Parcel I Property made by the two MAI appraisers. However, if the determinations of Fair Market Value of the Parcel I Property by the two MAI appraisers differ by more than two percent (2%), then the two MAI appraisers shall select a third MAI appraiser within fifteen (15) days of the last of the two MAI appraisers' submission of written notice of the Fair Market Value of the Parcel I Property. This third MAI appraiser, within thirty (30) days of his or her selection, shall provide both parties with a written notice of his or her determination of the Fair Market Value of the Parcel I Property. The Purchase Price of the Parcel I Property shall then be determined by taking the numerical average of the two appraisals which are closest to each other by absolute numerical value and disregarding the third outlying appraisal.

(C) If the Optionor or Optionee fail to select an MAI appraiser within the time specified in clause (A) above, the MAI appraiser appointed by the other party will make by himself or herself the determination of the Fair Market Value of the Parcel I Property and such determination shall be the Purchase Price and shall be binding upon both parties.

(D) If the two MAI appraisers fail to select a third MAI appraiser within the time specified in (A) above, then that selection will be made by the Presiding Judge of the Chancery Court for DeSoto County, Mississippi, or, if he or she refuses to act, by any judge having jurisdiction over the parties.

(E) Each party shall individually and respectively bear the cost of the MAI appraiser that such party selects, and the cost of the third MAI appraiser, if necessary, shall be borne equally by the parties.

3. Exercise of Option. Exercise of the Option herein granted shall be by written notice thereof from the Optionee to Optionor given in the manner hereinafter provided. It shall not be necessary for any payment or tender to accompany such notice, but the sending of such notice shall constitute a binding agreement of purchase and sale, subject only to the conditions to closing set forth in this Agreement.

4. Closing. The closing of the purchase and sale shall be consummated at the offices of Optionor's attorney, Robert C. Liddon, 2000 First Tennessee Building, 165 Madison Avenue, Memphis, Tennessee 38103, or at such other place mutually selected by the parties, and at a mutually agreeable time within twenty (20) days after the exercise of the Option by Optionee if the Scenario I Option is exercised and within twenty (20) days after the final determination of Purchase Price of the Parcel I Property if the Scenario II Option is exercised. With Optionor's and Optionee's mutual prior written approval, closing may occur via mail with closing documents and purchase price being placed in escrow with the title company or closing attorney selected by the parties. The purchase price shall be paid all cash with deed at closing. At the closing, the Optionor shall deliver to the Optionee a properly executed and valid special warranty deed conveying good and marketable fee simple title to the Parcel I Property and all improvements thereon, subject to easements, restrictions, and restrictive covenants of record (provided, however, that as to any easements, restrictions or restrictive covenants to which the Parcel I Property is subjected after the Effective Date, Optionee shall have first consented thereto in writing, such consent not to be unreasonably withheld), and free and clear of all other liens, charges, and other encumbrances. Prior to the closing, Optionor shall be entitled to all rental income, if any, with respect to the Parcel I Property.

Each party shall pay the fees of its own attorneys, any broker or realtor retained to represent that party. Optionor shall pay the cost of obtaining a boundary survey of the Parcel I Property. Optionor and Optionee shall each pay one-half of the closing fee of the attorney or closing agent who closes the purchase and sale. Optionee is to pay all other costs associated with the exercise of this Option and the purchasing and closing of the Parcel I Property, including, but not limited to, preparation of deed, title search, recording of deed, and title insurance.

It is specifically understood and agreed that, as to the physical condition of the Parcel I Property, it shall be conveyed and accepted AS IS, WHERE IS, WITHOUT WARRANTY BY OPTIONOR.

Parcel I Property taxes for the year of sale shall be prorated among the parties, based upon a reasonable estimate of such taxes.

5. Rights of Optionee During Term of the Option. During the term of this Agreement and at all times after exercise of the Option, the Optionee, its employees, agents and representatives shall have the right (at Optionee's sole expense) to go upon the Parcel I Property for the purpose of making engineering studies, surveys, environmental tests and reports, test borings, and surface and sub-surface inspections, and any other necessary investigations to

determine the suitability of the Parcel I Property for the purposes intended; provided, however, in the exercise of the rights herein given, neither Optionee nor such other parties shall unreasonably interfere with the use by Optionor or any tenant of the Parcel I Property. Optionee shall indemnify, defend, and hold Optionor harmless against all costs, claims, and causes of action arising out of or related to any such investigation or access to the Parcel I Property.

6. Surveys and Reports. Upon exercise of the Option by Optionee, Optionor shall cause to be prepared, upon Optionee's request and at Optionor's expense, a survey of the Parcel I Property (the "Survey"). The Survey shall be prepared by an engineer selected by Optionor and reasonably satisfactory to Optionee.

Optionor shall also furnish to Optionee, at Optionee's copying expense, a copy of each survey, soil test, environmental report, site plan, street plan, title report, or similar investigation with respect to the Parcel I Property known by Optionor to be in Optionor's possession. All such matters and reports shall be furnished solely as an accommodation to Optionee, and Optionor does not warrant the completeness or accuracy of any such items.

Optionee shall likewise furnish to Optionor, at Optionor's copying expense and promptly as such items are received by Optionee, a copy of each survey, soil test, environmental report, site plan, street plan, title report, or similar investigation with respect to the Parcel I Property known by Optionee to be in Optionee's possession. All such matters and reports shall be furnished solely as an accommodation to Optionor, and Optionee does not warrant the completeness or accuracy of any such items.

7. Notices. All notices herein provided for shall be in writing, shall be delivered by hand delivery, by telefax, or by a reputable, nationally recognized, overnight carrier, and shall be deemed to have been given on the date hand delivered, if telefaxed, upon receipt as evidenced by telefax transmission confirmation, or if delivered by a reputable, nationally recognized, overnight carrier, marked for next-day delivery, on the next business day after they are deposited with such overnight carrier. All notices shall be addressed to such party at its address given below or at such other address which such party may from time to time designate in writing to the other:

TO OPTIONOR: Hewson/DeSoto South, L.L.C.
4636 East University Drive, Suite 265
Phoenix, AZ 85034
Attn: Steven Schwarz
Telefax #: (480) 829-1771

Copy to: Robert C. Liddon
Baker, Donelson, Bearman & Caldwell
2000 First Tennessee Building
165 Madison Avenue
Memphis, TN 38103
Telefax #: (901) 577-0750

TO OPTIONEE: Williams-Sonoma, Inc.
3250 Van Ness Avenue
San Francisco, CA 94109
Attn: Sharon McCollam
Telefax #: (415) 439-8400

Copy to: Williams-Sonoma, Inc.
3250 Van Ness Avenue
San Francisco, CA 94109
Attn: Rob Loeb
Telefax #: (415) 439-8278

And copy to: Christopher Kennedy
Irell & Manella
1800 Avenue of the Stars, Suite 900
Los Angeles, CA 90067
Telefax #: (310) 203-7199

8. Survival of Representations and Warranties. The representations, warranties, covenants, agreements and undertakings of the parties herein set forth shall survive the execution of this Agreement and the purchase of the Parcel I Property.

9. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and shall be assignable to the parties' parent entities, subsidiaries and related or affiliated entities. Furthermore, Optionor shall be permitted to pledge, hypothecate and assign its rights hereunder in connection with any mortgage or deed of trust granted upon the Parcel 1 Property; and in the event of exercise by the secured party or holder of such mortgage or instrument of hypothecation of its rights and remedies thereunder, such secured party or holder, and the purchaser of the Parcel 1 Property at any foreclosure sale, shall take subject to the Option and all rights of Optionee hereunder and shall succeed to all rights of Optionor hereunder.

10. Entire Agreement; Amendments. This Agreement sets forth the entire understanding and agreement of the parties hereto with respect to the Parcel I Property. All courses of dealing, uses of trade, and all prior representations, promises, understandings and agreements, whether oral or written, are superseded by and merged into this Agreement.

11. Singular and Plural, Etc. As used herein, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

12. Waiver and Modification. No modification or waiver of any provision of this Agreement, or any other document, certificate or instrument entered into or delivered in connection herewith, and no consent by either party shall be effective unless such modification or waiver shall be in writing, and the same shall then be effective only for the period, on the conditions and for the specific instances and purposes specified in such writing.

13. Time of Essence. Time is of the essence with respect to all dates and times set forth in this Agreement.

p Book 87 pg 261

IN WITNESS WHEREOF, the parties have executed this instrument as of the day and year first above written.

OPTIONOR:

HEWSON/DESOTO SOUTH, L.L.C.

By: Hewson Development Corporation, Manager

By: Robert Myers
Title: Robert Myers, VP/CFO

OPTIONEE:

WILLIAMS-SONOMA, INC.

By: _____

Title: _____

STATE OF _____
COUNTY OF _____

Personally appeared before me, the undersigned authority in and for the said county and state, on this the ____ day of _____, 2000, within my jurisdiction, the within-named _____, who acknowledged that he is the _____, of **WILLIAMS-SONOMA, INC.**, a California corporation, and that for and on behalf of said corporation, and as its act and deed he executed and delivered the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

Notary Public

My Commission Expires:

STATE OF ARIZONA
COUNTY OF MARICOPA

Personally appeared before me, the undersigned authority in and for the said county and state, on this the 2nd day of November, 2000, within my jurisdiction, the within-named Robert Myers, who acknowledged that he is the *VP/CFO, of **HEWSON/DESOTO SOUTH, L.L.C.**, an Arizona limited liability company, and that for and on behalf of said company, and as its act and deed he executed and delivered the above and foregoing instrument, after first having been duly authorized by said company so to do.

Deborah J. Fretwell
Notary Public
Commissioned as Deborah J. Fretwell

My Commission Expires:
November 4, 2002



OPTIONEE'S MAILING ADDRESS:

Williams-Sonoma, Inc.
3250 Van Ness Avenue
San Francisco, CA 94109
Attn: Chief Executive Officer

*Vice President/CFO of
Hewson Development
Corporation which is the
Manager

OPTIONOR'S MAILING ADDRESS:

Hewson/DeSoto South, L.L.C.
4636 East University Drive, Suite 265
Phoenix, AZ 85034
Attn: Steven Schwarz

THIS INSTRUMENT PREPARED BY:

Robert C. Liddon, Attorney at Law
2000 First Tennessee Building
165 Madison Avenue
Memphis, TN 38103
901-526-2000

IN WITNESS WHEREOF, the parties have executed this instrument as of the day and year first above written.

OPTIONOR:

HEWSON/DESOTO SOUTH, L.L.C.

By: _____
Title: _____

OPTIONEE:

WILLIAMS-SONOMA, INC.

By: Sharon McCollam
Title: SVP & CFO

STATE OF California
COUNTY OF San Francisco

Personally appeared before me, the undersigned authority in and for the said county and state, on this the 2nd day of November, 2000, within my jurisdiction, the within-named Sharon McCollam, who acknowledged that she is the SVP & CFO, of **WILLIAMS-SONOMA, INC.**, a California corporation, and that for and on behalf of said corporation, and as its act and deed she executed and delivered the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

Angela C. Lie
Notary Public

My Commission Expires:
5/16/2003

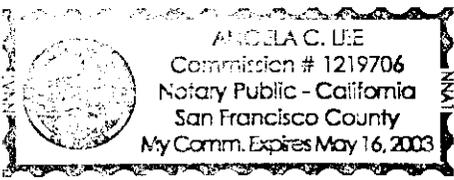


EXHIBIT "A"

Description of Parcel I Property

LOCATED IN DESOTO COUNTY, MISSISSIPPI:

BEING A SURVEY OF PART OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER, PART OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER, PART OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER AND PART OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER, SECTION 25, TOWNSHIP 1 SOUTH, RANGE 6 WEST, DESOTO COUNTY MISSISSIPPI AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 25; THENCE S89°32'11"W ALONG THE NORTH LINE OF SAID SECTION 25 A DISTANCE OF 80.00 FEET TO A POINT; THENCE S00°31'04"E ALONG A LINE THAT IS 80.00 FEET WEST OF AND PARALLEL TO THE EAST LINE OF SAID SECTION 25 A DISTANCE OF 1976.49 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING S00°31'04"E ALONG A LINE THAT IS 80.00 FEET WEST OF AND PARALLEL TO THE EAST LINE OF SAID SECTION 25 A DISTANCE OF 1550.00 FEET TO A POINT; THENCE S89°29'39"W A DISTANCE OF 1950.59 FEET TO A FOUND IRON PIN; THENCE N00°46'30"W A DISTANCE OF 1540.82 FEET TO A POINT; THENCE N89°13'30"E A DISTANCE OF 1957.52 FEET TO THE POINT OF BEGINNING AND CONTAINING 3,019,801 SQUARE FEET OR 69.325 ACRES.

EXHIBIT "B"

Description of Parcel IV Property

LOCATED IN DESOTO COUNTY, MISSISSIPPI:

BEING LOT 2, HEWSON-OLIVE BRANCH DISTRIBUTION CENTER AS SHOWN ON FINAL PLAT OF RECORD AT BOOK 69, PAGES 33-34 IN THE OFFICE OF THE CHANCERY COURT CLERK OF DESOTO COUNTY, MS, AND BEING PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 24, TOWNSHIP 1 SOUTH, RANGE 6 WEST, DESOTO COUNTY, MS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 24; THENCE S89°32'11"W ALONG THE SOUTH LINE OF SAID SECTION 24 DISTANCE OF 80.00 FEET TO A POINT ON THE WEST LINE OF POLK LANE (80.00 FOOT RIGHT-OF-WAY); THENCE N0°51'56"W ALONG THE WEST LINE OF SAID POLK LANE, SAID WEST LINE OF POLK LANE BEING 80.00 FEET WEST OF AND PARALLEL TO THE EAST LINE OF SAID SECTION 24, A DISTANCE OF 860.00 FEET TO A SET IRON PIN AT THE NORTHEAST CORNER OF LOT 1 OF THE HEWSON - OLIVE BRANCH DISTRIBUTION CENTER AS RECORDED IN PLAT BOOK 64, PAGE 34 AT THE DESOTO COUNTY COURT CLERKS OFFICE, SAID POINT BEING THE **POINT OF BEGINNING**; THENCE S89°13'30"W ALONG THE NORTH LINE OF SAID LOT 1 A DISTANCE OF 1965.03 FEET TO A SET IRON PIN AT THE NORTHWEST CORNER OF SAID LOT 1; THENCE N0°46'30"W A DISTANCE OF 1509.28 FEET TO A SET IRON PIN; THENCE N89°28'56"E A DISTANCE OF 1962.68 FEET TO A SET IRON PIN ON THE WEST LINE OF SAID POLK LANE; THENCE S0°51'56"E ALONG THE WEST LINE OF SAID POLK LANE A DISTANCE OF 51.97 FEET TO A SET IRON PIN; THENCE S89°08'04"W A DISTANCE OF 20.00 FEET TO A SET IRON PIN; THENCE S0°51'56"E A DISTANCE OF 20.00 FEET TO A SET IRON PIN; THENCE N89°08'04"E A DISTANCE OF 20.00 FEET TO A SET IRON PIN ON THE WEST LINE OF SAID POLK LANE; THENCE S0°51'56"E ALONG THE WEST LINE OF SAID POLK LANE A DISTANCE OF 1428.50 FEET TO THE POINT OF BEGINNING AND CONTAINING 2,954,935 SQUARE FEET OR 67.836 ACRES.

EXHIBIT "C"

Breakdown of Parcel I Property Costs Through Effective Date

EXHIBIT "C"

p Bacon 87 pg 267

Hewson/DeSoto South, L.L.C.

Parcel 1 Costs as of 11/2/2000

	Costs
Purchase Price & Closing Costs	1,216,857.74
Legal Fees	571.55
Real Estate Taxes	16,869.88
Grading	249,509.63
Architects/Engineering Fees	8.32
Landscape Architect	5,066.44
Civil Engineering	8,681.05
Consultants	16,322.92
Accounting	1,963.59
State Filing Fees	856.50
Insurance	1,410.00
Marketing	11,859.40
Messenger	353.98
Travel	728.14
Organization Costs	1,125.08
Other Outside Services	705.25
	<u>1,532,889.47</u> =====