

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

TERMINATION OF OPTION FOR THE PURCHASE OF REAL ESTATE

THIS AGREEMENT (the "Termination Agreement") is made and entered into as of the 26th day of January, 2001 (the "Effective Date"), by and between **HEWSON/DESOTO SOUTH, L.L.C.**, an Arizona limited liability company ("Optionor"), and **WILLIAMS-SONOMA, INC.**, a California corporation ("Optionee").

Recitals of Fact

WHEREAS, Optionor, an affiliate of Hewson/DeSoto Partners III, L.L.C., has granted unto Optionee the sole and exclusive option (the "Option"), to purchase certain real property containing approximately 69.325 acres located in DeSoto County, Mississippi (the "Property"), as more particularly described in **Exhibit "A,"** attached hereto and incorporated herein, recorded on November 4, 2000, in ~~Deed~~ Book 0087, Page 0254, in the Chancery Clerk's Office of DeSoto County, Mississippi, with such grant being upon the terms, covenants and conditions stated within the Option; and

P/A
↑

WHEREAS, the purpose of the Option is no longer necessary to either the Optionor or the Optionee;

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:

The Optionee and the Optionor hereby terminate and release the Option in its entirety, and the Optionee and Optionor hereby agree and acknowledge that the Optionee shall have no right or claim to the Property as a result of the Option.

STATE MS. - DE SOTO CO.
FILED

re
JAN 26 2 43 PM '01

re
BK 88 Pg 284
MISSISSIPPI

IN WITNESS WHEREOF, the Optionor and the Optionee have caused this instrument to be executed by their duly authorized officers as of the Effective Date.

OPTIONOR:

HEWSON/DESOTO SOUTH, L.L.C., an Arizona limited liability company

BY: Hewson Development Corporation, Manager

By: *Robert Myers*
Robert Myers
Vice-President/Chief Financial Officer

OPTIONEE:

WILLIAMS-SONOMA, INC.

By: _____
Title: _____

STATE OF Arizona
COUNTY OF Maricopa

Personally appeared before me, the undersigned authority in and for the said county and state, on this the 24th day of January, 2001, within my jurisdiction, the within-named **ROBERT MYERS**, who acknowledged that he is the Vice-President/Chief Financial Officer of **HEWSON DEVELOPMENT CORPORATION** which is the Manager 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



IN WITNESS WHEREOF, the Optionor and the Optionee have caused this instrument to be executed by their duly authorized officers as of the Effective Date.

OPTIONOR:

HEWSON/DESOTO SOUTH, L.L.C., an Arizona limited liability company

BY: Hewson Development Corporation, Manager

By: _____
Robert Myers
Vice-President/Chief Financial Officer

OPTIONEE:

WILLIAMS-SONOMA, INC.

By: _____
Title: SE VP & CFO

STATE OF _____
COUNTY OF _____

Personally appeared before me, the undersigned authority in and for the said county and state, on this the ___ day of _____, 2001, within my jurisdiction, the within-named **ROBERT MYERS**, who acknowledged that he is the Vice-President/Chief Financial Officer of **HEWSON DEVELOPMENT CORPORATION** which is the Manager 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.

Notary Public

My Commission Expires: _____

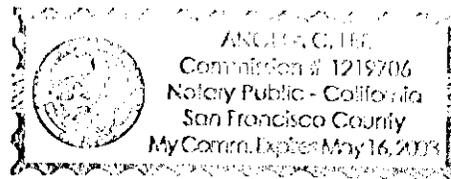
STATE OF California
COUNTY OF San Francisco

Personally appeared before me, the undersigned authority in and for the said county and state, on this the 23 day of January, 2001, within my jurisdiction, the within-named Sharon McCollum, 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.

Reysha L. Lee
Notary Public

My Commission Expires:

5/16/03



OPTIONEE'S MAILING ADDRESS:

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

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

EXHIBIT "A"

Description of Parcel 1 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.