

RECORDING REQUESTED BY
AND WHEN RECORDED, MAIL TO:

Cost Plus, Inc.
200 4th Street
Oakland, CA 94607
Attn: Lease Administrator

SUBORDINATION, NON-DISTURBANCE AND ATTORNMEN AGREEMENT

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMEN AGREEMENT is made and entered into as of this 20th day of June, 2005, by and among U.S. BANK NATIONAL ASSOCIATION, a national banking association ("Lender") COST PLUS, INC., a California corporation ("Tenant") and SOUTHAVEN TOWNE CENTER, LLC, a Mississippi limited liability company ("Landlord").

RECITALS

the beneficiary

A. Lender is the holder of a certain note (the "Note") and ~~a trustee~~ under a Deed of Trust dated June 29, 2004 ("Deed of Trust"), in which Landlord is named as the beneficiary, which Deed of Trust was recorded on July 1, 2004, in the Office of the Chancery Court Clerk of De Soto County, State of Mississippi. The Deed of Trust covers certain real property together with all appurtenances thereto and improvements thereon (the "Property") all as more particularly described in Exhibit A attached hereto and made a part hereof.

grantor

B. Landlord is the owner in fee simple of the Property and is the current obligor under the Note.

C. By Lease dated June 20, 2005 (the "Lease"), Landlord leased to Tenant those certain premises (the "Premises") which constitutes or forms all or a portion of the Property covered by the Deed of Trust.

D. The Lease is or may become (subject to this Agreement) subordinate in priority to the Deed of Trust.

E. Tenant wishes to obtain from Lender certain assurances that Tenant's possession of the Premises will not (subject to this Agreement) be disturbed by reason of the enforcement of the Deed of Trust covering the Premises or a foreclosure of the lien thereunder.

F. Lender is willing to provide such assurances to Tenant upon and subject to the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the above, the reciprocal promises hereinafter

set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do mutually agree as follows:

1. Ratification. The Lease now is or shall become upon the mutual execution of this Agreement subject and subordinate in all respects to the Deed of Trust and to all renewals, modifications and extensions thereof, subject to the terms and conditions of this Agreement. Lender acknowledges receipt of a copy of the Lease and hereby approves the same.

2. Landlord's Default. From and after the date Tenant receives a fully executed copy of this Agreement, Tenant will not seek to terminate the Lease by reason of any act or omission of Landlord, until Tenant shall have given written notice of such act or omission to Lender (at Lender's last address furnished to Tenant) and until a period of thirty (30) days shall have elapsed, Lender shall have the right, but not the obligation, to remedy such act or omission, provided however that if the act or omission does not involve the payment of money from Landlord to Tenant and (i) is of such a nature that it could not be reasonably remedied within the thirty (30) day period aforesaid, or (ii) the nature of the act or omission or the requirements of local law require Lender to appoint a receiver or to foreclose on or commence legal proceedings to recover possession of the Property in order to effect such remedy and such legal proceedings and consequent remedy cannot reasonably be achieved within said thirty (30) days, then Lender shall have such further time as is reasonable under the circumstances to effect such remedy, not to exceed sixty (60) days if the relevant matter is any matter that shall have a material, adverse impact on Tenant's use or enjoyment of the Premises, and provided further Lender shall notify Tenant, within ten (10) days after receipt of Tenant's notice, of Lender's intention to effect such remedy and shall promptly institute legal proceedings to appoint a receiver for the Property or to foreclose on or recover possession of the Property within said thirty (30) day period, to the extent necessary to cure the alleged default and thereafter prosecute said proceedings and remedy with due diligence and continuity to completion. The foregoing cure right shall not affect any right of Tenant under the Lease to cure any default on behalf of Landlord and charge the cost thereof to Landlord, nor any right Tenant may have under the Lease to abatement of rent arising out of the relevant default.

3. Subordination of Lease. Subject to the terms and conditions provided herein, the Lease is and shall be subject and subordinate to the provisions and lien of the Deed of Trust and to all renewals, modifications, consolidations, replacements and extensions thereof, to the full extent of the principal amount and other sums secured thereby and interest thereon, as if the Lease had been executed and delivered after the execution, delivery and recording of the Deed of Trust.

4. Non-Disturbance and Attornment. So long as Tenant is not in default under the Lease (beyond any period given Tenant to cure such default) as would entitle Landlord to terminate the Lease, Lender will not disturb the peaceful and quiet possession or right of possession of the Premises by Tenant, nor shall the Lease be extinguished by reason of any Foreclosure (as hereinafter defined) or otherwise, nor will Lender join Tenant as a party in any action or proceeding brought to foreclose or enforce the Deed of Trust. (Unless such joinder is required by applicable law and does not result in any disturbance of Tenant's possession or any termination or modification of any of Tenant's rights under the Lease).

In the event that Lender or its successors or assigns, as described in Paragraph 6 hereof (“Successor Landlord”) acquires the interest of Landlord or comes into the possession of or acquires title to the Premises (the “Succession”) by reason of the foreclosure (judicial or nonjudicial) or enforcement of the Deed of Trust (including a private power of sale) or of the Note or of the obligations secured thereby, or by a conveyance in lieu of foreclosure or other conveyance or as a result of any other means (any or all of the foregoing hereinafter referred to as a “Foreclosure”), then the Lease shall remain in full force and effect and Tenant shall be bound to Successor Landlord under all of the provisions of the Lease for the balance of the term thereof (including any extensions or renewals thereof which may be effected in accordance with any options contained in the Lease) with the same force and effect as if Successor Landlord was Landlord under the Lease, and Tenant shall attorn to Successor Landlord as its landlord under the Lease, such attornment to be effective and self operative, without the execution of any further instruments on the part of either of the parties hereto, immediately upon the Succession; and further, in such event, Successor Landlord shall be bound to Tenant under all of the provisions of the Lease, and Tenant shall, from and after such Succession, have the same remedies against Successor Landlord for the breach of any agreement contained in the Lease that Tenant might have had under the Lease against Landlord thereunder provided, however, that Successor Landlord shall not be:

(a) liable for any act or omission of any prior landlord (including Landlord) unless Tenant shall have given notice (pursuant to Paragraph 2 hereof) of such act or omission to the party who was the then holder of the Deed of Trust (whether or not such holder elected to cure or remedy such act or omission) or of a default by Landlord arising out of such act or omission, and such act or omission or default continues after any Succession; or

(b) subject to any offsets (except those expressly permitted under the Lease) or defenses which Tenant might have against any prior landlord (including Landlord) unless Tenant shall have given notice (pursuant to Paragraph 2 hereof) of the state of facts or circumstances under which such offset or defense arose to the party who was the then holder of the Deed of Trust (whether or not such holder elected to cure or remedy such condition) and such state of facts or circumstances continues after succession; or

(c) bound by any Minimum Rent which Tenant might have paid to any prior landlord (including Landlord) more than thirty (30) days in advance of the due date under the Lease.

Tenant shall be under no obligation to pay rent to Lender or Successor Landlord until Tenant receives written notice from Lender or Successor Landlord stating that Lender or Successor Landlord is entitled to receive the rents under the Lease directly from Tenant. Landlord, by its execution hereof, hereby authorizes Tenant to accept such direction from Lender or Successor Landlord and to pay the rents directly to Lender or Successor Landlord and waives all claims against Tenant for any sums so paid at Lender’s or Successor Landlord’s direction. Tenant may conclusively rely upon any written notice Tenant receives from Lender or Successor Landlord, notwithstanding any claims by Landlord contesting the validity of any term or condition of such notice, including any default claimed by Lender or Successor Landlord, and Tenant shall have no duty to inquire into the validity or appropriateness of any such notice.

5. Agreement to Release Certain Proceeds or Awards.

(a) Destruction. In the event of a casualty affecting the Premises, Lender shall release its interest in any insurance proceeds payable on account of any nonstructural improvements installed by Tenant that are covered under Landlord's policy of insurance. Lender acknowledges that it has no interest and waives any interest in Tenant's personal property, Tenant's signs, the satellite dish, and any safety systems (such as, without limitation, fire and security monitoring and alarm systems) installed at or about the Premises, or any insurance proceeds are payable with respect thereto under either Landlord's or Tenant's policies.

(b) Eminent Domain. In the event of a public taking or act of eminent domain, Lender shall release its interest in that portion of the award to which Tenant is entitled pursuant to the Lease, as well as its interest in so much of the award applicable to the Improvements installed by Tenant as shall be necessary for the purposes of restoration, consistent with Landlord's and Tenant's rights and obligations under the Lease.

6. Notices. All notices, demands, or requests, and responses thereto, required or permitted to be given pursuant to this Agreement shall be in writing and shall be sent postage prepaid by certified or registered mail return receipt requested, or may be forwarded by United States Express Mail Service, or by Federal Express or other private overnight delivery service or by telex or telegram (but not facsimile) provided that a receipt or proof of delivery thereof can be produced, addressed as follows:

To Lender:	U.S. Bank National Association Mail Station - BC-MN-HO3A U.S. Bancorp Center 800 Nicollet Mall, 3 rd Floor Minneapolis, Minnesota 55402-7020 Attn: Real Estate Banking Division Head
To Tenant:	Cost Plus, Inc. 200 4th Street Oakland, CA 94607 Attn: Lease Administrator
With a copy to:	Colliers International 1610 Arden Way, Suite 242 Sacramento, CA 95815 Attn: Manager, Lease Administration
To Landlord:	Southaven Towne Center, LLC c/o CBL & Associates Properties, Inc. CBL Center, Suite 500 2030 Hamilton Place Blvd. Chattanooga, TN 37421 Attn: President

or to such other address as the parties may designate in writing. All such notices shall be deemed delivered when actually received or refused by the other party.

7. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective personal representatives, successors and assigns it being understood that the obligations herein of lender shall extend to it in its capacity as Lender under the Deed of Trust and to its successors and assigns, including anyone who shall have succeeded to its interest or to Landlord's interest in the Premises or acquired possession thereof by Foreclosure or otherwise.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

LENDER

U.S. BANK NATIONAL ASSOCIATION,
a national banking association

By: Paula Breneck

Its: Assistant Vice President

TENANT

COST PLUS, INC., a California corporation

By: Gregory Logan

Its: President

LANDLORD

SOUTHAVEN TOWNE CENTER, LLC,
a Mississippi limited liability company

By: CBL & Associates Management, Inc.,
a Delaware corporation, its managing
agent

By: Ronald S. Gimple

Its: RONALD S. GIMPLE
Senior Vice President
and General Counsel

State of Minnesota

County of Hennepin

Bank Acknowledgment

I, Janice Schraad, Notary Public, certify that Paula Bieniek, personally came before me this day and acknowledged that he/she is Assistant Vice President U.S. Bank National Association, a national banking association, and that he/she is authorized to execute the foregoing on behalf of the national banking association.

Witness my hand and official seal, this the 30th day of June, 2005.

My commission expires:
1/31/08

Janice M Schraad
Notary Public



Tenant Acknowledgement

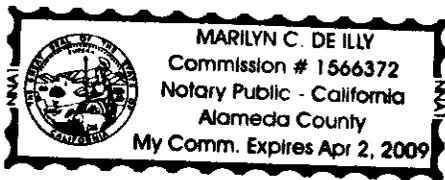
State of California

County of Alameda

On June 20, 2005 before me, Marilyn C. de Illy, a Notary Public, personally appeared Danny W. Gurr, personally known to me 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.

Marilyn C. de Illy
Notary Public



State of Mississippi

County of Hamilton

Landlord Acknowledgment

I, Connie D. Blair Notary Public, certify that Ronald S. Gimple personally came before me this day and acknowledged that he ~~she~~ is Sr. VP. of SOUTHAVEN TOWNE CENTER, LLC, a Mississippi limited liability company, and that he ~~she~~ is authorized to execute the foregoing on behalf of the limited liability company.

Witness my hand and official seal, this the 21st day of June, 2005.

My commission expires:

4-24-06

Connie D. Blair
Notary Public



EXHIBIT A

Legal Description

Lot 17 of Southaven Towne Center Subdivision in Section 36, Township 1 South, Range 8 West, City of Southaven, Desoto County, Mississippi, as shown upon the Subdivision Plat entitled "Revision One, Lots 1 thru 14 and 16 thru 17, Southaven Towne Center, Zoned C4", prepared by Southern States Survey, Inc., dated February 11, 2005, recorded in Plat Book 91, pages 6-7, in the Office of the Chancery Court Clerk, Desoto County, Mississippi.