

When recorded, return to:

*aw*  
Jo-Ann Stores, Inc.  
5555 Darrow Road  
Hudson, OH 44236  
Attn: Lisa Drew – Legal Dept.

This instrument was prepared by:  
Gary R. Meador, Esq.  
Jo-Ann Stores, Inc.  
5555 Darrow Road  
Hudson, OH 44236

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**MEMORANDUM OF LEASE**

This Memorandum of Lease is made as of October 26, 2009, between **Jo-Ann Stores Inc.**, an Ohio corporation ("Tenant") located at 5555 Darrow Road, Hudson, Ohio 44236 and **Southaven Towne Center II, LLC**, a Delaware limited liability company ("Landlord") located at c/o CBL & Associates Management, Inc., 2030 Hamilton Place Boulevard, Suite 500, Chattanooga, TN 37421-6000.

Reference is made to a Lease Agreement dated August 28, 2009, between Landlord and Tenant (the "Lease"). Pursuant to Section 33 of the Lease, the parties desire to create this instrument. The parties acknowledge the following:

1. The Premises consists of approximately 18,243 square feet in the shopping center known as Southaven Towne Center, as legally described on Exhibit A attached hereto and incorporated by reference herein (the "Shopping Center").
2. Subject to the terms of the Lease, the initial term of the Lease commences on the Commencement Date (as defined in the Lease) and ends on the last day of the 10th Lease Year (as defined in the Lease). Tenant has options to extend the initial term for three (3) additional periods of five years each.
3. Subject to the terms and conditions of Section 14 of the Lease, Landlord has granted Tenant the exclusive right to sell the following items in the Shopping Center: fabrics of all kinds, goods sold by the yard, upholstery materials, patterns, knitting supplies, needlepoint, macramé, artificial flowers and accessories, arts and crafts materials and supplies, finished, framed artwork; custom framing, scrapbooks and scrapbooking supplies and materials, yarns and all types of notions, sewing machines, sewing machine furniture, and products, accessories and services related to all of the foregoing.
4. Landlord has agreed that the Shopping Center or any portion thereof will not be used as or for the following: See attached Exhibit F.
5. Intentionally omitted.
6. This Memorandum of Lease is intended solely to establish the Lease and the rights of Tenant in respect of the Premises as matters of public record. Reference is hereby made

to the Lease for a complete description of all of the rights, duties, and obligations of the parties in respect of the Premises and the use and the occupancy thereof. In the event of any inconsistency between the Lease and this Memorandum of Lease, the Lease shall control.

In witness whereof, each party has caused this instrument to be signed by its duly authorized representative.

LANDLORD:

**Southaven Towne Center II, LLC,**  
a Delaware limited liability company

By: CBL & Associates Management, Inc.,  
as Managing Agent

By: Victoria S. Berghel  
**VICTORIA S. BERGHEL**  
Print Name: \_\_\_\_\_

Title: Senior Vice President and General  
Counsel



And

Attest: Denise Postelle  
Print Name: Denise Postelle

Title: Assistant Secretary

TENANT:  
**Jo-Ann Stores, Inc.**

*GMJ*

By: Darrell Webb  
Darrell Webb  
Chief Executive Officer and  
President

STATE OF TN )  
 ) SS:  
COUNTY OF Hamilton )

BEFORE ME, a Notary Public in and for said County and State, personally appeared ~~VCB & Associates Management, Inc.~~ Victoria S. Berahel a(n) Delaware corporation, by Victoria S. Berahel, its Sr. V.P. + General Counsel, who did sign the foregoing instrument on behalf of the Corporation and that the same is the free act and deed of the corporation and his/her free act and deed personally as such officer.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Chattanooga, Tennessee, this 26<sup>th</sup> day of October, 2009.



Virginia P. McClain  
NOTARY PUBLIC

**My Commission Expires May 9, 2012**

STATE OF OHIO )  
 ) SS:  
COUNTY OF SUMMIT )

BEFORE ME, a Notary Public in and for said County and State, personally appeared Jo-Ann Stores Inc., an Ohio corporation, by Darrell Webb, its chief executive officer and president, who acknowledged that he did sign the foregoing instrument on behalf of the corporation, and that the same is the free act and deed of the corporation and his free act and deed personally and as such officer.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Hudson, Ohio, this 28<sup>th</sup> day of August, 2009.

Bonita Marie Caesar  
NOTARY PUBLIC



**BONITA MARIE CAESAR**  
Notary Public, State of Ohio  
My Commission Expires August 17, 2012

**EXHIBIT A**  
**Legal Description of Shopping Center**

Lots 10, 12, 13, and 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.

**EXHIBIT F****Use Restrictions****I. Restricted Uses:**

In no event will the Premises or the Landlord's Portion of the Shopping Center be used as or for any of the following:

- (i) a movie theater; auditorium; meeting or banquet hall;
- (ii) church; bingo hall or a place of public assembly;
- (iii) library or school (includes, but not limited to, a beauty school, barber college, reading room, place of instruction or any other operation serving primarily students or trainees rather than retail customers); provided, however, as to Landlord's Portion of the Shopping Center, this Restricted Use is not precluded in Lot 12;
- (iv) for the sale or service of automobiles or other vehicles; provided, however, as to Landlord's Portion of the Shopping Center, this Restricted Use is not precluded in Lot 12;
- (v) night club or bar serving alcoholic beverages except as incidental to a restaurant ("incidental" shall be defined as deriving less than 50% of gross sales from the sale alcoholic beverages); or liquor or beverage store; provided, however, as to Landlord's Portion of the Shopping Center, this Restricted Use is not precluded is spaces that are 400 feet or more away from the front door of the Premises;
- (vi) funeral parlor; massage parlor; provided, however, as to Landlord's Portion of the Shopping Center, this Restricted Use shall not preclude therapeutic massages given in connection with the operation of a day spa, such as Massage Envy, or health club;
- (vii) animal clinic or animal boarding (kennel); provided, however, as to Landlord's Portion of the Shopping Center, this Restricted Use shall not preclude full-line pet supply stores (by way of example, Petco, PetSmart, Pet Supplies Plus and Super Petz), provided, further, that (a) overnight boarding (indoor only) of pets is limited to that which is incidental to the operations of such tenant or occupant and not offered to customers as a separate service and (b) the combined veterinary and overnight boarding facilities occupy no more than fifteen percent (15%) of the Gross Leasable Area of such tenant or occupant [*as the parties are establishing a standard list of Restricted Uses for use in future leases between the parties, this bracketed and italicised text does NOT alter this Exhibit or this Lease and will serve only as a reminder that this specific Restricted Use may be inappropriate for other locations and should be reconsidered for each new location*];
- (viii) discotheque; dance hall or otherwise for musical/dance reviews or topless/nude shows;

- (ix) karate studio; gymnasium; bowling alley; or skating rink; provided, however, as to Landlord's Portion of the Shopping Center, this Restricted Use is not precluded in Lot 12;
- (x) car wash; provided, however, as to Landlord's Portion of the Shopping Center, this Restricted Use is not precluded in Lot 12;
- (xi) off-track betting establishment;
- (xii) pool room, game room or amusement arcade (defined as any establishment containing more than a combination of three electronic, pinball or other games), gallery or store or pinball arcade; provided, however, as to Landlord's Portion of the Shopping Center, this Restricted Use shall not preclude children's entertainment uses or family entertainment uses (by way of example, Dave & Busters, Lucky Strike and Chuck E. Cheeses) so long as such uses are 400 feet or more from the front door of the Premises [*as the parties are establishing a standard list of Restricted Uses for use in future leases between the parties, this bracketed and italicised text does NOT alter this Exhibit or this Lease and will serve only as a reminder that this specific Restricted Use may be inappropriate for other locations and should be reconsidered for each new location*];
- (xiii) so-called "flea market"; or second hand, used goods or consignment store; provided, however, as to Landlord's Portion of the Shopping Center, this Restricted Use shall not preclude stores selling brand name, gently-used merchandise, commonly found in first-class shopping centers (by way of example, Play It Again Sports, Plato's Closet and Once Upon a Child);
- (xiv) store selling primarily distressed or damaged merchandise;
- (xv) health club or spa; provided, as to Landlord's Portion of the Shopping Center, this Restricted Use shall not preclude gyms, health clubs or spas under 5,000 square feet, such as Curves or Massage Envy and so long as such uses are 200 feet or more from the front door of the Premises; and provided further, however, as to Landlord's Portion of the Shopping Center, this Restricted Use shall not preclude a high-end full service spa to be defined as providing services such as hair, nail, tan and massage;
- (xvi) so-called "head shop";
- (xvii) gun range or gun shop; provided, however, as to Landlord's Portion of the Shopping Center, this Restricted Use shall not preclude full-line sporting goods stores (by way of example Bass Pro, Dick's Sporting Goods, Academy Sports and Sportsman's Warehouse);
- (xviii) for warehousing, except as incidental to a retail business; provided, however, as to Landlord's Portion of the Shopping Center, this Restricted Use is not precluded in Lot 12;
- (xix) adult book store or store selling or exhibiting sexually explicit materials; provided, however, that the sale of books, magazines and other publications by a national bookstore of the type normally located in first-class shopping centers (by way of example, Borders, Books A Million and Barnes & Noble) shall not be precluded under this Restricted Use; and provided further, however, that the sale or rental of videos by a national video store of the type normally located in first-class shopping centers (by

way of example, Blockbuster or West Coast Video) shall not be precluded under this Restricted Use;

- (xx) any business or use that emits offensive odors, fumes, dust or vapors or is a public or private nuisance or emits loud noise or objectionable sounds or creates fire, explosive or other hazard; and
- (xxi) laundromat;
- (xxii) auto repair or body shop; provided, however, tire, battery or auto parts retail locations shall not be precluded under this Restricted Use;
- (xxiii) homeless shelter or halfway house;
- (xxiv) office use, provided, however, as to the Landlord's Portion of the Shopping Center, real estate brokers, insurance services, tax preparation services, chiropractic, stock brokers, title companies, medical offices, law offices and similar service office uses as are typical for comparable shopping centers in the geographical area within which the Shopping Center is located ("Service Offices") shall be permitted, provided that such Service Offices, in the aggregate, do not exceed 15,000 square feet; and, provided further, that any such Service Offices are 400 feet or more from the front door of the Premises (except that this 400 feet limitation shall not apply to Service Offices located in the area identified as "Shops 1300" on the Site Plan); notwithstanding the foregoing, in no event shall the following be allowed as Service Offices: abortion clinic, aids clinic, drug treatment facility or bodily fluid collection facility.