

Prepared by,
recording requested by
and after recording
please return to:

*
UPS

Michaels Stores, Inc.
8000 Bent Branch Drive
Irving, TX 75063
Attn: Real Estate Attorney
Phone : 469-759-5561

MEMORANDUM OF SHOPPING CENTER LEASE

Store #: 1099, Olive Branch, Mississippi
Wedgewood Commons Shopping Center

Landlord/Grantor: SCD #1, LLC
Stone Crest Services, LTD
595 Round Rock West Dr., Suite 701
Round Rock, Texas 78681 (512) 681-1000

Tenant/Grantee: Michaels Stores, Inc.
8000 Bent Branch Drive
Irving, Texas 75063 (972) 409-1300

Legal Description:

Developer Tract Parcel 1 "Lot 4"
BEING LOCATED IN THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 1 SOUTH, RANGE 7 WEST IN THE CITY OF OLIVE BRANCH, DESOTO COUNTY, MISSISSIPPI, AND BEING LOT 4 OF WEDGEWOOD COMMONS AS RECORDED IN PLAT BOOK 104, PAGE 43 AT THE CHANCERY CLERK'S OFFICE OF SAID COUNTY. CONTAINING 544,900 SQUARE FEET, OR 12.509 ACRES.

Outparcel 1 "Lot 2"
BEING LOCATED IN THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 1 SOUTH, RANGE 7 WEST IN THE CITY OF OLIVE BRANCH, DESOTO COUNTY, MISSISSIPPI, AND BEING LOT 2 OF WEDGEWOOD COMMONS AS RECORDED IN PLAT BOOK 97, PAGE 24 AT THE CHANCERY CLERK'S OFFICE OF SAID COUNTY. CONTAINING 90,341 SQUARE FEET, OR 2.07 ACRES.

Outparcel 2 "Lot 3"
BEING LOCATED IN THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 1 SOUTH, RANGE 7 WEST IN THE CITY OF OLIVE BRANCH, DESOTO COUNTY, MISSISSIPPI, AND BEING LOT 3 OF WEDGEWOOD COMMONS AS RECORDED IN PLAT BOOK 104, PAGE 41 AT THE CHANCERY CLERK'S OFFICE OF SAID COUNTY. CONTAINING 120,730 SQUARE FEET, OR 2.772 ACRES.

Prepared by, recording requested by
and after recording return to:
Michaels Stores, Inc.
8000 Bent Branch Drive
Irving, Texas 75063
Attn: Real Estate Attorney
Store No.1099

MEMORANDUM OF SHOPPING CENTER LEASE

1. Effective Date of Lease. October 7, 2011
2. Name and Address of Landlord. SCD #1, LLC, a Mississippi Limited Liability Company having an office at c/o StoneCrest Services, Ltd, 595 Round Rock West Dr, Ste 701, Round Rock, Texas 78681, Attn: Bradley D. Smith.
3. Name and Address of Tenant. MICHAELS STORES, INC., a Delaware corporation, having an office at 8000 Bent Branch Drive, Irving, Texas 75063, Attention: Director of Real Estate Administration.
4. Description of Premises. Approximately 21,360 (Approximate dimensions 117' frontage x 182.5' depth) Leasable Square Feet and being a part of Wedgewood Commons Shopping Center (the "Shopping Center") located in the City of Olive Branch, County of DeSoto, State of Mississippi, and constructed on land described in Exhibit A attached hereto. The Shopping Center is part of a larger development referred to in the Lease as the "Entire Project" (the "Entire Project"). The Entire Project is constructed on land described in Exhibit A-1 attached hereto.
5. Term of Lease. Commencing on the "Completion Date" of the Lease (as such term is defined in the Lease) and ending on the last day of February, 2023.

6. Options to Extend. The Lease grants to Tenant successive options to extend the Lease Term from the date upon which the Lease Term would otherwise expire for five (5) additional periods of five (5) years each.

7. Restrictions on Construction. Landlord will not create out parcels or pad sites in the Shopping Center except as shown on Exhibit B. The roof line and parapet wall of any other premises in the Shopping Center (other than buildings or improvements constructed on any out parcel or pad site, which shall be subject to the height limitation set forth in the preceding sentence) shall not be higher than the height of the roof line and parapet wall of the Premises. Landlord will not construct, or allow any other party to construct, other buildings or improvements in the parking areas shown on Exhibit B to this Lease or on any other area of the Shopping Center, except as shown on Exhibit B. Landlord acknowledges that the foregoing restrictions on construction constitute a material inducement to Tenant's agreement to enter into this Lease, and any violation of the provisions of this section shall be deemed to be a material breach under this Lease. Landlord shall not perform (nor permit to be performed) any exterior shell construction in the Shopping Center during the months of October, November or December after Tenant has opened for business in the Premises.

8. Prohibited Uses. There exists in the Lease various restrictions upon other uses at the Shopping Center.

9. Employee Parking. Landlord may designate, and may from time to time change the designation of, the particular parking areas in the Shopping Center to be used by the employees of the various occupants of the Shopping Center (the "Employee Parking Areas"); provided that the rules for parking shall be uniformly imposed upon all tenants of the Shopping Center. Landlord

agrees that any designated Employee Parking Areas shall impose no unreasonable burden upon the employees of Tenant and shall impose no greater safety or security risk upon Tenant's employees than any other parking areas of the Shopping Center.

10. Exclusive. Section 16.4.1 of Exhibit C to the Lease provides as follows: "Neither Landlord nor any entity controlled by Landlord will use, lease (or permit the use, leasing or subleasing of) or sell any space in or portion of the Shopping Center (other than the Premises) or any property contiguous to the Shopping Center, including, without limitation, any property that would be contiguous or adjacent to the Shopping Center (but for any intervening road, street, alley or highway) owned or controlled now or at any time hereafter by Landlord or any affiliate of Landlord, to any "craft store", store selling arts and crafts, art supplies, craft supplies, picture frames or picture framing services, framed art, artificial flowers and/or plants, artificial floral and/or plant arrangements, holiday themed décor, decorations and costumes, wedding goods (except apparel), party goods, scrapbooking/memory book store, or a store selling scrapbooking/memory book supplies, accessories, and/or decorations or other papercrafting (e.g. making greeting cards, gift bags, tags, and other related or similar items) supplies, accessories and/or decorations associated with the foregoing, or providing classes on any of the foregoing or any combination of the foregoing categories, or any store similar to Tenant in operation or merchandising. This Section 16.4.1 shall not apply to (A) any lessee whose lease was fully executed on the Effective Date hereof and is identified on Exhibit I as an "Existing Lease Not Subject to Tenant's Exclusive;" provided, however, that this exception shall not apply if (i) Landlord permits or agrees to an expansion of the premises for any such permitted use which violates Tenant's exclusive, or (ii) Landlord permits or agrees to the change of a permitted use by any such lessee or its successors or assigns, or (iii) Landlord permits or agrees to an assignment or sublease of such existing lease if Landlord may avoid the granting of such permission, or (iv) Landlord has the right, by virtue of the

provisions of the existing lease, to cause said lessee to honor the exclusive granted to Tenant by giving said existing lessee notice of this exclusive or otherwise, or (B) any lessee for which the sale of a product or service covered by the exclusive granted to Tenant hereunder is merely incidental to such lessee's primary use, unless the total space which such lessee devotes to the products or services which violate the exclusive contained in this Section 16.4.1 exceeds the lesser of five hundred (500) Leasable Square Feet (inclusive of allocable aisle space and linear shelf space) or five percent (5%) of such lessee's Leasable Square Feet; and further provided, in no event shall this exception for incidental use apply to picture framing services, it being the intention that no other lessee or occupant of the Shopping Center shall be permitted to offer picture framing services not even on an incidental basis); provided, however, HomeGoods shall be permitted to devote up to 4,000 Leasable Square Feet, in the aggregate (inclusive of allocable aisle space and linear shelf space) within its premises to the sale of the following items: prints and art object, home picture frames, mirrors, wicker baskets and decorative silk flowers and further provided that the sale of art supplies, and decoration or party goods, in the aggregate, shall not exceed 200 Leasable Square Feet (and shall be counted towards such 4,000 Leasable Square Feet) and finally, provided in no event shall HomeGoods permitted to perform any picture framing services within its premises. Further, Tenant hereby acknowledges that a typical "wedding wear" store, such as David's Bridal, shall not be a violation of this Section 16.4.1, provided such typical "wedding wear" store operates in the same manner as a typical "wedding wear" store operates as of the Effective Date of the Lease. Tenant hereby agrees that Tenant will, upon the request of Ross Stores, enter into its then standard agreement with Ross Stores with respect to the application of each party's respective exclusive for the Shopping Center against the other party if such agreement exists at the time of the request. If Tenant fails to operate Tenant's business (other than for reasons beyond Tenant's reasonable control or in connection with a remodeling, rebuilding or renovation) or changes its use such that for two (2) full seasonal sales cycles it is no longer selling items covered by the exclusive granted in this Section 16.4.1, Tenant

shall no longer have an exclusive right as to the specific item not sold but described in this Section 16.4.1; provided, however, in the event Tenant recommences its business in the Premises or again sells or offers the items or services covered by this Section 16.4.1, then, upon Landlord's receipt of notice of such recommencement, the exclusive granted to Tenant hereunder shall again be effective, and any leases executed during the interim period during which this exclusive was not effective, shall be deemed to be an "Existing Lease Not Subject to Tenant's Exclusive."

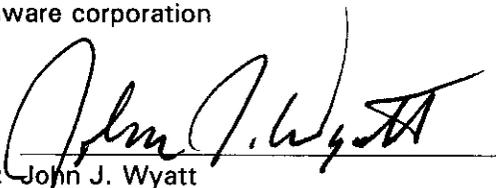
This instrument is intended to be only a Memorandum of Lease in respect to the Lease, to which Lease reference is made for the full agreement between the parties. This Memorandum is not intended to modify any term, provision or condition of the Lease and to the extent of any conflict between this Memorandum and the Lease, the Lease will control.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

EXECUTED this 7th day of OCTOBER, 2011.

TENANT

MICHAELS STORES, INC.,
a Delaware corporation

By: 

Name: John J. Wyatt

Title: Senior Vice President – Corporate Development

ATTEST

By: 

Name: Janet S. Morehouse

Title: Assistant Secretary

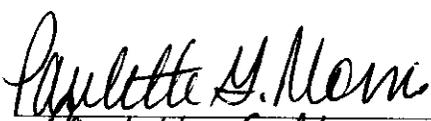
Date of Execution By Tenant:

Sept. 23, 2011

LANDLORD
SCD #1, LLC,
a Mississippi limited liability company

By: 
Name: Bradley D. Smith
Title: Chief Manager

ATTEST

By: 
Name: PAULETTE G. MORRIS
Title: Office Manager

Date of Execution By Landlord:
October 7, 2011

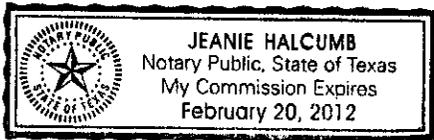
ACKNOWLEDGEMENTS

TENANT

STATE OF TEXAS §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared John J. Wyatt, Senior Vice President - Corporate Development of MICHAELS STORES, INC., a Delaware corporation, who acknowledged that he was duly authorized to execute this agreement on behalf of said corporation.

GIVEN under my hand and seal of office this 23rd day of Sept, 2011.



Jeanie Halcumb
Notary Public in and for the State of Texas

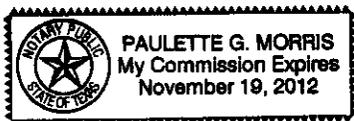
Notary's Printed Name
My Commission Expires:

LANDLORD

STATE OF Texas §
COUNTY OF Williamson §

BEFORE ME, the undersigned authority, on this day personally appeared BRADLEY D. SMITH CHIEF MANAGER of SCD #1, LLC, a Mississippi limited liability company, who acknowledged that he was duly authorized to execute this agreement on behalf of said corporation.

GIVEN under my hand and seal of office this 7th day of October, 2011.



Paulette G. Morris
Notary Public in and for the State of Texas

Notary's Printed Name
My Commission Expires:

EXHIBIT A
TO
MEMORANDUM OF SHOPPING CENTER LEASE
BETWEEN
SCD #1, LLC
AND
MICHAELS STORES, INC.

LEGAL DESCRIPTION

Developer Tract Parcel 1 "Lot 4"

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