

AGREEMENT IN CONNECTION WITH ADL

THIS AGREEMENT IN CONNECTION WITH ADL (this "Agreement") is made this 5th day of June, 2003, by and between TARGET CORPORATION, a Minnesota corporation ("Target"), and INDEPENDENCE SQUARE ENTERPRISES, LLC, a Utah limited liability company ("Independence"), collectively referred to as the "Parties" or individually as a "Party".

RECITALS

A. Target owns or has a leasehold interest in a portion of that certain real property (hereafter referred to as the "Shopping Center"), situated in Centerville City, Davis County, Utah. The Shopping Center is more particularly described on Exhibit "A" attached hereto and incorporated herein by reference.

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871016009
B. Pursuant to the terms of that certain Option Agreement between Target and Independence dated October 18, 2002, and effective on or about October 24, 2002 (as the same may be amended), Target has assigned or will assign to Independence, and Independence has assumed or will assume, the leasehold interest of Target in a portion of the Shopping Center under that certain Ground Lease identified in Part I of Exhibit "B" attached hereto and incorporated herein by reference (the "Ground Lease"), which Ground Lease relates to the portion of the Shopping Center that is legally described in Part II of Exhibit "B" (the lessee's leasehold interest in said property under the Ground Lease hereinafter referred to as the "Independence Property").

C. The Redevelopment Agency of Centerville City ("Agency") and Target (formerly known as Dayton Hudson Corporation) entered into that certain Agreement for Disposition of Land for Private Development dated February 1, 1995, which the Agency and Target amended by Addendum (the "Addendum") dated December 16, 1997, and by Second Amendment to the Agreement for Disposition of Land for Private Development dated October 5, 1999 (collectively the "ADL"), and which was further amended by pertaining to the development of that certain project known as the Parrish Lane Gateway Neighborhood Development Project Area, for the purpose of constructing and developing the Shopping Center. Capitalized terms in this Agreement which are not otherwise defined herein shall have the meanings set forth in the ADL.

D. Among other things, the ADL provides for the construction of certain improvements in the Shopping Center, including TIF Phase I (referring to certain offsite improvements), TIF Phase II (referring to 175,000 square feet of retail or commercial buildings), and TIF Phase III (referring to an additional 175,000 square feet of retail or commercial buildings for a total of 350,000 square feet of retail or commercial buildings in the Shopping Center). The TIF Phase I, TIF Phase II and TIF Phase III are collectively referred to as "TIF Obligations".

E. TIF Phase I, TIF Phase II, and a portion of TIF Phase III are now complete.

F. The ADL provides that if Target desires to transfer a portion of the Shopping Center prior to the completion of the TIF Obligations, that Agency's consent must first be obtained.

G. Pursuant to the terms and provisions of the ADL, Agency is obligated to pay to Target, upon the satisfaction of certain terms, covenants and conditions set forth in the ADL, certain tax increment ("Tax Increment") for the period and upon the terms and conditions set forth in the ADL.

NOW THEREFORE, based upon the mutual covenants and promises hereinafter set forth, and other good and valuable consideration, the Parties hereby agree as follows:

1. Recitals. The foregoing recitals are incorporated herein by reference and made a part of this Agreement.

2. Assignment and Assumption. Target hereby assigns, transfers and conveys to Independence all of its right, title, interest and obligations under the ADL with respect to (and only with respect to) the Independence Property, but specifically excluding any of Target's right, title and interest under the ADL to receive any Tax Increment pertaining to the real property covered by the Ground Lease (sometimes herein called the "Leased Premises") or any other parcel within the Shopping Center. Independence hereby accepts the same and assumes the ADL as it pertains to the Independence Property, and agrees to timely pay and perform each and every obligation to be paid and performed by Target under the ADL as it pertains to the Independence Property arising after the date of this Agreement.

3. Independence's Construction Obligations. Without limiting the generality of any other provision of this Agreement, Independence covenants to Target to commence construction of at least 30,000 square feet of commercial or retail buildings on the Leased Premises by no later than the date which is twelve (12) months following the date upon which the Independence Property is assigned to Independence. Independence shall otherwise comply with all provisions of the ADL with respect to such construction, including, but not limited to, obtaining all permits and approvals of Centerville City and Agency as required under the ADL.

4. Indemnification. Independence hereby agrees to indemnify and defend Target and hold Target harmless from and against any and all demands, liability, damages, expenses, causes of action, suits, claims or judgments and all expenses incurred in investigating and resisting the same (including reasonable attorneys' fees and court costs) arising out of facts, circumstances, breaches, omissions or events occurring from and after the date of this Agreement in connection with the ADL as it pertains to the Independence Property. If any action or proceeding is brought against Target by reason of any claim from which Target is indemnified hereunder, upon notice from Target, Independence shall defend the same, at Independence's expense, by counsel reasonably satisfactory to Target. Independence shall promptly notify Target of any asserted claim or threat to assert a claim with respect to which Target is or may be indemnified against hereunder and shall deliver to Target copies of process and pleadings. Target hereby agrees to

indemnify and defend Independence and hold Independence harmless from and against any and all demands, liability, damages, expenses, causes of action, suits, claims or judgments and all expenses incurred in investigating and resisting the same (including reasonable attorneys' fees and court costs) arising out of facts, circumstances, breaches, omissions or events occurring prior to the date of this Agreement in connection with the ADL as it pertains to the Independence Property. If any action or proceeding is brought against Independence by reason of any claim from which Independence is indemnified hereunder, upon notice from Independence, Target shall defend the same, at Target's expense, by counsel reasonably satisfactory to Independence. Target shall promptly notify Independence of any asserted claim or threat to assert a claim with respect to which Independence is or may be indemnified against hereunder and shall deliver to Independence copies of process and pleadings.

5. Effective Date of Assignment. The provisions of this Agreement shall automatically terminate in the event that Independence does not acquire the lessee's interest in the Ground Lease on or before June 30, 2003.

6. Miscellaneous. Nothing herein shall be deemed to create the relationship of principal and agent, partnership or joint venture between the Parties. This Agreement shall be interpreted and construed only by the content hereof, and there shall be no presumption or standard of construction in favor of or against any Party. This Agreement may be amended or modified only in writing. The invalidity or unenforceability of any provision of this Agreement, as determined by a court, shall in no way affect the validity or enforceability of any of the remaining provisions hereof. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah. This Agreement shall bind the Parties, their personal representatives, successors and assigns. Should any Party commence a legal proceeding to enforce any of the terms or provisions of this Agreement, the prevailing Party in such proceeding shall recover reasonable attorneys' fees and costs from the other Party, as fixed by the court in such proceeding. This Agreement may be executed in multiple counterparts, all of which taken together shall constitute one and the same agreement.

7. Agency. Independence hereby agrees that its covenants and commitments in this Agreement are made for the benefit of both Target and the Agency.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the day and year first above written.

TARGET:

TARGET CORPORATION

By: 
Its: MICHAEL J. WAMLIG
AUTHORIZED SIGNATORY

INDEPENDENCE:

INDEPENDENCE SQUARE ENTERPRISES, LLC

By: [Signature]
Its: Its: [Signature]

The Redevelopment Agency of Centerville City hereby consents to the sale, assignment and transfer of the Independence Property by Target to Independence, and acknowledges and agrees (a) that no Party is in default under the ADL as to the Independence Property, (b) that Agency approves and consents to the proposed development of the Leased Premises as shown on the Site Plan attached hereto as Exhibit "C" and incorporated herein by reference, and (c) that the construction of retail facilities on the Leased Premises for any of the uses permitted under the ADL shall constitute approved uses of the Leased Premises under the terms of the ADL. Items b and c above are subject to the approval of the Centerville City Planning Commission in accordance with City Ordinances.

REDEVELOPMENT AGENCY OF
CENTERVILLE CITY

By: [Signature]
Its: Chairperson

By: [Signature]
Its: Executive Director

APPROVED AS TO FORM:

[Signature]
Agency Counsel

STATE OF MINNESOTA)
 : ss.
COUNTY OF HENNEPIN)

The foregoing document was executed before me this 4th day of June, 2003, by Michael J. Worling, the Deputy General Counsel of Target Corporation, a Minnesota corporation. Authorized Signatory

Lorraine M. Prindle
NOTARY PUBLIC
Residing at: _____

My Commission Expires:



STATE OF _____)
 : ss.
COUNTY OF _____)

The foregoing document was executed before me this ____ day of _____, 2003, by _____, the _____ of Independence Square Enterprises, LLC, a Utah limited liability company.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

STATE OF MINNESOTA)
 : ss.
COUNTY OF HENNEPIN)

The foregoing document was executed before me this ____ day of _____, 2003, by _____, the _____ of Target Corporation, a Minnesota corporation.

NOTARY PUBLIC
Residing at: _____

My Commission Expires:

STATE OF Utah)
 : ss.
COUNTY OF SALT LAKE)

The foregoing document was executed before me this 2nd day of May, 2003, by Mike Stangl, the MANAGER of Independence Square Enterprises, LLC, a Utah limited liability company.

Michael J. Loran

NOTARY PUBLIC
Residing at: _____

My Commission Expires:



STATE OF UTAH)
 : ss.
COUNTY OF DAVIS)

The foregoing document was executed before me this 1st day of May, 2003, by Michael Loman and Steve Thacker, the Chairperson and Executive Director, respectively, of the Redevelopment Agency of Centerville City, a governmental entity.

Marilyn J. Holje
NOTARY PUBLIC
Residing at: Centerville U

My Commission Expires:
6-20-2003

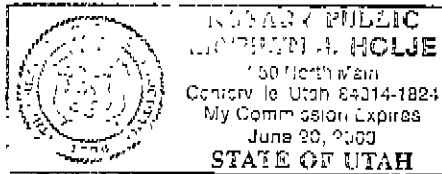


EXHIBIT "A"

Legal Description of the Shopping Center

Real property located in Davis County, State of Utah, described as follows:

All of Lots 1 through 6, inclusive, and 8 through 11, inclusive, CENTERVILLE MARKETPLACE SUBDIVISION, according to the official plat thereof filed in Book 1867 of Plats, at Page 32 of Official Records of Davis County.

LESS AND EXCEPTING from Lot 1 the following described parcel conveyed to Centerville City, as Entry No. 1217919, in Book 1949, at page 1263 of Official Records and being described as follows:

Beginning at a point on the West line of said Lot 1, which lies North 00 deg. 05Y23" West, a distance of 2376.02 feet along the Section line and North 89 deg. 54Y27" East a distance of 1165.42 feet from the Southwest corner of said Section 7; thence North 00 deg. 06Y15" West along the West line of said Lot 1, a distance of 13.23 feet; thence continuing along the Westerly line said Lot 1 along the arc of a curve to the right, through a central angle of 90 deg. 00'17" an arc distance of 39.27 feet, a radius of 25.00 feet and a chord bearing of North 44 deg. 53Y54" East with a distance of 35.36 feet to the North line of said Lot 1; thence North 89 deg. 54Y02" East along said North line, a distance of 88.09 feet; thence South 88 deg. 15Y50" West, a distance of 78.14 feet; thence South 44 deg. 04Y48" West a distance of 50.20 feet to the point of beginning.

All of Lots 201 and 202, inclusive, CENTERVILLE MARKETPLACE SUBDIVISION PHASE 2 according to the official plat thereof filed in Book 2235 of Plats, at Page 350 of Official Records of Davis County.

*8 nka 301, Centerville Marketplace 3
02-192-0301
02-161-0003
thru 0006
0009 thru 0011
0013 - 0014*

*201 nka 301
Centerville Marketplace 3
02-176-0202*

EXHIBIT "B"

Independence Property

Part I: Ground Lease Description

Ground Lease dated as of February 1, 1995 between Tingey Real Estate, a limited partnership, as lessor, and Centerville Venture Limited Liability Company, a Delaware limited liability company, as lessee, a Memorandum of Ground Lease with respect to which was recorded December 21, 1994 as Entry No. 1158170, in Book 1833 at page 340, in the office of the County Recorder in and for Davis County, Utah, the interest of the lessee under which was assigned to Assignor pursuant to the terms of that certain Assignment and Assumption of Lessee's Interest in Ground Lease dated as of December 1994 and recorded December 21, 1994 as Entry No. 1158171, in Book 1833 at page 346, in the office of the County Recorder in and for Davis County, Utah.

Part II: Legal Description

Real property located in Davis County, State of Utah, described as follows:

A part Southwest One-Quarter of Section 7, Township 2 North, Range 1 East, Salt Lake Base and Meridian, County of Davis, State of Utah, more particularly described as follows:

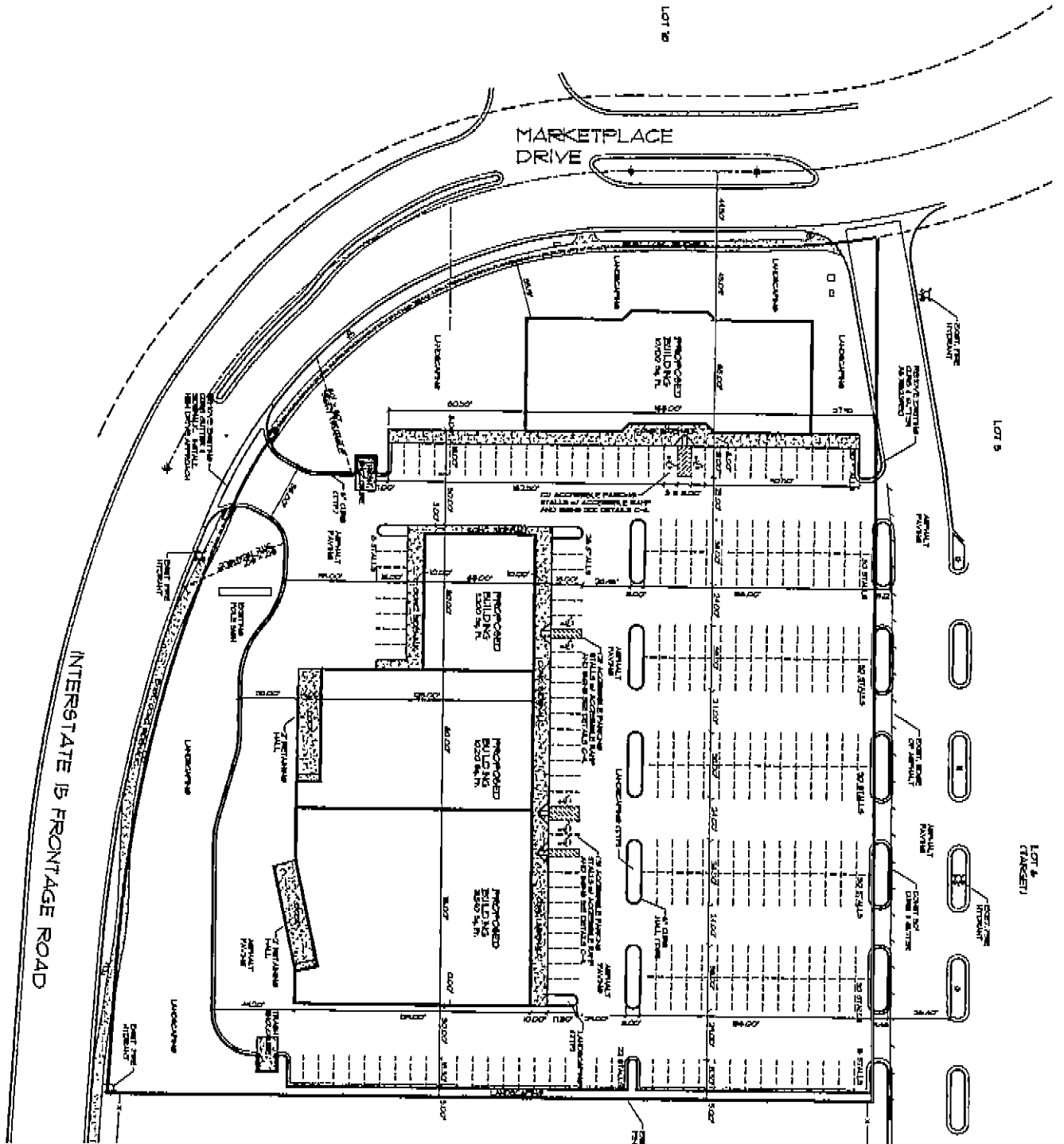
Beginning at a point on the East line of the Utah State Road Commission Right-of-Way, said point being North 00 degrees 05 minutes 33 seconds West along the Section Line, a distance of 1717.97 feet and North 89 degrees 54 minutes 27 second East, a distance of 546.56 feet, from the Southwest corner of said Section 7; thence Southerly along the said East Right-of-Way the next two (2) courses: 1) along the arc of a non-tangent curve to the left through a central angle of 33 degrees 46 minutes 00 seconds having a radius of 778.51 feet, an arc length of 458.81 feet and a chord bearing of South 20 degrees 33 minutes 30 seconds West with a distance of 452.20 feet to a brass cap Right-of-Way monument; 2) South 03 degrees 42 minutes 54 seconds West, a distance of 73.08 feet; thence departing from the said East Right-of-Way line, South 89 degrees 43 minutes 13 seconds East, a distance of 450.83 feet; thence North 00 degrees 02 minutes 27 seconds West, a distance of 498.52 feet to a rebar and cap; thence North 90 degrees 00 minutes 00 seconds West, a distance of 286.94 feet to the Point of Beginning.

*02-16-1
0209*

*10/1/94
Centerville Venture
LLC
W.R. [unclear]*

EXHIBIT "C"

Site Plan



NOTE:
 ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
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SITE PLAN

CENTERVILLE MARKET PLACE
 INTERSTATE 15 & PARRISH ROAD
 CENTERVILLE CITY, UTAH
SITE CONCEPT PLAN

ENBIGN
 ARCHITECTS & PLANNERS
 58 East Ford Union Blvd., Suite 180
 Murray, Utah 84047
 (801) 245-8229
 (801) 280-4448

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