

RETURNED

AUG 12 2003

Recorded at the request of and
to be mailed after recording to:

BIG 5 CORP.
P.O. Box 92088
Los Angeles, CA 90009
Attn.: A. Saucedo, Legal Dept.

E 1897889 B 3351 P 276
RICHARD T. MAUGHAN, DAVIS CNTY RECORDER
2003 AUG 12 8:06 AM FEE 32.00 DEP MT
REC'D FOR BIG 5 CORP

MEMORANDUM OF LEASE

1 1. This Memorandum of Lease is made as of the 6th day of June, 2003,
2 by and between INDEPENDENCE SQUARE ENTERPRISES, LLC, a Utah limited
3 liability company, hereinafter called "Landlord", and BIG 5 CORP., a Delaware
4 corporation, hereinafter called "Tenant". By this Memorandum, for good and
5 adequate consideration, Landlord does hereby lease to Tenant and Tenant does
6 hereby rent from Landlord those certain premises (hereinafter referred to as the
7 "Premises"), which Premises are a portion of certain property ground leased by
8 Landlord ("Landlord's Property"), and Landlord's Property is a portion of certain
9 property (hereinafter referred to as the "Shopping Center") situated in the
10 southeast quadrant of Interstate Highway 15 and Parrish Lane, in the City of
11 Centerville, County of Davis, State of Utah, which Premises, Landlord's Property
12 and the Shopping Center are more particularly described in Schedule A attached
13 hereto and made a part hereof and shown on a Plot Plan attached to and made
14 a part of said Schedule A, together with all easements, rights, and appurtenances
15 in connection therewith.

16
17 2. The terms, conditions, covenants and agreements governing the
18 leasing of the Premises from Landlord to Tenant are set forth at length in that
19 certain lease (the "Lease") between Landlord and Tenant dated as of the same
20 date as this Memorandum. All of the terms, conditions, covenants and
21 agreements in the Lease are incorporated into this Memorandum with the same
22 force and effect as if they were fully recited in this document.

23

Big 5, Centerville, UT
DCL:ML 5/08/03 (1)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Lease as of the day and year first above written.

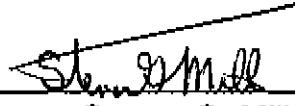
LANDLORD:

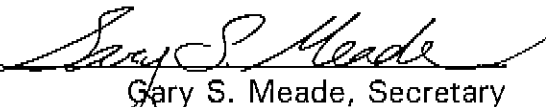
TENANT:

INDEPENDENCE SQUARE
ENTERPRISES, LLC, a Utah limited
liability company

BIG 5 CORP.,
a Delaware corporation

By: 
Mike Stangl, Member

By: 
Steven G. Miller, President

By: 
Gary S. Meade, Secretary

Big 5, Centerville, UT

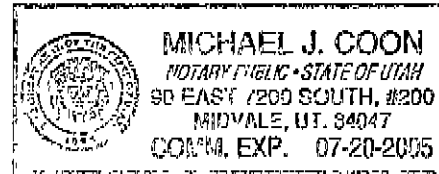
E 1897889 B 3351 P 278

STATE OF Utah)
) SS.
COUNTY OF Salt Lake)

On June 13, 2003, before me, Michael J. Coon, a Notary Public, personally appeared MICHAEL C. STANGL, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature Michael J. Coon



STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

On June 9, 2003, before me, Aurelia Saucedo, a Notary Public, personally appeared STEVEN G. MILLER and GARY S. MEADE, personally known to me to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

Signature Aurelia Saucedo



SCHEDULE A

DESCRIPTION OF PROPERTY AND PLOT PLAN

1 Attached to and forming a part of that certain Lease and Memorandum of
2 Lease executed under date of June 6, 2003, by and between INDEPENDENCE
3 SQUARE ENTERPRISES, LLC, a Utah limited liability company, as Landlord, and
4 BIG 5 CORP., a Delaware corporation, as Tenant.

5
6
7 1. **Landlord's Property; the Shopping Center.** The Premises are a portion
8 of certain property (herein referred to as "**Landlord's Property**"), ground leased
9 by Landlord pursuant to that certain Ground Lease dated as of February 1, 1995
10 by and between Tingey Real Estate, a limited partnership, as Lessor, and
11 Centerville Venture Limited Liability Company, as Lessee ("**Ground Lease**"); a
12 Memorandum of Ground Lease with respect thereto was recorded December 21,
13 1994 as Entry No. 1158170, in Book 1833 at page 340 in the office of the
14 County Recorder in and for Davis County, Utah. The ground lessee's interest in
15 the Ground Lease was assigned (i) to Target Corporation, a Minnesota
16 corporation, pursuant to the terms of that certain Assignment and Assumption
17 of Lessee's Interest in Ground Lease dated as of December, 1994 and recorded
18 December 21, 1994 as Entry No. 1158171, in Book 1833 at page 346 in the
19 office of the County Recorder in and for Davis County, Utah, and (ii) to Landlord
20 pursuant to the terms of that certain Assignment and Assumption of Ground
21 Lease dated as of _____, 2003 and recorded _____, 2003 as Entry No.
22 _____, in Book _____ at page _____ in the office of the County Recorder in
23 and for Davis County, Utah. Landlord's Property is a portion of a larger shopping
24 center (the "**Shopping Center**") situated in the southeast quadrant of Interstate
25 Highway 15 and Parrish Lane, in the City of Centerville, County of Davis, State
26 of Utah. Landlord's Property means the property identified as "Landlord's
27 Property" on Page 1 of the Plot Plan dated June 6, 2003, attached hereto and
28 made a part hereof ("**Plot Plan**"), and the Shopping Center means the entire
29 property within the outer property limits shown on Page 2 of the Plot Plan, in
30 each case together with all improvements thereon and all easements, rights, and
31 appurtenances in connection therewith. The legal description of Landlord's
32 Property is set forth in Paragraph 11, and the legal description of the Shopping
33 Center is set forth in Paragraph 12, of this Schedule A.

34
35 2. **Premises.** Landlord's Property provides a site for a store building in
36 the location designated "Big 5" on the Plot Plan. Such building is to be erected

1 pursuant to Schedule B hereof by Landlord for Tenant, having a frontage of 80
2 feet and running to a depth of 125 feet for a total square footage of
3 approximately 10,000 square feet. Said building site, building, improvements,
4 and appurtenances, and fixtures and equipment owned by the Landlord, now or
5 hereafter located thereon, are collectively referred to in this Lease as the
6 "Premises".

7
8 3. Not Used.

9
10 4. **Use of Landlord's Property.** Landlord covenants that the Landlord's
11 Property is subject to the Target OEA (defined in Paragraph 10.2 below).
12 Landlord covenants that it will not permit the operation or occupancy of any of
13 the following businesses or facilities on Landlord's Property: (a) an
14 entertainment, athletic or recreational facility, including but not limited to, a
15 bowling alley, a skating rink, a health club, a theater, a video or pinball game
16 operation; (b) an educational, vocational or religious facility, including but not
17 limited to, a church, a beauty school or other institution for vocational training;
18 (c) professional and business offices including but not limited to, any
19 governmental office or operation; (d) a restaurant or fast food facility; or (e) an
20 industrial facility, including but not limited to, a manufacturing or warehousing
21 facility. Notwithstanding the foregoing, Landlord may permit up to 4,000 square
22 feet (in the aggregate) of space to be used for one or more of the following:
23 (i) office users providing services to the general public and customarily found in
24 similar shopping centers (e.g. banking or finance services, real estate or securities
25 brokerage services, financial or tax planning services, accounting, insurance or
26 legal services, optical, medical, chiropractic or dental services or travel agencies),
27 and/or (ii) a fast food facility (but with no seating provided outside the facility);
28 provided that such uses are restricted to (x) no more than 2,000 square feet in
29 each of the buildings identified as Retail A and Retail B on the Plot Plan or (y) no
30 more than 4,000 square feet in the building identified as Retail A on the Plot
31 Plan, and Landlord shall use its best efforts to cause all such uses to be located
32 furthest away from the Premises. Landlord covenants that it will, at its own cost
33 and expense, enforce the foregoing restrictions.

34
35 5. **Common Area Easements.** Pursuant to the Target OEA, Tenant, its
36 agents, employees, patrons and invitees, in common with Landlord and all other
37 tenants of portions of the Shopping Center and their respective agents,
38 employees, patrons, and invitees shall have and are hereby granted, during the
39 entire term of this Lease, the free, uninterrupted, and non-exclusive use of the
40 Common Areas (defined below) of the Shopping Center, which use by all users
41 shall be for the purposes of ingress, egress, service utilities, and parking. The
42 parking area on Landlord's Property shall consist of not less than five (5) parking

1 spaces per each 1,000 square feet of building area, located as shown on the Plot
2 Plan. The "**Common Areas**" shall be defined as (i) the sidewalks, driveways,
3 roadways, parking areas, mall areas, landscaped areas and all other areas of
4 Landlord's Property except those areas designated as building area on the Plot
5 Plan and (ii) the areas designated in the Target OEA as Common Areas with
6 respect to the remainder of the Shopping Center. Landlord may not use, nor
7 permit any other person to use, the Common Areas of Landlord's Property for the
8 benefit of any property, adjoining or otherwise, other than the Shopping Center
9 as defined herein. Landlord shall provide, at its own expense, reasonable
10 safeguards, including towing if necessary, to protect the Common Areas of
11 Landlord's Property and to insure that they are utilized only for those uses
12 specified in this Paragraph 5. Except as provided in Paragraph 6.2 of this Lease,
13 Tenant shall have no obligation or liability whatsoever in connection with the
14 ownership, maintenance, or management of the Common Areas of the Shopping
15 Center and Landlord shall manage, operate and maintain all such Common Areas,
16 or cause the same to be done on its behalf.

17
18 **6. Ingress and Egress.** Landlord shall not vary or consent to the
19 variation of the designated means of ingress and egress (including those areas
20 identified as the "**Critical Accessways**" on the Plot Plan) to or from Landlord's
21 Property from that shown on the Plot Plan. Landlord will not alter or consent to
22 the alteration of existing street signs, median cuts, traffic signals or the parking
23 layout on Landlord's Property except by written amendment to this Lease, duly
24 executed by the parties hereto. In the event governmental authorities require
25 changes to the street signs, median cuts or traffic signals, Landlord and Tenant
26 shall cooperate with each other to obtain a result advantageous to Tenant and
27 Landlord's Property.

28
29 **7. Plot Plan.**

30
31 **7.1.** Landlord covenants (a) that no changes shall be made to the
32 parking and other Common Areas, including the location of driveways, located
33 within the area delineated and designated on the Plot Plan as "**Tenant's Control**
34 **Area**" from that shown on the Plot Plan and (b) that no buildings, kiosks or
35 building-type structures may be built or located within Landlord's Property except
36 within the building area designated on the Plot Plan, except by written
37 amendment to this Lease, duly executed by the parties hereto.

38
39 **7.2.** With regard to those portions of the Common Areas located
40 on Landlord's Property outside of Tenant's Control Area, Landlord may make
41 changes thereto (subject to Paragraph 6 above) without Tenant's consent,
42 provided such changes do not adversely affect either access to the Premises,

1 convenient parking for Tenant, its customers and invitees, or the visibility of
2 Tenant's signage in the Shopping Center.

3
4 7.3. With regard to those areas of the Shopping Center located
5 outside of Landlord's Property, and except as otherwise provided in Paragraph 6
6 of this Schedule A, Landlord shall not consent to any changes to the Common
7 Areas which would materially adversely affect access to the Premises or
8 convenient parking for Tenant, its customers and invitees, or the visibility of
9 Tenant's signage in the Shopping Center.

10
11 7.4. Landlord shall provide Tenant with written notice of any
12 material changes to the Plot Plan occurring to portions of the Common Areas
13 located outside of Tenant's Control Area, and, if and when such material changes
14 occur, the parties shall execute (and Tenant and Landlord each hereby agree to
15 execute) an amendment to the Plot Plan reflecting such material changes to the
16 Plot Plan.

17
18 8. **Covenants Running with the Land.** All of the covenants of Landlord
19 contained in this Lease shall be covenants running with the land pursuant to
20 applicable law. It is expressly agreed that each covenant of Landlord to do or
21 refrain from doing some act on the Shopping Center or any part thereof (a) is for
22 the benefit of the Premises and each person having any leasehold interest therein
23 derived through Tenant, and (b) shall be binding upon each successive owner,
24 during his ownership, of Landlord's Property and upon each person having any
25 interest in the Shopping Center derived through Landlord.

26
27 9. **Use of Premises.**

28
29 9.1. The Premises may be used only for the operation of a retail
30 sporting goods store (the "**Permitted Use**") and for no other purpose without the
31 prior written consent of Landlord, which consent shall not be unreasonably
32 withheld, conditioned or delayed. It shall be reasonable for Landlord to withhold
33 its consent to a change in use if such proposed use constitutes a prohibited use
34 (as described in Paragraph 5.7 of the Lease). Tenant's Permitted Use includes
35 the sale of sporting goods items, including sports and athletic apparel and athletic
36 footwear, and the sale of non-sporting goods items, lines and categories of
37 merchandise substantially similar to the merchandise which Tenant now carries
38 or may in the future carry in its typical sporting goods store.

39
40 9.2. Tenant is hereby given the exclusive right and privilege on
41 Landlord's Property of operating a sporting goods business. Landlord covenants
42 with respect to said exclusive right and privilege not to permit any building or

1 other improvements located on Landlord's Property to be used or occupied for the
2 purpose of conducting a sporting goods business. Notwithstanding the
3 foregoing, Tenant's exclusive right under this Paragraph 9.2 shall not apply to (a)
4 any existing tenants on Landlord's Property (or their successors or assigns) that
5 are not, and cannot be, prohibited from operating a sporting goods business
6 under their existing leases with Landlord in effect as of the date of execution of
7 this Lease, or (b) the sale by other tenants on Landlord's Property of any goods
8 which are covered by Tenant's exclusive so long as such sales are incidental to
9 the primary use of any such other tenant (any such sales shall be deemed
10 "incidental" if such items occupy no more than ten percent (10%) of the sales
11 floor area of the premises of such tenant).

12

13 10. Declaration.

14

15 10.1. The Shopping Center is subject to certain covenants and
16 cross-easement rights pursuant to that certain "Declaration of Restriction
17 Covenants, Conditions and Restrictions for Centerville Marketplace Subdivision"
18 dated April 5, 1995, and recorded on April 24, 1995, as Entry No. 1175743, in
19 Book 1867, at Page 33, in the Office of the Davis County Recorder, State of
20 Utah, as amended by that certain "First Amendment to Declaration of Restriction
21 Covenants, Conditions and Restrictions for Centerville Marketplace Subdivision"
22 dated February 2, 1998, and recorded on February 4, 1998, as Entry
23 No. 1378981, in Book 2235, at Page 1220, in the Office of the Davis County
24 Recorder, State of Utah (collectively, the "Marketplace Subdivision Declaration"),
25 which Marketplace Subdivision Declaration covers the entire Shopping Center.

26

27 10.2. The Shopping Center is also subject to certain covenants and
28 cross-easement rights pursuant to that certain "Operation and Easement
29 Agreement" dated February 4, 1998, and recorded on February 4, 1998, as Entry
30 No. 1378982, in Book 2235, at Page 1228, in the Office of the Davis County
31 Recorder, State of Utah, as amended by (i) that certain "First Amendment to
32 Operation and Easement Agreement" dated March 22, 1999, and recorded on
33 March 23, 1999, as Entry No. 1487449, in Book 2469, at Page 805, in the
34 Office of the Davis County Recorder, State of Utah, (ii) that certain "Second
35 Amendment to Operation and Easement Agreement" dated April 9, 1999, and
36 recorded on April 13, 1999, as Entry No. 1504315, in Book 2480, at
37 Page 1308, in the Office of the Davis County Recorder, State of Utah, and (iii)
38 that certain "Third Amendment to Operation and Easement Agreement" dated
39 January 25, 2001, and recorded on January 25, 2001, as Entry No. 1635593,
40 in Book 2740, at Page 173, in the Office of the Davis County Recorder, State
41 of Utah (collectively, the "Target OEA").

42

1 10.3. The Marketplace Subdivision Declaration and the Target OEA
2 are sometimes collectively referred to herein as the "Declarations". Tenant is
3 hereby granted those certain easement and other rights over the Shopping Center
4 as more fully set forth in the Declarations. Landlord hereby agrees that, upon
5 written request from Tenant, Landlord will use commercially reasonable efforts
6 (including litigation, if necessary) to enforce any provisions of the Declarations
7 the violation of which would materially adversely affect the operation of Tenant's
8 business.

9
10 10.4. Landlord covenants that it shall not exercise any right or
11 privilege (or consent to the exercise of any right or privilege) embodied in the
12 Declarations which would adversely impact Tenant's rights or obligations under
13 the Lease with respect to the Shopping Center. Landlord covenants that Landlord
14 shall not consent or agree to the Declarations being terminated, changed or
15 amended in any manner which would adversely impact in any manner Tenant's
16 rights or obligations under the Lease without the prior written consent of Tenant,
17 which consent shall not be unreasonably withheld, conditioned or delayed. It
18 shall be reasonable for Tenant to withhold its consent to any proposed
19 termination, change or amendment to the Declarations if Tenant determines in its
20 good faith business judgment that such proposed termination, change or
21 amendment would increase Tenant's obligations or diminish its rights under the
22 Lease or adversely affect (a) the visibility of Tenant's signage in the Shopping
23 Center, (b) access to or from the Premises, or (c) convenient parking for Tenant
24 and its customers. Landlord agrees that if Landlord fails to perform any of the
25 covenants and agreements provided for in the Declarations, Landlord will
26 promptly notify Tenant in writing of any and all such defaults.

27
28 11. **Legal Description of Landlord's Property.**

29 *02-161-0009*

30 All of Lot 9, CENTERVILLE MARKETPLACE SUBDIVISION, according to the
31 official plat thereof, recorded April 24, 1995, as Entry No. 1175742, in Book
32 1867, page 32, in the office of the Davis County Recorder.

33
34 12. **Legal Description of the Shopping Center.**

8 n. 20 30 Centerville

35
36 Real property located in Davis County, State of Utah, described as follows:
37 All of Lots 1 through 6, inclusive, and 8 through 11, inclusive, CENTERVILLE
38 MARKETPLACE SUBDIVISION, according to the official plat thereof filed in Book
39 1867 of Plats, at Page 32 of Official Records of Davis County.

40 *02-161- ,0013, 0014, 0003, 0004, 0005, 0006
0011, 0010, 0009,
02-192-0301*

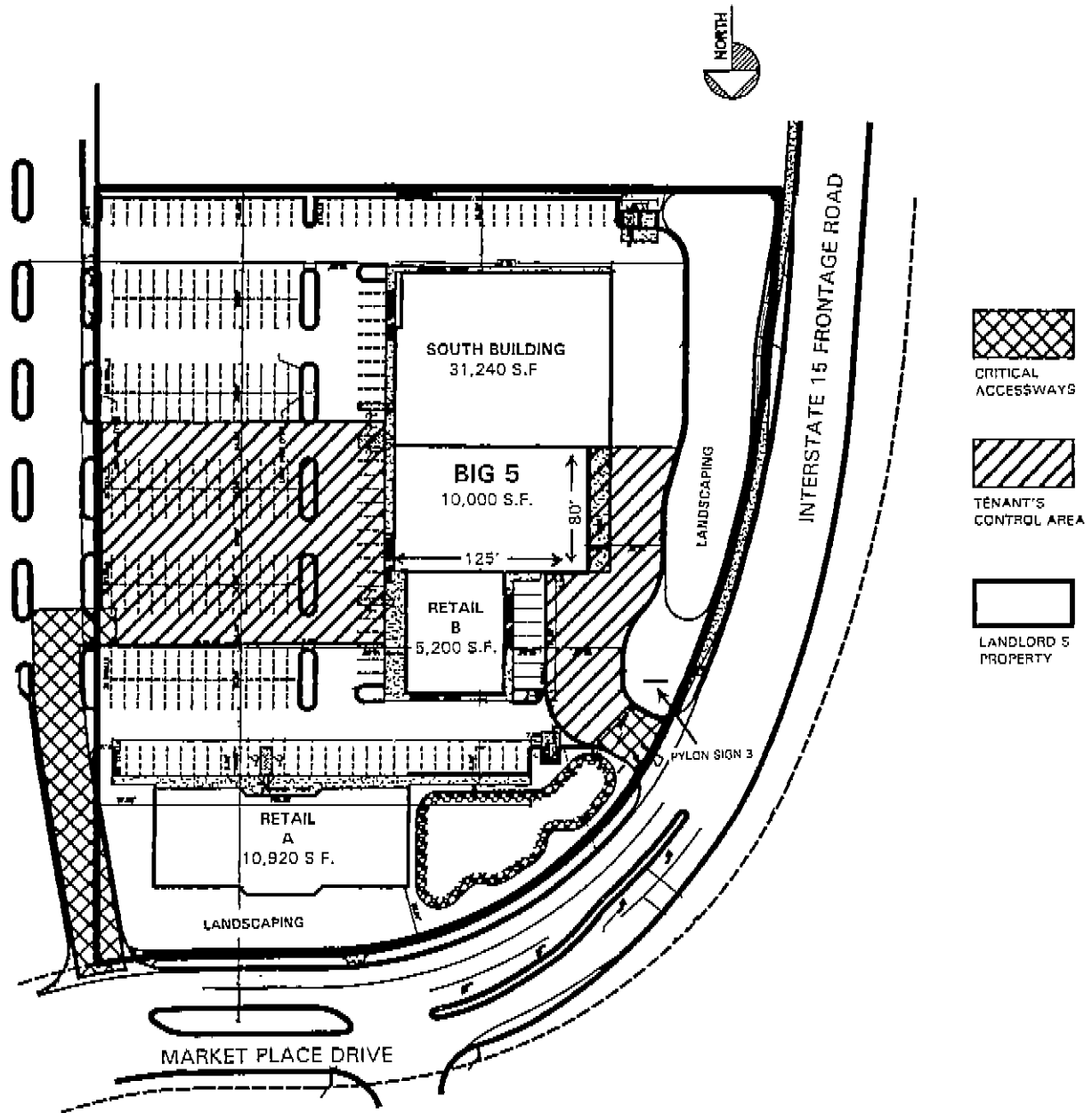
1 LESS AND EXCEPTING from Lot 1 the following described parcel conveyed to
2 Centerville City, as Entry No. 1217919, in Book 1949, at page 1263 of Official
3 Records and being described as follows:

4
5 Beginning at a point on the West line of said Lot 1, which lies North 00 deg.
6 05'23" West, a distance of 2376.02 feet along the Section line and North 89
7 deg. 54'27" East a distance of 1165.42 feet from the Southwest corner of said
8 Section 7; thence North 00 deg. 06'15" West along the West line of said Lot 1,
9 a distance of 13.23 feet; thence continuing along the Westerly line said Lot 1
10 along the arc of a curve to the right, through a central angle of 90 deg. 00'17"
11 an arc distance of 39.27 feet, a radius of 25.00 feet and a chord bearing of
12 North 44 deg. 53'54" East with a distance of 35.36 feet to the North line of said
13 Lot 1; thence North 89 deg. 54'02" East along said North line, a distance of
14 88.09 feet; thence South 88 deg. 15'50" West, a distance of 78.14 feet; thence
15 South 44 deg. 04'48" West a distance of 50.20 feet to the point of beginning.

16
17 All of Lot 202, CENTERVILLE MARKETPLACE SUBDIVISION PHASE 2, according
18 to the official plat thereof filed in Book 2235 of Plats, at Page 350 of Official
19 Records of Davis County.

02-176-0202

Big 5, Centerville, UT
DCL:ML 6/06/03 (1)



PLOT PLAN
June 6, 2003
Page 1 of 2

Big 5, Centerville, UT
DCL:ML 6/06/03 (1)

