

8119599

RECORDING REQUESTED BY:

WELLS FARGO BANK
NATIONAL ASSOCIATION,
As Administrative Agent

AND WHEN RECORDED RETURN TO:

Sheppard, Mullin, Richter & Hampton, LLP
333 South Hope Street, 48th Floor
Los Angeles, California 90071
Attn: Mark A. Spitzer

8119599
01/14/2002 03:07 PM 26.00
Book - 8554 Pg - 20-28
GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
QUICK DATA SERVICES INC
3200 E 3900 S
SLC UT 84124
BY: ZJN, DEPUTY - WI 9 P.

16-20-207-012
16-20-229-059

Space above this line for
Recorder's use only

LANDLORD CONSENT AND MEMORANDUM OF LEASE

This Landlord Consent and Memorandum of Lease ("Consent") is granted by the undersigned Landlord to Wells Fargo Bank, National Association, as administrative agent for the various Lenders to Wild Oats Markets, Inc. ("Tenant") in connection with the granting by Tenant of a mortgage (the "Mortgage") encumbering the Leasehold interest of Tenant created under the Lease dated April 17, 1998, between Tenant and Landlord (the "Leasehold") to secure the Obligations of Tenant to Agent and the Lenders under the Loan Documents. All capitalized terms used herein shall have the meanings set forth in Exhibit A attached hereto.

Landlord hereby consents and agrees as follows:

1. Consent to Mortgage. Landlord hereby consents to (a) the Mortgage as an encumbrance on the Leasehold, (b) to the foreclosure or enforcement of the Mortgage and (c) the assignment of the Lease in lieu of such foreclosure or enforcement of the Mortgage.

2. Preservation of Leasehold Benefits. Until such time as Agent notified Landlord in writing that the Obligations have been satisfied, Landlord agrees:

(a) Voluntary Leasehold Termination. That Landlord will not voluntarily cancel or surrender, or accept the cancellation or surrender of, the Lease; that the Landlord will not amend the Lease, the rent payable by Tenant under the Lease, the obligations of Tenant to maintain the Premises or any common area relating thereto, or the amount of square footage leased by Tenant (unless any such increases are automatic under the Lease) or the rights of Landlord thereunder without the prior written consent of Agent (which will not be unreasonably withheld or delayed). Agent agrees to provide its consent (or reasons for rejection of any requested consent) within 15 days after receipt of request therefor; provided, however, that Tenant

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may extend or renew the Lease or purchase the Premises and any such action shall not be deemed a violation of this provision;

(b) Effect of Tenant Waiver. That Landlord will not enforce against Agent any waiver or election made by Tenant with respect to the Lease after the date of this Consent which reduces the term of the Lease in excess of twenty-four (24) months, terminates the Lease, reduces the amount of square footage leased by Tenant, or results in a material increase in the rent or any other obligations payable by Tenant (unless any such increase in rent or other obligation is currently contained in the Lease) without the prior written consent of Agent (which will not be unreasonably withhold or delayed). Agent agrees to provide its consent (or reasons for rejection of any requested consent) within 15 days after receipt of request therefor;

(c) Notice to Agent. That Tenant will provide Landlord with notice address for Agent and Landlord will concurrently deliver to Agent a copy of any notice given by Landlord to Tenant under the Lease;

(d) Agent's Right to Cure Defaults. That Agent shall have the right (but not the obligation) to cure without penalty any default by Tenant under the Lease, and Landlord will allow Agent and its representatives access to the Premises for the purpose of effecting such cure; any cure by Agent shall have the same effect as cure by Tenant;

(e) Termination of Lease. That Landlord will not terminate the Lease upon a default by Tenant unless Landlord has provided concurrent notice of default to Agent as provided in subparagraph (c) above, and neither Agent nor Tenant has cured such default within the period provided for in the Lease to the extent such pursuit of a cure is not prohibited by law (including, without limitation, the automatic stay should Tenant then be the subject of a bankruptcy petition or similar debtor relief proceeding);

(f) Replacement Lease. That Landlord will give Agent prompt written notice of the termination of the Lease and, if Agent makes written request for the same within 15 days after Agent receives written notice of termination of the Lease, Landlord will enter into a new lease with Agent commencing on the date of termination of the Lease and ending on the normal expiration date of the Lease, on the same terms and conditions as the Lease and with the same priority as against any subleases or other interests in the Premises; provided that Agent cures all unpaid monetary defaults under the Lease through the date of termination;

(g) Recognition of New Tenant. That, following foreclosure or enforcement of the Mortgage, or assignment in lieu thereof, Landlord will recognize the purchaser or assignee of the Leasehold as the Tenant under the Lease, provided the terms are consistent with the existing Lease;

(h) Obligations of New Tenant. That, following any foreclosure, enforcement or assignment described in subparagraph (g), the new Tenant shall be personally obligated only for performance of obligations under the Lease commencing as of the date of such foreclosure, enforcement or assignment and ending as of the date of any assignment of the Lease to a successor tenant;

(i) Assignment by New Tenant. That, following any foreclosure, enforcement or assignment described in subparagraph (g), the new Tenant shall have the right to assign the Leasehold, if such assignment is not already allowed on more lenient terms, subject to the written consent of Landlord, which consent shall not be unreasonably withheld or delayed.;

(j) Insurance or Condemnation Proceeds and Proceedings. That Landlord will pay to Agent any proceeds from insurance or condemnation of the Premises that are payable to Tenant under the Lease, for the account of Agent and Tenant as provided in the Mortgage, and that Landlord will provide reasonable prior written notice to Agent of any proceedings for adjustment or adjudication of any insurance or condemnation claim involving the Premises and will permit Agent to participate therein as an interested party.

4. No Merger. The Leasehold shall not merge with the fee interest in the Premises, notwithstanding ownership of the Leasehold and the fee by the same person, without the prior written consent of Agent.

5. Landlord Statements. Landlord agrees from time to time, within a reasonable period following request by Agent therefor, to provide to Agent a landlord statement in a reasonable format provided by Agent, certifying as to the absence of any modification to, or default under, the Lease (or setting) forth such modification or default, if applicable) and as to the status of payment of rent and other amounts by the Tenant thereunder.

6. No Lien on Personal Property. Landlord acknowledges that any equipment or other personal property of Tenant no or hereafter located on the Premises shall be and remain the personal property of Tenant and shall not become a part of the Premises unless Landlord has a pre-existing and perfected lien on any such equipment and/or other personal property; Landlord expressly subordinates to Agent any lien on any such equipment or other personal property of Tenant. To the extent that Tenant grants a lien or security interest in such equipment or other personal property to Agent to secure the Obligations, Landlord agrees that, upon enforcement or exercise by Agent of any of its rights with respect thereto, Landlord shall afford Agent reasonable access to the Premises for the purpose of preserving its interest therein or enforcing or exercising such rights, subject to the payment by Agent to Landlord of daily rental at the rate provided for in the Lease; provided, however, that Agent shall pay Landlord such rental only for so long as Agent occupies or otherwise uses the Premises to preserve its interest or to enforce or exercise its rights, and in no event beyond the date on which a new Tenant under the Lease is recognized or on which a new lease of the Premises takes effect.

7. Counterparts. This Consent may be executed in counterparts with the same force and effect as if the parties had executed on instrument, and each such counterpart shall constitute an original hereof.

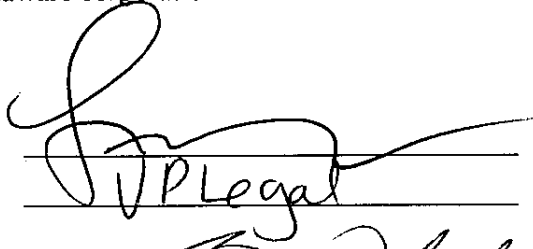
8. Memorandum of Lease. This Consent shall also constitute a short form memorandum of lease with respect to the Lease. Landlord ratifies and again grants to Tenant a leasehold estate in the Premises in accordance with the terms and conditions of the Lease. This Consent shall be recorded in the official records of the county where the Premises are located as a memorandum of lease to give notice of the existence of Tenant's leasehold estate under the Lease in and to the Premises.

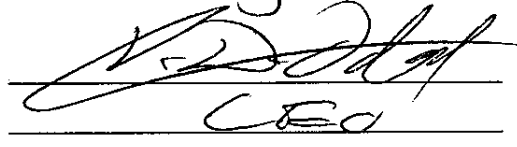
Dated: _____, 2001

Agreed:

“Tenant”

WILD OATS MARKETS, INC.,
A Delaware corporation

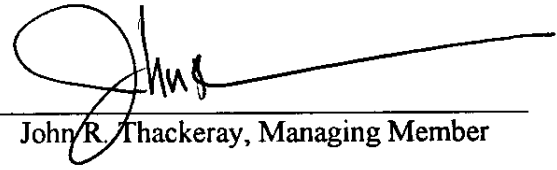
By: 
Its: _____

By: 
Its: _____

“Landlord”

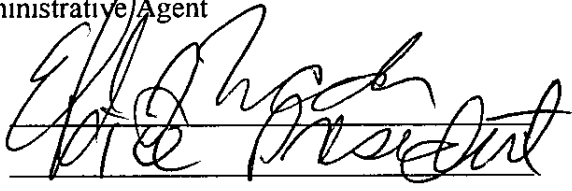
THE COMMONS AT SUGAR HOUSE, L.C.,
a limited liability company

By: JT COMMONS AT SUGAR HOUSE, L.C.


John R. Thackeray, Managing Member

“Agent”

WELLS FARGO BANK
NATIONAL ASSOCIATION,
as Administrative Agent

By: 
Its: _____

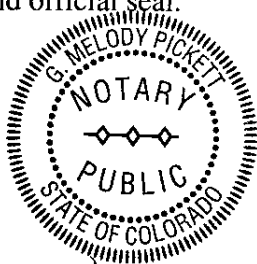
ACKNOWLEDGMENTS

State of Colorado)
County of Boulder)

On 9/20/01 before me, G. Melody Pickett, Notary Public, personally appeared Frena Brier and Perry Odak

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.



G. Melody Pickett

MY COMMISSION EXPIRES
August 16, 2002

State of _____)
County of _____)

On _____ before me, _____, Notary Public, personally appeared _____

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.

State of Utah)

County of Salt Lake)

On 8-23-01 before me, Guy Hart, Notary Public, personally appeared John R. Shackway

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.



Guy M. Hart

State of _____)

County of _____)

On _____ before me, _____, Notary Public, personally appeared _____

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.

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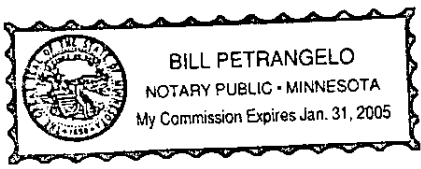
State of MN)

County of HENNEPIN)

On 11-12-01 before me, BILL PETRANGELO, Notary Public, personally appeared ALLAN TRACH

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.



[Handwritten Signature]

State of _____)

County of _____)

On _____ before me, _____, Notary Public, personally appeared _____

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.

EXHIBIT A

"Agent" means Wells Fargo Bank, National Association, as administrative agent for itself and the Lenders, whose address for purposes of notice is:

Wells Fargo Bank, National Association
MAC N9305-198
Sixth Street & Marquette
Minneapolis, Minnesota 55479
Attention: Wild Oats Markets Account Officer

"Landlord" means The Commons at Sugarhouse, LC.

"Lease" means that certain Lease Agreement dated as of April 17, 1998, between Landlord and Tenant and any amendments thereto.

"Leasehold" means the leasehold estate in the Premises created in favor of Tenant pursuant to the Lease, including any rights of Tenant as a sublessor under any sublease of all or a portion of the Premises.

"Lenders" means, collectively, the Lenders from time to time party to the Loan Documents.

"Loan Documents" means (i) that certain Amended and Restated Credit Agreement dated as of August 1, 2000 (as it may from time to time be amended, the "Credit Agreement"), (ii) any other documents, agreements, instruments and consents executed in connection with the Credit Agreement and (iii) all amendments, modifications and supplements to the foregoing.

"Mortgage" means any mortgage, deed of trust, assignment of rents, security agreement, financing statement or other similar collateral documents executed by Tenant which create a lien or security interest on the Leasehold in favor of Agent to secure the Obligations.

"Obligations" means all monetary and nonmonetary obligations of Tenant to Agent under the Loan Documents.

"Premises" means the real property located in the County of Salt Lake, State of Utah, covered by the Lease and described more particularly on Schedule 1 attached hereto.

"Tenant" means Wild Oats Markets, Inc., a Delaware corporation.

SCHEDULE 1

The Premises referred to in this Consent means the real property located in the County of Salt Lake, State of Utah, described as follows:

Description for Building Envelope

A part of Lot 1, The Commons At Sugarhouse, a commercial subdivision as recorded and filed at Salt Lake County Recorder's Office, Salt Lake County, Utah.

Beginning at the Southwest Corner of said Lot 1 and running thence three (3) courses along the Westerly Line of said Lot 1 as follows: North 20°04'56" West 68.56 feet; North 89°43'38" West 4.40 feet and North 19°53'55" West 118.82 feet; thence South 89°28'01" East 48.02 feet; thence North 0°31'59" East 41.14 feet; thence South 89°28'01" East 117.23 feet; thence South 0°31'59" West 216.20 feet to the South Line of said Lot 1; thence North 89°43'38" West 95.24 feet along said South Line to the point of beginning.

**Contains 27,776 sq. ft.
Or 0.638 acres**