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08/06/96 6423393 3:50 PM 44-00
NANCY WORKMAN
RECORDER, SALT LAKE COUNTY, UTAH
PARAMOUNT TITLE
REC BY: B GRAY DEPUTY - WI

Recording Requested By
and When Recorded Mail To:

James R. Janz, Esq.
American Restaurant Group, Inc.
4410 El Camino Real, Suite 201
Los Altos, California 94022

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (Memorandum), dated July 29, 1996 for reference purposes, is by and between Equity Properties and Development Limited Partnership, an Illinois limited partnership, d/b/a Equity Properties and Development (Illinois) Limited Partnership, as agent for ZML-South Towne Marketplace Limited Partnership, an Illinois limited partnership, (Landlord) and ARG Enterprises, Inc., a California corporation (Tenant).

AGREEMENT:

1. Lease of Demised Premises. Landlord has leased to Tenant, and Tenant has hired from Landlord, upon the terms and subject to the conditions contained in that certain lease dated July 29, 1996 (the Lease), the following property (the Premises): the tract of land (the Land) consisting of approximately 15,000 square feet described in Exhibit A (Land Legal Description) and located approximately as outlined on the general site plan depicted on Exhibit B (Site Plan); the freestanding building consisting of approximately 6,650 square feet and other improvements to be constructed on the Land; and the appurtenances, easements, and rights of way now or subsequently pertaining to the foregoing. The Premises are part of a larger parcel of real property (the Center) consisting of approximately 28.5 acres owned by Landlord described in Exhibit C (Center Legal Description), known or intended to be known as South Towne Marketplace, located in the City Sandy, County of Salt Lake, State of Utah. The Lease grants Tenant a nonexclusive easement for ingress and egress by pedestrian and vehicular traffic and for vehicle parking on, over, and across those portions of the Center generally made available for such purposes and grants Tenant certain additional rights over modifications to the Center withⁿ the portion of the Site Plan designated as Tenant's Protected Area.

EXH 7450 R14 714


2. **Term.** The primary term of the Lease is for a period of 20 years. Tenant has options to extend the term of the Lease for two consecutive, 5-year periods. Subject to satisfaction or waiver of the conditions set forth in the Lease, the term will commence on the earlier of: (i) the date on which Tenant opens for business to the public or (ii) 140 days after Tenant's building permit is issued.

3. **Purpose.** It is understood that the only purpose of this Memorandum is to clarify the area demised to Tenant under the terms of the Lease and to give notice of the Lease, and that all rights and obligations of Landlord and Tenant are governed by the terms, covenants, and conditions contained in the Lease.

Landlord and Tenant have caused this Memorandum to be executed on the respective dates set forth below.

LANDLORD:

**Equity Properties and Development
Limited Partnership, an Illinois
limited partnership, d/b/a
Equity Properties and Development
(Illinois) Limited Partnership,
as Agent for
ZML-South Towne Marketplace
Limited Partnership, an Illinois
limited partnership
By: SC Management, Inc.**

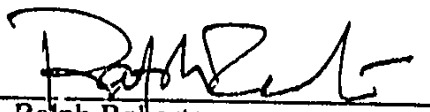
By: 
Chief Operating Officer

Date: 7/31/96

TENANT:

**ARG Enterprises, Inc., a California
corporation**

By:



Ralph Roberts
President

Date: July 29, 1996

ACKNOWLEDGEMENT

State of CALIFORNIA

County of SANTA CLARA

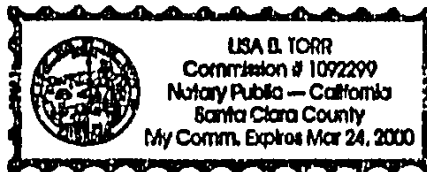
On 7/29/96 before me, LISA B. TORR, NOTARY PUBLIC
DATE NAME, TITLE OF OFFICER - I.G., "JANE DOE, NOTARY PUBLIC"

personally appeared RALPH ROBERTS
NAME(S) OF SIGNER(S)

personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) whose name 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 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.

Lisa B. Torr
SIGNATURE OF NOTARY



BOOK 7460 PAGE 716

Equity Properties and Development LP

Two North Riverside Plaza, 10th Floor
Chicago, Illinois 60606

ACKNOWLEDGEMENT

State Illinois

County of Cook

On 8/2/96 before me, Katherine A. Rivera
NAME, TITLE OF OFFICER-E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared David J. Contis, Chief Operating Officer
NAME(S) OF SIGNER(S)

personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) whose name 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 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.

Katherine A. Rivera
SIGNATURE OF NOTARY

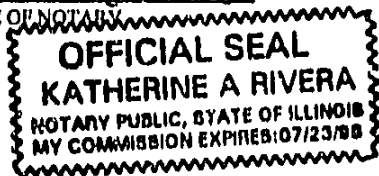


EXHIBIT A

**Legal Description
BLACK ANGUS
South Towne Marketplace**

Beginning at a point 196.74 feet West and 505.34 feet South from the Northeast Corner of Section 13, Township 3 South, Range 1 West, Salt Lake Base and Meridian (Basis of bearing being South $00^{\circ}01'50''$ East 2599.11 feet along the monument line of State Street between the monuments found marking the intersections of 10600 South & 10200 South Streets), said Northeast Corner of Section 13 being South $89^{\circ}53'20''$ West 92.33 feet from the monument at the intersection of 10200 South and State Streets, and running thence South 125.00 feet; thence West 84.21 feet to a point of curvature with a 25.00 foot radius curve to the right; thence Northwesterly 39.27 feet along the arc of said curve through a central angle of $90^{\circ}00'00''$; thence North 100.00 feet; thence East 109.21 feet to the point of beginning.

Contains 13,571 net square feet or 0.3103 acres, more or less.

EXHIBIT B

SITE PLAN

BOOK 7460 PAGE 719

EXHIBIT C

CENTER LEGAL DESCRIPTION

(to follow)

BOOK 7480 PAGE 721

DESCRIPTION

BEGINNING at a point on the Westerly right of way line of State Street, which point is North $89^{\circ}50'56''$ East 41.33 feet from the Northeast Corner of Section 13, Township 3 South, Range 1 West, Salt Lake Base and Meridian (Basis of bearing being South $00^{\circ}01'50''$ East 2599.11 feet along the monument line of State Street between the monuments found marking the intersections of 10600 South & 10200 South Streets), said Northeast Corner of Section 13 being South $89^{\circ}53'20''$ West 92.33 feet from the monument at the intersection of 10200 South and State Streets, and running thence South $00^{\circ}01'50''$ East 583.24 feet along said line; thence South $00^{\circ}50'43''$ East 70.31 feet along said line; thence South $00^{\circ}01'50''$ East 53.16 feet along said line to the northerly line of an access road and a point on a 25.00 foot radius curve to the right; thence running along said Northerly line for the next five courses, Southwesterly 21.60 feet along the arc of said curve through a central angle of $49^{\circ}30'41''$ (chord bearing South $65^{\circ}15'40''$ West 20.94 feet); thence North $89^{\circ}59'00''$ West 192.15 feet to the point of tangency with a 306.00 foot radius curve to the left; thence Southwesterly 162.31 feet along the arc of said curve through a central angle of $30^{\circ}23'31''$; thence South $59^{\circ}37'30''$ West 74.04 feet to the point of tangency with a 25.00 foot radius curve to the right; thence Northwesterly 37.15 feet along the arc of said curve through a central angle of $85^{\circ}08'19''$ to the point of tangency with a 758.00 foot radius curve to the left and being the North line of the South Towne Mall Ring Road; thence Northwesterly 712.45 feet along the arc of said curve through a central angle of $53^{\circ}51'11''$ along said line; thence North $00^{\circ}00'36''$ East 1300.81 feet; thence South $99^{\circ}57'20''$ East 519.88 feet; thence North $86^{\circ}50'50''$ East 266.48 feet; thence South $89^{\circ}59'01''$ East 280.57 feet to said West right of way line of State Street; thence South $00^{\circ}07'35''$ East 847.85 feet along said line to the point of BEGINNING.

LESS AND EXCEPTING the following: (The following being the Relocated Canal Strip):

Beginning at a point on the Westerly right of way line of State Street, which point is North $89^{\circ}50'56''$ East 41.33 feet from the Northeast corner of Section 13, Township 3 South, Range 1 West, Salt Lake Base and Meridian (Basis of bearing being South $00^{\circ}01'50''$ East 2599.11 feet along the monument line of State Street between the monuments found marking the intersections of 10600 South & 10200 South Streets), said Northeast corner of Section 13 being South $89^{\circ}53'20''$ West 92.33 feet from the monument at the intersection of 10200 South and State Streets, and running thence South $00^{\circ}01'50''$ East 142.94 feet along said line; thence North $45^{\circ}00'00''$ West 32.77 feet to a point on a 116.00 foot radius curve to the right; thence Southwesterly 38.99 feet along the arc of said curve through a central angle of $19^{\circ}15'29''$ (chord bears South $39^{\circ}19'27''$ West 38.81 feet); thence South $41^{\circ}02'50''$ East 28.93 feet; thence South

50°28'54" West 7.88 feet to a point of curvature with a 102.00 foot radius curve to the left; thence Southwesterly 89.92 feet along the arc of said curve through a central angle of 50°30'43"; thence South 13°14'00" West 71.92 feet; thence South 00°01'50" East 190.71 feet to a point of curvature with a 17.00 foot radius curve to the left; thence Southeasterly 18.24 feet along the arc of said curve through a central angle of 61°29'08"; thence South 61°30'58" East 67.84 feet; thence North 00°01'50" West 308.03 feet to a point of curvature with a 50.00 foot radius curve to the right; thence Northeasterly 44.08 feet along the arc of said curve through a central angle of 50°30'43"; thence North 50°28'54" East 2.33 feet to said Westerly right of way line of State Street; thence South 00°01'50" East 367.99 feet along said line; thence South 00°50'43" East 66.61 feet along said line; thence North 61°30'58" West 86.65 feet to a point on a 25.00 foot radius curve to the right; thence Southwesterly 36.21 feet along the arc of said curve through a central angle of 82°58'40" (chord bears South 48°31'41" West 33.12 feet); thence North 89°59'14" West 63.53 feet; thence North 00°01'50" West 590.56 feet; thence North 89°52'57" East 89.62 feet; thence North 00°07'35" West 469.81 feet to a point of curvature with a 113.00 foot radius curve to the right; thence Northeasterly 89.42 feet along the arc of said curve through a central angle of 45°20'24"; thence North 45°12'48" East 56.83 feet to said Westerly right of way; thence South 00°07'35" East 550.60 feet to the point of beginning.

The property described above being together with each of the following:

A) The following appurtenances as reserved in that certain Special Warranty Deed (Conveying Relocated Canal Strip, and Reserving Certain Easements and Rights) to Salt Lake City Corporation, as Grantee, recorded November 7, 1995, as Entry No. 6208148 in Book 7265 at Page 2615 of Official Records:

- 1) An exclusive right-of-way and easement, for purposes of access by pedestrian and vehicular traffic and for purposes of the laying, installation, operation, servicing, and maintenance of utility lines, wires, conduits, and facilities, burdening the following-described property:

BEGINNING at a point North 89°50'56" East 41.33 feet from the Northeast Corner of Section 13, Township 3 South, Range 1 West, Salt Lake Base and Meridian (Basis of bearing being South 00°01'50" East 2599.11 feet along the monument line of State Street between the monuments found marking the intersections of 10600 South & 10200 South Streets), said Northeast Corner of Section 13 being South 89°53'20" West 92.33 feet from the monument at the intersection of 10200 South and State Streets, and running thence South 00°01'50" East 39.66 feet; thence South 89°58'10" West 73.93 feet; thence North 00°07'35" West 84.00 feet; thence North

89°52'25" East 74.00 feet; thence South 00°07'35" East 44.46 feet to the point of BEGINNING.

- 2) The right to maintain, repair, reconstruct and replace the bridge and bridge structure located on the easement tract described in Item 1) above, as described in the above-referenced Special Warranty Deed.
- 3) An easement for an existing irrigation line, culvert or conduit and the operation, servicing, maintenance, and replacement of the same, burdening the following-described strip of land:

A 20.00 foot wide strip of land located in the Northeast quarter of Section 13, Township 3 South, Range 1 West, Salt Lake Base and Meridian, and in the Northwest quarter of Section 18, Township 3 South, Range 1 East, Salt Lake Base and Meridian, being 10.00 feet on each side of the following-described center line, with the sidelines extended to meet the boundary lines of the realty conveyed by the above-reference Special Warranty Deed:

BEGINNING at a point North 89°49'53" West 121.87 feet along the Section line and South 00°01'07" West 100.96 feet from the Northeast Corner of Section 13, Township 3 South, Range 1 West, Salt Lake Base and Meridian (Basis of bearing being South 00°01'50" East 2599.11 feet along the monument line of State Street between the monuments found marking the intersections of 10600 South & 10200 South Streets), said Northeast Corner of Section 13 being South 89°53'20" West 92.33 feet from the monument at the intersection of 10200 South and State Streets, and running thence North 57°07'47" East 115.84 feet; thence North 89°59'26" East 44.82 feet; thence South 08°07'26" East 98.57 feet to the END.

- B) The right to have the following-described part of the boundary line common to the above-described property and the property to the South thereof free of barricades that would prevent or obstruct the passage of pedestrians or vehicles, as provided for in that certain No Barricade Agreement (Providing for No Barricade at Mall Ring Road Intersection), recorded September 26, 1995, as Entry No. 6175088 in Book 7235 at Page 1011 of Official Records:

BEGINNING at a point on the North line of the South Towne Mall Ring Road or a 758.00 foot radius curve to the left, which point is North 89°49'53" West 698.82 feet along the section line and South 549.76 feet from the Northeast Corner of Section 13, Township 3 South, Range 1 West, Salt Lake Base and Meridian (Basis of bearing being South 00°01'50" East 2599.11 feet along the monument line of State Street between the monuments found marking

the intersections of 10600 South & 10200 South Streets), said Northeast Corner of Section 13 being South 89°53'20" West 92.33 feet from the monument at the intersection of 10200 South and State Streets, and running thence Northwesterly 86.34 feet along said curve through a central angle of 06°31'34" (the chord bearing North 66°34'07" West 86.29 feet) to the point of ENDING.

C) The following appurtenances as reserved in that certain Special Warranty Deed (Conveying Street and Wetlands Property, and Reserving Certain Easements and Rights) to Redevelopment Agency of Sandy City, Utah, recorded February 9, 1996 as Entry No. 6277216 in Book 7327 at Page 1430, of Official Records:

- 1) An easement for the drainage and discharge of storm waters onto the following-described tract (the "Wetlands Area"):

A parcel of land located in the Northeast quarter of Section 13, Township 3 South, Range 1 West, Salt Lake Base and Meridian, Salt Lake County, Utah, being more particularly described as follows:

BEGINNING at a point North 89°49'53" West 1027.21 feet along the section line and South 00°00'36" West 460.01 feet to a point on a 768.00 foot radius curve to the left (bearing to the center South 00°53'56" West) and Southwesterly 98.74 feet along the arc of said curve through a central angle of 07°21'50" (chord bears South 87°12'57" West 98.67 feet) to a point on a 35.00 foot radius curve to the left (bearing to the center North 06°28'02" West); from the Northeast Corner of Section 13, Township 3 South, Range 1 West, Salt Lake Base and Meridian (Basis of bearing being South 00°01'50" East 2599.11 feet along the monument line of State Street between the monuments found marking the intersections of 10600 South & 10200 South Streets), said Northeast Corner of Section 13 being South 89°53'20" West 92.33 feet from the monument at the intersection of 10200 South and State Streets, and running thence Northeasterly 51.02 feet along the arc of said curve through a central angle of 83°31'22" (chord bears North 41°46'17" East 46.62 feet); thence North 00°00'36" East 360.39 feet to a point of curvature with a 35.00 foot radius curve to the left; thence Northwesterly 54.98 feet along the arc of said curve through a central angle of 90°00'00" (chord bears North 44°59'24" West 49.50 feet); thence North 89°59'24" West 88.00 feet to a point of curvature with a 35.00 foot radius curve to the left; thence Southwesterly 54.98 feet along the arc of said curve through a central angle of 90°00'00" (chord bears South 45°00'36" West 49.50 feet); thence South 00°00'36" West 375.38 feet to a point of curvature with a 35.00 foot radius curve to the left; thence Southeasterly 62.83 feet along the arc of said

curve through a central angle of 102°51'00" (chord bears South 51°24'54" East 54.73 feet) to a point on a 768.00 foot radius curve to the left (bearing to the center South 12°50'24" East); thence Northeasterly 85.42 feet along the arc of said curve through a central angle of 06°22'22" (chord bears North 80°20'47" East 85.38 feet) to the point of BEGINNING.

- 2) An easement for the installation, maintenance, use and replacement of a pipe, conduit or other mechanism to convey storm waters, below the surface of the realty conveyed by the above-reference Special Warranty Deed, to the "Wetlands Area" described above, which said easement burdens the following-described strip of land:

A 20.00 foot wide strip of land located in the Northeast quarter of Section 13, Township 3 South, Range 1 West, Salt Lake Base and Meridian, Salt Lake County, Utah, being 10.00 feet on each side of the following-described center line:

BEGINNING at a point North 89°49'53" West 1027.21 feet along the Section line and South 00°00'36" West 257.97 feet from the Northeast Corner of Section 13, Township 3 South, Range 1 West, Salt Lake Base and Meridian (Basis of bearing being South 00°01'50" East 2599.11 feet along the monument line of State Street between the monuments found marking the intersections of 10600 South & 10200 South Streets), said Northeast Corner of Section 13 being South 89°53'20" West 92.33 feet from the monument at the intersection of 10200 South and State Streets, and running thence South 89°54'23" West 82.88 feet to the END.

- 3) The right to cut, install, and construct, in a manner consistent with Sandy City ordinances and statutes, three (3) driveway openings allowing vehicular access between Centennial Boulevard (as widened) and the above-described property, with the approximate location of each such driveway opening to be as shown on Exhibit E attached to the above-referenced Special Warranty Deed.
- 4) The right, in the event the owner of the realty conveyed by the above-referenced Special Warranty Deed proposes to sell or convey all or any part of such realty, to purchase the property involved, as such right is provided for in such Special Warranty Deed.
- D) The right to have the following-described part of the boundary line common to the above-described property and the property to the North thereof free of barricades, as provided for in that

certain Access Easement Agreement (Granting Access Easement Along North Boundary), recorded September 26, 1995 as Entry No. 6175083 in Book 7235 at page 991 of Official Records:

BEGINNING at a point on the Northerly line of the South Parcel (as the South Parcel is defined in the above-referenced Access Easement Agreement), which point is North 847.97 feet and North 89°59'01" West 160.02 feet from the Southeast Corner of Section 12, Township 3 South, Range 1 West, Salt Lake Base and Meridian (Basis of bearing being South 00°01'50" East 2599.11 feet along the monument line of State Street between the monuments found marking the intersections of 10500 South & 10200 South Streets), said Southeast Corner of Section 12 being South 89°53'20" West 92.33 feet from the monument at the intersection of 10200 South and State Streets, and running thence North 89°59'01" West 61.00 feet along said North line of the South Parcel to the point of ENDING.

* * *