

8605355

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

Macerich South Towne Limited Partnership  
c/o The Macerich Company  
401 Wilshire Boulevard, Suite 700  
Santa Monica, California 90401  
Attention: Deborah Brown, Esq.

8605355  
04/10/2003 11:19 AM 26.00  
Book - 8775 Pg - 1121-1129  
GARY W. OTT  
RECORDER, SALT LAKE COUNTY, UTAH  
MERRILL TITLE  
BY: ZJM, DEPUTY - MI 9 P.

**MEMORANDUM OF LEASE**

*September 26* THIS MEMORANDUM OF LEASE (this "Memorandum") dated as of 2002, is made by and between MACERICH SOUTH TOWNE LIMITED PARTNERSHIP, a California limited partnership ("Landlord") and RECREATIONAL EQUIPMENT, INC., a Washington corporation, dba REI ("Tenant").

**WITNESSETH**

WHEREAS, Landlord is the owner of certain property located in the City of Sandy, County of Salt Lake, State of Utah, commonly known as South Towne Center ("Center").

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed by and between the parties as follows:

1. Premises. Landlord by that certain Lease Agreement dated of even date herewith (the "Lease") has demised and leased to Tenant and Tenant has leased from Landlord, and Landlord hereby demises and leases to Tenant and Tenant hereby leases from Landlord, upon and subject to the terms, covenants and conditions set forth in the Lease certain premises more particularly described in the Lease ("Premises") at the property commonly known as South Towne Center ("Center") located in the City of Sandy, County of Salt Lake, State of Utah. The approximate location of the Center is depicted on Exhibit A attached hereto. The approximate location of the Premises is depicted by cross-hatching on Exhibit B attached hereto. The legal description for the Center is more particularly described on Exhibit C attached hereto.

2. Defined Terms. Capitalized terms used herein without definition shall have the meaning given such terms in the Lease.

3. Term. The initial term of the Lease is approximately ten (10) years, with two (2) consecutive options to extend the term thereafter of five (5) years per option, commencing on and upon terms and conditions more particularly set forth in the Lease.

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4. Use Preference. Tenant has been granted a Use Preference in Section 10.1.2 of the Lease which provides, in part, as follows:

Notwithstanding anything to the contrary contained in this Lease, provided (a) the Premises are used continuously and exclusively for the Permitted Use provided at Section 1.11 without closure for more than thirty (30) consecutive days for reasons other than as expressly permitted in Section 10.3 hereof, and (b) Tenant is not in default of this Lease beyond any applicable notice and cure period, then Landlord shall not: (i) at any time after the Effective Date through the remaining Term, enter into a lease with an Occupant occupying any portion of the Center, which Occupant would then operate as an "Outdoor Sporting Equipment Superstore", (ii) at any time after the Effective Date through the remaining Term, enter into a lease with an Occupant occupying any portion of the Center except the Mall, which Occupant would then operate a store engaging in the primary sale of either (x) bicycles or (y) wholesale skis and/or wholesale ski supplies, or (iii) at any time after the Effective Date through the date which is the five (5) year anniversary of the Effective Date, enter into a lease with an Occupant occupying any portion of the Center except the Mall, which Occupant would then operate a store engaging in the primary sale of skis and/or ski supplies (at retail or wholesale). As used herein, an "Outdoor Sporting Equipment Superstore" shall mean a store that devotes more than 14,000 square feet of Floor Area to the display and sale of outdoor sporting equipment and outdoor recreational equipment including but not limited to, Galyans, EMS, Bingham Cyclery, Guthries, Black Diamond Bicycles, Fisher Bicycles, Jans and Sportsmans Warehouse. If the use preference granted Tenant in this Section ("Use Preference") shall be declared invalid or shall subject Landlord to a fine or other monetary damages or other penalties as a result of any applicable federal, state or local law or judicial proceedings, the Use Preference shall immediately be null and void and have no further force or effect. Landlord agrees to notify Tenant in writing within fifteen (15) days of any claim which may be asserted against Landlord in connection with the provisions of this Section 10.1.2. Notwithstanding the foregoing, Tenant acknowledges and agrees that the provisions of this Section 10.1.2 shall not be applicable to the following (hereinafter collectively referred to as "Excepted Occupants"): (A) any existing Occupant (including successors and assigns of such Occupants), who, as of the Effective Date of this Lease, operates or is permitted to operate its business for the Use Preference (provided, however, that if Landlord has the right to deny consent to any such Occupant requesting to operate for the Use Preference, Landlord shall, in fact, deny such consent), (B) any Occupant selling and/or displaying outdoor sporting equipment and outdoor recreational equipment in less than 14,000 square feet of Floor Area, (C) any Major Occupant, provided such Major Occupant does not initially open as an Outdoor Sporting Equipment Superstore, and/or (D) the use preferences granted in clauses (ii) and (iii) immediately above shall in no event be applicable to any Occupants occupying any portion of the Mall, and/or (E) any occupant (of whatever size) operating as a traditional sporting goods store (e.g., Oshmans) so long as such occupant does not devote in excess of 10% of its Floor Area to the display and sale of outdoor specialty sporting equipment of the type sold by Tenant.

5. Costs and Fees. Tenant covenants and agrees to pay all costs, fees and

increased taxes (if any) incurred in connection with, or as a result of, the recordation of this Memorandum, including, without limitation, any documentary transfer taxes, recording fees and real estate taxes and assessments.

6. Conflict. This Memorandum has been prepared and recorded for the purpose of providing notice of the Lease, is subject to the terms and provisions of the Lease, and is not intended and shall not be construed to alter, modify, limit, abridge, supplement or enlarge any of the terms or provisions of the Lease. In the event of a conflict of any of the terms or provisions of the Lease with any term or provision of this Memorandum, the Lease shall prevail.

7. Termination of Memorandum. Upon the expiration of the term of the Lease (as the same may be extended by any option period) or earlier termination thereof, Landlord and Tenant agree to promptly execute and record any documentation required in order to release the effect of this Memorandum.

8. Counterparts. This Memorandum may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature pages of any counterpart may be detached therefrom without impairing the legal effect of the signatures thereto, provided such signature pages are attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this Memorandum attached thereto.

*[Signature page follows.]*

IN WITNESS WHEREOF, the undersigned have executed this Memorandum as of the date first written above.

**LANDLORD:**


MACERICH SOUTH TOWNE LIMITED  
PARTNERSHIP,  
a California limited partnership

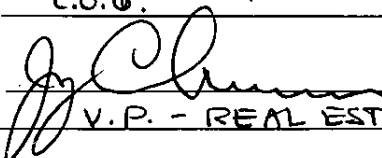
By: MACERICH SOUTH TOWNE GP CORP.,  
a Delaware corporation,  
its general partner

By:   
Its: Vice Chairman of the Board

**TENANT:**

RECREATIONAL EQUIPMENT, INC.  
a Washington corporation

By:   
Its: C.O.O.

By:   
Its: V.P. - REAL ESTATE

[Acknowledgment page follows.]

LANDLORD'S ACKNOWLEDGMENT

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF Los Angeles )

On ~~Sept. 26, 2002~~ before me, Linda K. Jones, Notary Public, personally appeared Dana K. Jones, 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.

Linda K. Jones  
Notary Public



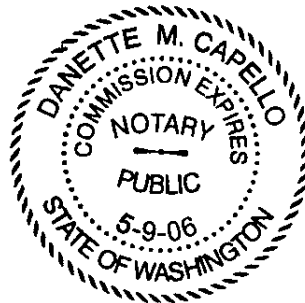
TENANT'S ACKNOWLEDGMENT

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

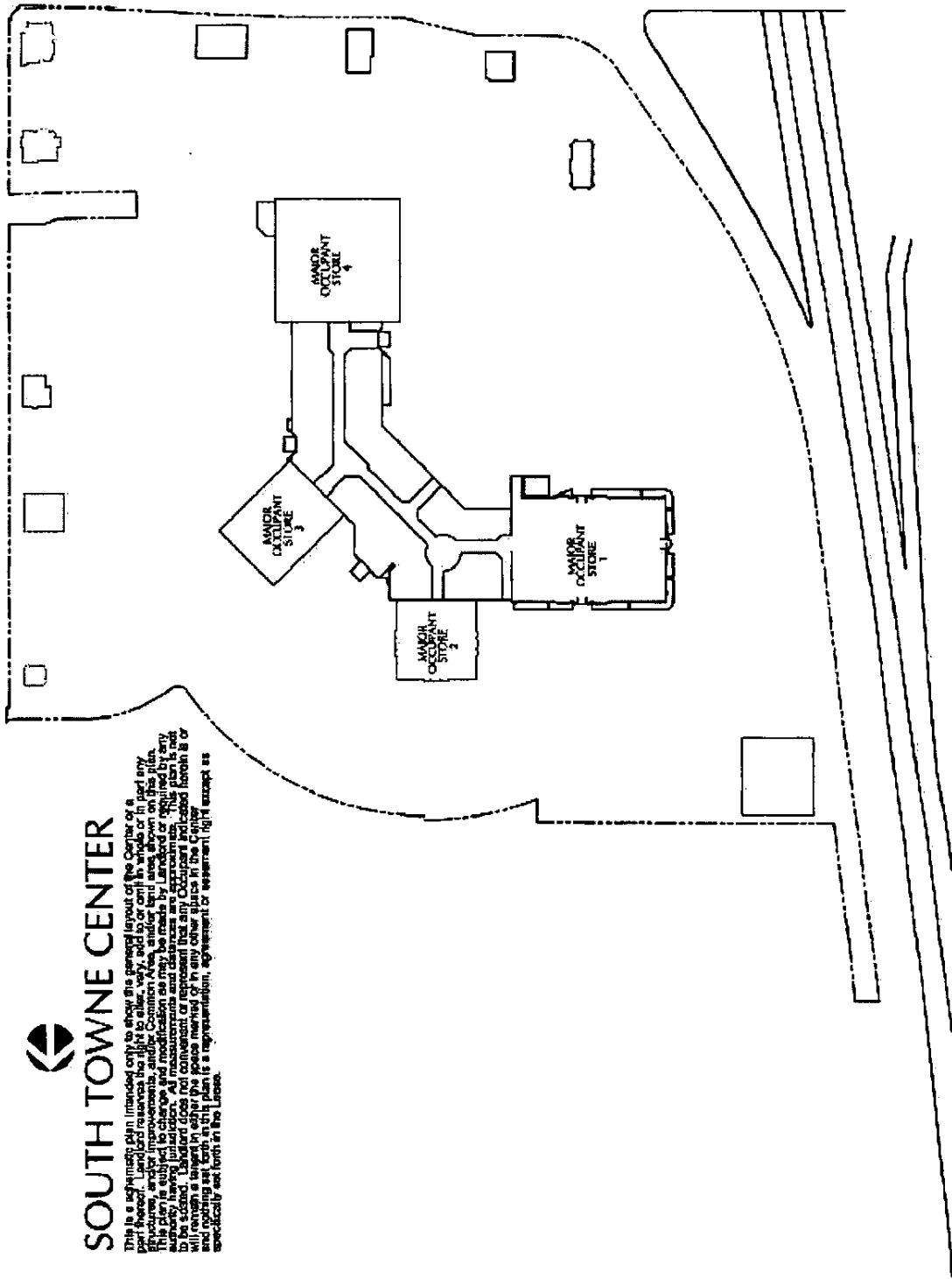
On SEPTEMBER 20, 2002 before me, DANETTE M. CAPELO, Notary Public, personally appeared JERRY CHEVASSUS AND SALLY JEWELL, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the 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.

Danette M. Capello  
Notary Public



**EXHIBIT A  
DEPICTION OF CENTER**



**SOUTH TOWNE CENTER**

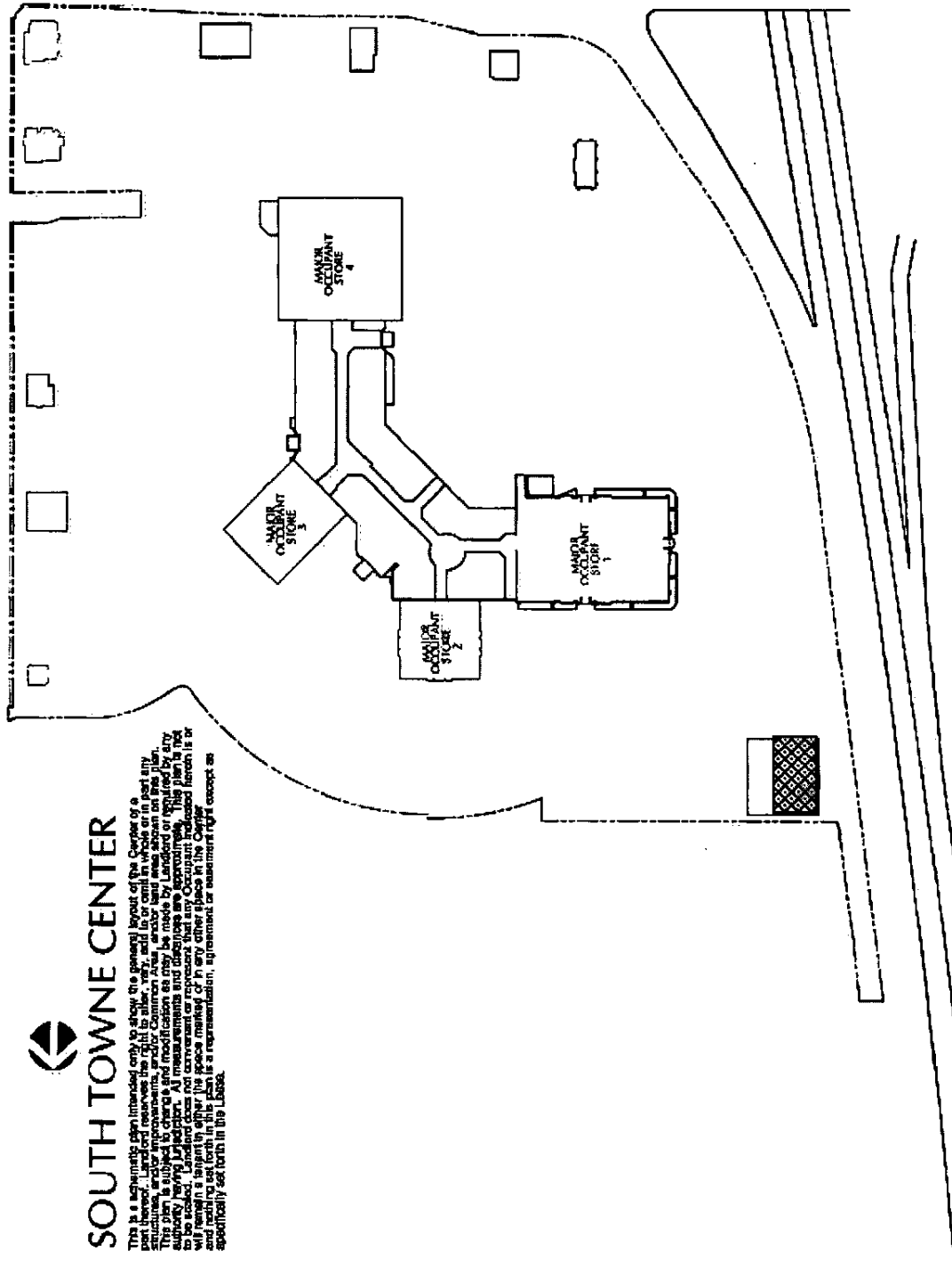
This is a preliminary plan intended only to show the general layout of the Center, or a portion thereof, and is not intended to be used for construction. The location, size, shape, and/or measurements and/or Common Area, and/or lot area shown on this plan, this plan is subject to change and modification as may be made by Landlord or required by any authority having jurisdiction. All measurements and distances are approximate. This plan is not to be used as a basis for construction or for any other purpose. The plan is not intended to be used as a representation, approval or agreement for any right except as specifically set forth in the Lease.

EXHIBIT A

IManage:156499.1

**EXHIBIT B**

**DEPICTION OF PREMISES**



**SOUTH TOWNE CENTER**

This is a schematic plan intended only to show the general layout of the Center or a part thereof. Landlord reserves the right to alter, vary, add to or omit in whole or in part any structures, interior improvements, and/or Common Area, or other land areas shown on this plan. This plan is subject to change and modifications as they are made by Landlord or required by city or other governmental agencies. Landlord does not warrant or represent that any Occupant indicated herein is or will remain a tenant in either the space marked or in any other space in the Center and nothing set forth in this plan is a representation, agreement or assignment right except as specifically set forth in the Lease.

EXHIBIT B

IManage:156499.1

**EXHIBIT C**

**LEGAL DESCRIPTION OF CENTER**

*[Attached]*

EXHIBIT C

IManage:156499.1

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Lot 1, SOUTH TOWNE CENTER MALL SUBDIVISION, according to the official plat thereof, as recorded in the office of the Salt Lake County Recorder, which plat was corrected by that certain Affidavit dated May 19, 1997 and recorded May 30, 1997 as Entry No. 6657112 in Book 7679 at Page 778 of Official Records.

TOGETHER WITH those easements that are appurtenant thereto created in that certain Declaration of Covenants, Conditions and Restrictions for construction and operation recorded January 23, 1985 as Entry No. 4042059 in Book 5624 at Page 914 of Official Records.

THE PROPERTY FIRST DESCRIBED ABOVE ALSO BEING TOGETHER WITH those easements that are appurtenant thereto created in that certain Grant of Reciprocal Easements, Declaration of Covenants running with the Land and Development Agreement recorded October 21, 1993 as Entry No. 5634889 in Book 6781 at Page 765 and Amended by First Amendment to Grant of Reciprocal Easements, Declaration of Covenants running with the land and Development Agreement dated May 16, 1997 and recorded May 16, 1997 as Entry No. 6646767 in Book 7668 at Page 2882 and re-recorded May 30, 1997 as Entry No. 6657114 in Book 7679 at Page 787 of Official Records.

THE PROPERTY FIRST DESCRIBED ABOVE ALSO BEING TOGETHER WITH the benefits created in that certain No Barricade Agreement dated September 22, 1995 and recorded September 26, 1995 as Entry No. 6175088 in Book 7235 at Page 1011 of Official Records.

Parcel Identification Numbers 27-13-227-010-4001 and 27-13-227-010-4002.

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