

EXHIBIT “A”

SUBLEASE AGREEMENT

COPY

THIS SUBLEASE AGREEMENT ("Lease") is made and entered into effective as of the 24 day of March, 1991 by and between FLEMING FOODS OF TEXAS, INC., a Texas corporation, as sublessor (herein called "Lessor"), and JJ&T, a Texas general partnership, as sublessee (herein called "Lessee"):

W I T N E S S E T H:

WHEREAS, that certain lease (as same may have been heretofore amended, the "Primary Lease") was heretofore made as of the 14th day of July, 1971, by and between Peerage Equities Corporation, a Delaware corporation, as lessor, and Safeway Stores, Incorporated, a Maryland corporation, as lessee, pertaining to the lease and demise of the below-described leased Premises by said lessor to said lessee; and

WHEREAS, the interests of Peerage Equities Corporation in, to and under such Primary Lease was subsequently acquired by Corporate Property Investors, a Massachusetts voluntary association ("Primary Lessor"), and the Primary Lease was subsequently amended and modified by, inter alia, that certain First Amendment of Lease ("First Amendment") dated May 11, 1984, by and between the said Primary Lessor and Safeway Stores, Incorporated; and

WHEREAS, the interests of Safeway Stores, Incorporated in, to and under the Primary Lease were thereafter acquired by Safeway Stores 83, Inc., a Delaware corporation, pursuant to that certain Assignment and Assumption executed as of November 1, 1986, and Safeway Stores 83, Inc. in turn transferred and assigned all its right, estate, title and interest in, to and under the Primary Lease (as lessee thereunder) to Furr's, Inc., a Texas corporation ("Furr's") pursuant to that certain Furr's, Inc. Lease Assignment and Assumption Agreement dated as of April 23, 1987; and

WHEREAS, the Lessor has now succeeded to the interests of Furr's in, to and under the Primary Lease by virtue of assignment thereof, and desires to in turn sublease the below-described leased Premises to Lessee upon the terms and conditions set forth herein;

NOW, THEREFORE, for and in consideration of the mutual agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby covenant to and with each other as follows:

ARTICLE IProperty Description

Lessor does hereby sublease to Lessee the real property and premises ("Premises") more particularly described in Schedule "A" attached to this Lease and hereby made a part hereof, and the buildings and improvements thereon, situated in the City of Abilene, County of Taylor, State of Texas, and more commonly known and designated as 2160 Pine Street, Abilene, Texas.

Said Premises are leased subject to such covenants, conditions, restrictions, easements, reservations and rights of way, if any, as are now of record against said Premises, any state of facts an accurate survey might show, zoning rules, restrictions, regulations, resolutions and ordinances, and building restrictions and governmental regulations now in effect of hereafter adopted by any governmental authorities having jurisdiction.

2160 Pine Street.

TO HAVE AND TO HOLD the described Premises, together with the tenements, hereditaments, appurtenances and easements thereunto belonging, at the rental and upon the terms and conditions herein stated, for a preliminary term ("term") commencing with the 12th day of March 1991 and extending to and including the last day of December, 1996, subject to the further renewal and extension options set forth hereinbelow.

See Article XVI
ARTICLE II

Rents

Lessee does hereby agree to pay, without offset to Lessor, as the rent ("rent") for the leased Premises:

785/35 (a) For the period after March 12, 1991, to and including December 31, 1991 the total sum (pro-rated as applicable) of FORTY THOUSAND EIGHT HUNDRED THIRTY-EIGHT AND 20/100 DOLLARS (\$40,838.20), annualized, payable in equal weekly installments of SEVEN HUNDRED EIGHTY-FIVE AND 35/100 DOLLARS (\$785.35) per week, payable on or before Friday of each calendar week during such period, with the first such payment due March 19, 1991.

1st Renewal Period (b) For the period commencing January 1, 1992, to and including December 31, 1996, rental in an annualized amount equal to five and one-quarter percent (5.25%) of the aggregate of THREE HUNDRED EIGHTY-SEVEN THOUSAND AND NO/100 DOLLARS (\$387,000.00), plus the amounts of any payments made from time to time during the term of the Primary Lease by the Primary Lessor or the Primary Lessor's predecessors and/or successors-in-interest to the lessee(s) under the Primary Lease from time to time pursuant to Article Sixth thereof and less any monetary consideration or net surplus award paid to the Primary Lessor or the Primary Lessor's predecessors and/or successors-in-interest under Article Twelfth thereof, with the foregoing annualized rental amount to be payable in equal weekly installments on or before Friday of each calendar week during such period.

Said payments shall be made in cash or cash equivalent in form reasonably acceptable to Lessor, payable to Lessor and mailed to Lessor at Lessor's address at 405 E. 50th Street, P.O. Box 1530, Lubbock, Texas 79404, or by checks or drafts made payable to any other payee or mailed to any other address which Lessor or any successor in interest of Lessor may in writing designate.

ARTICLE III

Taxes, Utility Charges, Etc.

Lessee agrees that it will pay when due all charges for electricity, water, gas, telephone and other utility services used on the leased Premises. Lessee further agrees to pay when due all taxes, assessments, personal property taxes, water rents, rates and charges, sewer rents, and other governmental impositions and charges of every kind and nature whatsoever, extraordinary as well as ordinary, and each and every installment thereof, which shall or may during the term hereof be charged, laid, levied, assessed, imposed, become due and payable, or liens upon, or arising in connection with the use, occupancy or possession of or growing due or payable out of or for, the leased Premises during the preliminary or the original Lease term or any renewal thereof. Lessee further agrees to pay when due all taxes which may be levied, assessed or imposed by the state in which said Premises are located or by any political or taxing subdivision thereof, upon or measured by the rents hereunder, but it is not intended that Lessee shall be required to pay any taxes of Lessor

which are presently denominated as income or franchise taxes. Taxes, water rents, rates and charges, sewer rents and other governmental impositions and charges assessed during the term, but payable in whole or in installments after the termination of this Lease, and assessments which are covered by bond, shall be adjusted and prorated and Lessor shall pay the prorated share thereof for the period subsequent to the term, and Lessee shall pay the prorated share thereof for the term of this Lease. Lessee shall have the right to apply for the conversion of any special assessment for local improvements in order to cause the same to be payable in installments, and upon such conversion Lessee shall be obligated to pay and discharge punctually only such of said installments as shall become due and payable during the term.

At the written request of Lessor, Lessee shall within sixty (60) days after such request produce and exhibit to Lessor satisfactory evidence of the payment before delinquency of any tax, assessment, or other charge constituting a lien on the leased Premises which has become due and payable.

ARTICLE IV

Installation and Signs, Etc.; Removal of Fixtures; Painting

Lessee may place or install on and/or in the leased Premises such fixtures and equipment as it shall deem desirable for the conduct of business therein, and may paint the building and other improvements such colors as it elects. Lessee shall have the exclusive right, provided that it shall first obtain any permits required by any governmental authorities having jurisdiction of the leased Premises, to paint and erect or authorize signs in and over the leased Premises and on the outside of the building and other improvements thereon, and upon the written request of Lessor will remove any such signs upon the expiration or the sooner termination of this Lease. Personal property, fixtures and equipment used in the conduct of Lessee's business (as distinguished from fixtures and equipment used in connection with the operation and maintenance of the building improvements) placed by Lessee or any subtenant or any predecessor in interest on or in said Premises (even though placed prior to the commencement of said Lease term), shall not become a part of the realty, even if nailed or screwed or otherwise fastened to the Premises, but shall retain their status as personalty and may be removed by Lessee at any time. Lessee may obliterate any signs or color effects installed by it. Any damage caused the leased Premises by the removal of such property or the obliteration of any signs or color effects shall be repaired by Lessee at its expense. Any trade fixtures or personal property not used in connection with the operation of the leased Premises and belonging to Lessee or to any subtenant, if not removed within twenty (20) days after expiration or the sooner termination of this Lease, shall be deemed abandoned and shall become the property of Lessor without any payment or offset therefor.

ARTICLE V

Lessee's Assumption of Liability

Lessee agrees that it will indemnify and save Lessor harmless from any and all liability, damage, expense, cause of action, suits, claims, or judgments arising from injury to person or property on the leased Premises, or upon the adjoining streets and sidewalks. Lessee further agrees to indemnify and save Lessor harmless from any and all liability arising from any failure by Lessee to perform any of the agreements, terms, covenants or conditions of this Lease on Lessee's part to be performed. In addition, Lessee agrees to furnish Lessor with a certificate

extending to Lessor the public liability insurance coverage maintained by Lessee.

ARTICLE VI

Repairs, Alterations, and Improvements; State of Repair on Termination; Future Development and Lessee's Options With Respect Thereto

Lessee agrees that Lessor shall be under no obligation to rebuild, replace, maintain or make any repairs to the leased Premises, or to the improvements thereon, during the Lease term or any renewal thereof. Lessee shall, at its own cost and expense, maintain the leased Premises in such a tenantable condition as may be reasonably required by one holding a first mortgage lien thereon. Lessor agrees that Lessee may make such alterations and improvements to the leased Premises as Lessee may deem desirable for the use thereof and may, at Lessee's option and without cost to Lessor, at any time and from time to time during the original Lease term, or during any renewal or extension option period hereinafter provided for, do any one or more of the following, subject to the terms and requirements of the Primary Lease and Primary Lessor, to wit:

(a) Alter or remodel any building or improvement on the leased Premises, provided the market value of any building or improvement so altered or remodeled is not adversely affected thereby, and/or

(b) Construct an addition, or additions thereto, and/or

(c) Raze any building or improvement situated on the leased Premises and erect on the leased Premises a new building or improvement which shall be of a value not less than the market value of the building or improvement so razed at the time of its demolition, and/or

(d) Construct a new building or buildings on the leased Premises;

provided that Lessee in any case shall first obtain any building and alteration permits that may be required by any governmental authorities having jurisdiction and shall first obtain the written approval of Lessor with respect thereto. At the expiration or termination of this Lease, or any extension or renewal thereof, Lessee shall leave the leased Premises in good condition, allowance being made for ordinary wear and tear and damage by fire, or by earthquake, or by the elements, excepted, and Lessee shall not be required to restore the leased Premises to the condition in which the leased Premises are in as of the commencement of the term hereof, it being agreed that Lessor shall accept the leased Premises with such alterations, remodeling, additions, or new construction, as may have been made pursuant to the authorization contained in this paragraph. Lessee agrees that it will not permit any mechanics', materialmen's or other liens to stand against the leased Premises for work or materials furnished Lessee in connection with any such alterations, remodeling, additions or new construction, it being provided, however, that Lessee shall have the right to contest the validity of any such lien or claim, but upon a final determination of the validity thereof Lessee shall immediately pay any judgment or decree rendered against Lessee, with all proper costs and charges, and shall cause any such lien to be released of record without cost to Lessor.

Should Lessee, during the original term hereof, alter, remodel, add to or construct new improvements pursuant to the provisions hereof and providing the cost thereof is One Hundred Thousand Dollars (\$100,000.00) or more, Lessee may, on or prior

to completion of said improvements, offer to accept payment from Lessor for the cost thereof. Should Lessor accept Lessee's offer, which acceptance shall be made in writing within sixty (60) days of the date of such offer, Lessor and Lessee shall enter into good faith negotiations looking toward the execution and delivery of a written agreement of modification of this Lease, which agreement shall provide for (i) payment by Lessor to Lessee of such cost within forty-five (45) days of the date of Lessor's acceptance of such offer or the date of completion of said improvements, whichever shall be the later, (ii) an increase in the annual rentals during the original term, and to the extent necessary during the extended terms, sufficient to amortize Lessor's costs over a period of not less than fifteen (15) years nor more than twenty (20) years, such period (herein referred to as amortization period) to be at the election of and as specified by Lessee, together with a rate of return on outstanding balances of such cost, which rate shall be as agreed upon between Lessor and Lessee and shall approximate the interest rate it would be necessary for a real estate subsidiary of Lessee to pay in order to obtain real estate financing secured by the lease obligation of Lessee, (iii) an increase equal to five percent (5%) of such cost in those annual extended term rentals provided for in Article XVI hereof which will remain after the expiration of said specified period, and (iv) such other changes and amendments of this Lease as may be necessary and appropriate in view of such payment by Lessor to Lessee. It is contemplated that Lessor will finance at least eighty percent (80%) of such cost by the issuance and sale of notes which will provide for an amortization period and an interest rate equal to those provided for in Clause (2) of this paragraph and that the amendments to this Lease will be of such nature as will permit Lessor to sell such notes. Should Lessee's offer to accept payment for such new improvements not be accepted by Lessor within said sixty (60) day period, or should Lessor or Lessee be unable to agree upon the terms of modification of this Lease, Lessee shall have the option of permitting this Lease to continue in effect without any modification or change whatsoever.

ARTICLE VII

Assigning and Subletting

Lessee shall not have the right to assign or transfer this Lease or to underlease or sublet the whole or any part of said leased Premises without Lessor's prior written consent. Should Lessee assign this Lease, upon Lessor's consent thereto, Lessee shall nevertheless remain liable to Lessor for full payment of the rent and Lessee's other obligations under this Lease. Lessee agrees to notify Lessor in writing of any permitted subletting or assignment within thirty (30) days thereafter, and, on request of Lessor, to furnish Lessor with a conformed copy of any sublease or assignment which may be made. In the event of Lessee's default in any of the provisions hereof, after the leased Premises have been sublet by Lessee, Lessor may collect rent from the sublessee, but any collection of rent from an assignee or sublessee shall not be deemed as an acceptance by Lessor of the assignee or sublessee as Lessee. Any such sublease shall be subject to termination by Lessor at its option on termination of this Lease.

ARTICLE VIII

Holding Over

If Lessee holds over or remains in possession of the leased Premises after expiration of this Lease or after any sooner termination thereof, with any new Lease of said Premises being entered into between the parties hereto, or any option hereinafter contained being exercised by written notice, such holding over or continued possession shall, if rent is paid by Lessee and accepted by Lessor for or during any period of time Lessee holds

over or remains in possession, create a tenancy from quarter to quarter only at an annualized rental equal to one hundred twenty-five percent (125%) of the last annual rental (payable in equal weekly installments on or before Friday of each calendar week) and upon the other terms (other than length of term, or option for renewal, purchase or cancellation) herein specified, which may at any time be terminated by either party by thirty (30) days' written notice given to the other party.

ARTICLE IX

Quiet Possession

Lessor covenants that Lessor is holder of a leasehold interest in and to the leased Premises and has full right to make this Lease, and so long as Lessor is the holder of leasehold interest in and to the leased Premises, Lessee shall have quiet and peaceful possession thereof as against any adverse claim of Lessor or any party claiming under Lessor, subject to all exceptions to said title or interest to the leased Premises set forth hereinabove.

ARTICLE X

Lessee's Default; Lessor's Default

In case Lessee shall fail to pay any installment of rent or any tax, assessment, water rent or sewer rent for ten (10) days after written notice from Lessor that the same is due and payable, or to pay any other additional rent or to comply with any of the other terms, covenants, conditions or obligations of this Lease for thirty (30) days after written notice from Lessor or the agent or attorney of Lessor, then Lessor, at the option of Lessor, may cancel and terminate this Lease, as well as all of the right, title and interest of Lessee hereunder, by giving to Lessee not less than five (5) days' notice of such cancellation and termination, and upon the expiration of the time fixed in such notice this Lease and the term hereof, as well as all of the right, title and interest of Lessee hereunder, shall expire in the same manner and with the same force and effect, except as to Lessee's liability, as if the expiration of the time fixed in such notice of cancellation and termination were the end of the term originally demised; and Lessor may re-enter upon the leased Premises either with or without process of law, and remove all persons therefrom. Lessee expressly agrees that the exercise by Lessor of the right to terminate this Lease shall not be a bar to or prejudice in any way any other legal remedies available to Lessor.

If Lessor shall so re-enter, Lessor may repair and alter the leased Premises in such manner as Lessor may deem necessary or advisable, and/or let or relet the leased Premises or any part thereof for the whole or any part of the remainder of the term herein originally leased or for a longer period, in Lessee's name, or as the agent of Lessee, and out of any rent so collected or received Lessor shall: first, pay to itself the cost and expense of retaking, repossessing, repairing and/or altering the leased Premises, and the cost and expense of removing all persons and property therefrom; second, pay to itself the cost and expense sustained in securing any new tenants and, if Lessor shall maintain and operate the leased Premises, the cost and expense of operating and maintaining the leased Premises; and, third, pay to itself any balance remaining on account of the liability of Lessee to Lessor for a sum equal to all rent and additional rent reserved herein and unpaid by Lessee for the remainder of the term herein originally leased as liquidated damages for such default. Any entry or re-entry by Lessor, whether had or taken under summary proceedings or otherwise, shall not absolve or discharge Lessee from liability hereunder.

Should any rent so collected by Lessor after the aforementioned payments be insufficient fully to pay to Lessor a sum equal to all such rent and additional rent reserved herein, the balance or deficiency shall be paid by Lessee on the rent days herein specified; that is, upon each of such rent days Lessee shall pay to Lessor the amount of the deficiency then existing, and Lessee shall be and remain liable for any such deficiency; and the right of Lessor to recover from Lessee the amount thereof, or a sum equal to all such rent and additional rent reserved herein, if there shall be no reletting, shall survive the issuance of any dispossessory warrant or other cancellation or termination hereof, and Lessee hereby expressly waives any defense that might be predicated upon the issuance of such dispossessory warrant or other cancellation of termination hereof.

Suit or suits for the recovery of such deficiency or damages, or for a sum equal to any installment or installments of rent and additional rent hereunder, may be brought by Lessor, from time to time at Lessor's election, and nothing herein contained shall be deemed to require Lessor to await the date whereon this Lease or the term hereof would have expired by limitation had there been no such default by Lessee or no such cancellation or termination.

Lessee hereby expressly waives service of any notice of intention to re-enter. Lessee hereby waives any and all rights to recover or regain possession of the leased Premises or to reinstate or to redeem this Lease or other right of redemption as permitted or provided by or under any statute, law or decision now or hereafter in force and effect, in case Lessee shall be dispossessed by a judgment or by warrant of any court or judge.

In the event of a breach or a threatened breach by Lessee of any of the agreements, terms, covenants or conditions hereof, Lessor shall have the right of injunction to restrain the same and the right to invoke any remedy allowed by law or in equity, as if specific remedies, indemnity or reimbursement were not herein provided.

In case Lessor shall default in the performance of any covenant or agreement herein contained, and such default shall continue for thirty (30) days after receipt by Lessor of written notice thereof given by Lessee, its agents or attorneys, then Lessee, at its option, may (1) cease paying rent for such time as such default shall continue or (2) pay any sums necessary to perform any obligations of Lessor hereunder with respect to which Lessor shall be in default and deduct such sums from the rents thereafter to become due hereunder or (3) declare the term ended and vacate the leased Premises and be relieved from all further obligations under this Lease.

Notwithstanding the provisions of Article XIII hereof, Lessee agrees to give a duplicate copy of any written notice at the time and in the manner required hereunder to any lender holding an interest in the leased Premises or the rentals payable hereunder, provided such lender has theretofore informed Lessee of such interest and the address of such lender. Lessee agrees to accept the performance by such lender on behalf of Lessor, but such performance by lender shall not be deemed a waiver by Lessee to require full performance as required under this Lease. Except to the extent otherwise expressly provided in this Lease, this Lease shall not terminate nor shall Lessee be entitled to any abatement of rent or reduction thereof, nor shall the respective obligations of Lessor and Lessee be otherwise affected, by reason of damage to or destruction of all or any part of the leased Premises from whatever cause, the taking of said Premises or any portion thereof by condemnation or otherwise, the lawful prohibition of Lessee's use of the Premises, the interference with such use by any private person or corporation, or by reason of any

eviction by paramount title, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding.

ARTICLE XI

Damage by Fire, etc.

Lessee agrees that it will, during the preliminary and original terms hereof and during any renewal terms, at its expense, take out and keep in effect upon the leased Premises, fire insurance with extended coverage endorsement, written by a responsible insurance company or insurance companies authorized to do insurance business in the state in which the leased Premises are located in an amount sufficient to prevent Lessor and Lessee from becoming coinsurers under provisions of applicable policies of insurance, but in any event in an amount equal to not less than eighty percent (80%) of the insurable value of the building and other improvements thereon; said policy or policies of insurance to provide that payment for any losses covered under or by said policy or policies of insurance shall be made to Lessor and/or Lessee or any mortgagee and/or assignee designated by Lessor from time to time, as their respective interests may appear. Lessor agrees that in the event of loss of or damage to said building and other improvements by fire or other casualty during the preliminary or original term or any renewal term hereof, and if the estimated cost of rebuilding or repairing said building and other improvements would be One Hundred Thousand Dollars (\$100,000.00) or more, Lessee may, at its option, rebuild or repair said building and other improvements, in which event all insurance proceeds shall be paid by said insurance company or companies to and retained by Lessee. In such event, the building and other improvements as reconstructed by Lessee shall be of a value not less than the value of the building and other improvements as of the date of the casualty and the building and other improvements, as reconstructed, shall immediately become part of the realty and the property of Lessor. Should such fire or other casualty requiring in excess of \$100,000 to rebuild or restore occur at any time during the preliminary or the original term of this Lease and should neither Lessor nor Lessee elect to rebuild or repair said building and other improvements, Lessee may, within ninety (90) days after such loss or damage, given written notice to Lessor of Lessee's intention to terminate this Lease. In the event any loss of or damage to said building and other improvements by fire or other casualty occurs during the preliminary or the original terms hereof and the estimated cost of rebuilding or repairing said building and other improvements would be less than One Hundred Thousand Dollars (\$100,000.00), Lessee agrees to rebuild or repair said building and other improvements as provided above, and all insurance proceeds shall be paid by said insurance company or companies to and retained by Lessee. Notwithstanding the foregoing, in the event any mortgagee requires that the proceeds be made payable to it, then and in such event the proceeds shall be so paid to such mortgagee upon condition that said mortgagee shall agree to pay the said proceeds to Lessee upon the restoration of the leased Premises as in this Article provided.

Regardless of the cost of rebuilding or repairing said building and other improvements, should the fire or other casualty occur during a renewal option term, Lessee shall have the right to elect to rebuild or repair said building and other improvements, in which event all insurance proceeds shall be paid to Lessee as hereinabove set forth. Should Lessee elect not to rebuild or repair said building and other improvements, Lessee shall, within ninety (90) days after such loss or damage give to Lessor thirty (30) days' notice in writing, cancelling and terminating the renewal term then in effect. On expiration of said thirty (30) days' notice, the renewal term shall cease and

terminate and all insurance proceeds shall be paid directly to Lessor by said insurance company or companies.

Lessee shall procure policies for such insurance for a period of not less than one year and shall deliver to Lessor such policies and shall procure renewals thereof from time to time at least twenty (20) days before the expiration thereof.

No abatement, diminution or reduction of rent, charges of other compensation shall be claimed by or allowed to Lessee, or any persons claiming under it, under any circumstances, whether for inconvenience, discomfort, interruption of business, or otherwise, arising from the making of alterations, charges, additions, improvements or repairs to any building now on or which may hereafter be erected on the leased Premises, by virtue of or arising from, and during the restoration of the leased Premises after the destruction or damage thereof by fire or other cause.

ARTICLE XII

Condemnation

Lessor hereby empowers Lessee, from time to time during the preliminary and the original terms of this Lease and during any renewal terms, subject to Lessor's advance written consent and further subject to the terms and requirements of the Primary Lease and Primary Lessor:

- (a) to grant easements affecting the leased Premises;
- (b) to dedicate or convey, as required, portions of the leased Premises for road, highway and other public purposes; and
- (c) to execute petitions to have the leased Premises or a portion of portions thereof annexed to any municipality or included within any utility, highway or other improvement or service district.

If any monetary consideration is received by Lessee as a result of the granting of any such easement or the dedication or conveyance of any portion of the leased Premises as hereinabove provided, such consideration shall be retained by Lessee if the same shall be Ten Thousand Dollars (\$10,000.00) or less, but shall be paid over to Lessor, and Lessee hereby assigns to Lessor all monetary consideration so received, if it is an amount in excess of Ten Thousand Dollars (\$10,000.00). If such consideration is retained by Lessee, the rents shall continue in effect without any modification. The powers hereinabove granted to Lessee shall be exercised by Lessee without the joinder of Lessor, but Lessor agrees to cooperate fully with Lessee if for any reason it is necessary or desirable under the laws of the state where the leased Premises are located for Lessor to join in the execution of any instrument or to cooperate with Lessee in any other way in order for said powers to be effectively exercised. As a condition precedent to the exercise by Lessee of any of the powers granted to Lessee in this Article XII, Lessee shall inform Lessor in writing of the action to be taken and shall certify to Lessor, in a certificate executed by a vice president of Lessee, that in Lessee's opinion such action will not adversely affect either the market value of the leased Premises or the use of the leased Premises for grocery supermarket operations.

In the event that any person or corporation, municipal, public, private or otherwise, shall at any time during the preliminary or the original term hereof condemn and acquire title to any portion of the leased Premises, or to any easement therein, in or by condemnation proceedings pursuant to any law, general, special or otherwise, which condemnation shall make the leased Premises unsuitable for grocery supermarket operations, Lessee may elect

within thirty (30) days after such condemnation or acquisition of title by such person or corporation to give written notice to Lessor of its intention to terminate this Lease, and as a part of said notice shall furnish a certification, executed by a vice president of Lessee to the effect that such condemnation has made the leased Premises unsuitable for grocery supermarket operations. Should Lessee, however, remain in possession of the Premises and not elect to give such notice of termination of this Lease, this Lease shall be deemed to continue as to the remaining portion of the leased Premises. In such event, or in event of any condemnation of any portion of the leased Premises, or any easement therein, which shall not entitle Lessee to give notice of its intention to terminate this Lease as hereinabove provided, Lessee shall be entitled to and shall receive any award or payment made in said condemnation proceedings, in respect to the damage to the leased Premises, and Lessor shall assign, and Lessor does hereby assign and transfer to Lessee such award or payment made in respect of damage to the leased Premises. With the proceeds of the award or payment so assigned to Lessee, Lessee shall pay all appraisal fees, attorneys' fees and other expenses connected with said condemnation proceedings and shall make all repairs or alterations (if any) to the leased Premises made necessary by such condemnation; should such expense and the cost of such repairs or alterations be less than the award or payment so assigned to Lessee, Lessee shall keep the remaining balance of such award or payment if the same shall be Ten Thousand Dollars (\$10,000.00) or less (such remaining balance being hereinafter referred to as net surplus award), and the rents shall continue in effect without any modification. If the net surplus award shall be in excess of Ten Thousand Dollars (\$10,000.00), Lessee shall pay to Lessor such award.

Following the making of the condemnation award or payment, and on completion of the repairs or alterations, if any, made by Lessee as herein provided, the monthly rental for the calendar month following the date on which the net surplus award is paid to Lessor, and the rental payments for each quarter thereafter during the original term hereof, shall be reduced in an amount equal to one-fourth (1/4th) of ten and 5/100 per centum (10.05%) of the net surplus award, if any, paid by Lessee to Lessor as in this Article XII provided. Should the entire leased Premises be condemned at any time during the original term hereof and this Lease terminated by operation of law rather than through the exercise of Lessee's option to terminate as hereinabove provided, then, and in such event, Lessee shall be entitled to the entire condemnation award.

Should the condemnation occur during a renewal option term, Lessee shall, within thirty (30) days after such condemnation, either (a) terminate the renewal term then in effect, or (b) remain in possession and repair and alter the leased Premises to the extent made necessary by such condemnation. If Lessee elects to terminate the renewal term, Lessee shall give to Lessor thirty (30) days' notice, in writing, cancelling and terminating such renewal term. On expiration of said thirty (30) days' notice, the renewal term shall cease and terminate. In such event, Lessee shall be entitled to receive and retain any award or payment made in respect of the loss of, or damage to, Lessee's leasehold interest and Lessor shall be entitled to receive and retain any award or payment made in respect of the leased Premises. Should Lessee, however, elect to remain in possession, the renewal term shall continue as to the remaining portion of the leased Premises. In such event, Lessee shall be entitled to and shall receive any award or payment made in said condemnation proceedings, in respect to the damage to Lessee's leasehold interest and also in respect to the damage to the leased Premises and Lessor shall assign, and Lessor does hereby assign and transfer, to Lessee such award or payment made in respect of damage to the leased Premises. With the proceeds of the award or payment so assigned to Lessee, Lessee shall make all repairs or

alterations (if any) to the leased Premises made necessary by such condemnation; should the cost of such repairs or alterations be less than the award or payment so assigned to Lessee, Lessee shall pay to the Lessor the remaining balance of such award or payment.

ARTICLE XIII

Notices

Any notice provided for herein shall be given by registered United States mail, postage paid, addressed, if to Lessor, to the person to whom the rent is then payable at the address to which the rent is then mailed (unless another address for the receipt of notice has been given by such person), and, if to Lessee, to it at 1219 E. Broadway, P.O. Box 8, Sweetwater, Texas 79556. The person and the place to which notices are to be mailed may be changed from time to time by either party by written notice given to the other party.

ARTICLE XIV

INTENTIONALLY DELETED

ARTICLE XV

Bankruptcy

If (i) Lessee should make an assignment for the benefit of creditors or file any petition or institute any proceedings under the United States Bankruptcy Code ("Code"), either as such Code now exists or under any amendment thereof which may hereafter be enacted, or under any other applicable laws, regulations or acts related thereto, either as a bankrupt or as an insolvent, wherein or whereby Lessee seeks to be adjudicated a bankrupt or to be discharged from any or all of its debts, or to effect a plan of reorganization, or for any other similar relief, or if a receiver, trustee or liquidator for all or a substantial part of the business of Lessee should be appointed by any court upon the petition of Lessee, or (ii) if any such petition or proceedings of the same or similar kind or character be filed or taken against Lessee, or if any receiver, trustee or liquidator for all or a substantial part of the business of Lessee should be appointed by any court in any proceeding brought against Lessee and such petition or proceedings should not be set aside or dismissed or the appointment of said receiver, trustee or liquidator revoked within thirty (30) days, then, in any of such events, Lessor may, at Lessor's option, cancel and terminate this Lease on the giving to Lessee of thirty (30) days' notice in writing and upon the expiration of the time fixed in such notice this Lease and the term hereof, as well as all of the right, title and interest of Lessee hereunder, shall expire in the same manner and with the same force and effect, except as to Lessee's liability, as if the expiration of the time fixed in such notice of cancellation and termination were the end of the term herein originally leased.

In any such event, each of which shall be a default hereunder by Lessee and a breach of this Lease, Lessor shall immediately and ipso facto, notwithstanding any other provisions of this Lease to the contrary and without any notice or other action by Lessor, become entitled to recover from Lessee, and Lessee shall pay to Lessor, as liquidated damages for such breach, a sum equal to the amount by which the rent and additional rent reserved hereunder from the date of such breach to the date of expiration of the term of this Lease exceeds the fair and reasonable rental value of the leased Premises for the same period, both discounted to the date of such breach at the rate of four percent (4%) per annum. Such damages shall become due and payable to Lessor immediately upon such breach and without regard to

whether this Lease shall be terminated or not, and if this Lease shall be terminated without regard to the manner in which it shall be or shall have been terminated. In determining the fair and reasonable rental value of the leased Premises, the rental realized by any reletting, if any reletting be accomplished by Lessor before presentation of proof of such liquidated damages shall be required, shall be deemed prima facie to be the fair and reasonable rental value of the leased Premises or the portion thereof so relet, as the case may be. If and so long as the term of this Lease shall continue, the rent reserved herein for the unexpired term of this Lease after any such breach shall be reduced by the amount of such liquidated damages as may be paid to Lessor, such reduction being applied proportionately to each installment of rent and additional rent thereafter becoming due. During the continuance of this Lease after such a breach and until such damages shall have been paid to Lessor, the whole amount of each installment of rent and additional rent herein reserved shall be due and payable at the time herein specified, and if by reason of the subsequent payment of liquidated damages, and the resulting reduction in rental, Lessor shall have received a sum in excess of all installments as so reduced, becoming due after the breach and before the collection of such damages, such excess shall be refunded to Lessee upon the receipt of such liquidated damages.

Nothing in this Article XV contained shall limit or prejudice the right of Lessor to prove and obtain as liquidated damages in any bankruptcy, insolvency, receivership, reorganization or dissolution proceeding an amount equal to the maximum allowed by any statute or rule of law governing such proceeding and in effect at the time when such damages are to be proved, whether or not such amount be greater, equal to or less than the amount of the damages referred to in the preceding paragraph. The termination of this Lease pursuant to this Article XV shall not be construed as a waiver by Lessor of any right to any such damages that may be proved on the rejection or termination of this Lease through such bankruptcy, insolvency, receivership or dissolution proceedings on the part of Lessee or its representatives in interest, the receiver, custodian, trustee or other parties in interest, through the court having jurisdiction in the proceeding.

ARTICLE XVI

Lessee's Option Privileges

Options

Lessor hereby grants to Lessee the right, at Lessee's option (but subject to Lessor's approval, as set forth below), to extend the term of this Lease for five (5) separate and additional periods of five (5) years each after the expiration of the original term hereof at an annual rental which shall be payable in an annualized rental amount which shall be equivalent to five and one-quarter percent (5.25%) of the aggregate of THREE HUNDRED EIGHTY-SEVEN THOUSAND AND NO/100 DOLLARS (\$387,000.00) plus any payment made from time to time during the term of the Primary Lease by the Primary Lessor or the Primary Lessor's predecessors and/or successors-in-interest to the lessee(s) under the Primary Lease from time to time pursuant to Article Sixth thereof and less any monetary consideration or net surplus award paid from time to time during the term of the Primary Lease to the Primary Lessor or the Primary Lessor's predecessors and/or successors-in-interest under Article Twelfth thereof, and upon the other terms (other than length of term and annual rental) herein specified. These options shall be exercised by written notice given to Lessor or delivered or mailed to Lessor at least ninety (90) days before the expiration of the original term hereof, or, in the event Lessee has previously exercised one or more options herein given, such notice shall be given at least ninety (90) days before the expiration of the option term then in effect; Lessor will then notify Lessee in writing within thirty (30) days

following its receipt of Lessee's notice as to whether Lessor, at its sole discretion, agrees to approve such extension, and if Lessor does not so approve the extension this Lease will terminate at the expiration of the original or renewal term, as applicable, then in effect. If Lessor approves such extension, the parties hereto agree that a new lease need not be executed upon the exercise and approval of any of these options, but that this Lease will remain in full force and effect, changed only as to the matters specified in this Article, except that there shall be no option of further renewal following the expiration of the sixth renewal term, and except that Lessee may, on the giving to Lessor of a seven (7) months' written notice, cancel any option term then in effect.

ARTICLE XVII

Compliance with laws

Lessee agrees throughout the preliminary and the original term of this Lease and any renewal thereof to comply with all laws, ordinances, orders, rules, regulations and requirements of all governmental authorities having jurisdiction of the leased Premises including, without limitation, those requiring structural changes. Lessee may contest the validity of any such laws, ordinances, orders, rules, regulations and requirements but shall indemnify and hold Lessor harmless against the consequences of any violation thereof by Lessee. Upon the written request of Lessor at any time or from time to time, Lessee will furnish to Lessor copies of all certificates of occupancy and building permits which it shall have obtained with respect to the leased Premises and an opinion of its counsel to the effect that all applicable zoning ordinances and regulations and requirements applicable to the leased Premises have been complied with.

ARTICLE XVIII

Lessor's Remedies

No remedy herein conferred upon or reserved to Lessor is intended to be exclusive of any other remedy herein or by law provided, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

ARTICLE XIX

Additional Rent

This is a new sublease, it being the intention of the parties hereto that Lessee shall pay as additional rent, without offset, all costs of maintenance, taxes and other charges that are assessed or levied against said Premises, including without limitation the costs, taxes and charges set forth in this Lease. All taxes, charges, costs and expenses which Lessee assumes or agrees to pay hereunder, together with all interest and penalties that may accrue thereon in the event of Lessee's failure to pay the same as herein provided, all other damages, costs and expenses which Lessor may suffer or incur, and any and all other sums which may become due, by reason of any default of Lessee on Lessee's part to comply with the covenants, agreements, terms and conditions of this Lease on Lessee's part to be performed, and each or any of them, shall be deemed to be additional rent, and in the event of nonpayment Lessor shall have all the rights and remedies herein provided in the case of nonpayment of rent.

ARTICLE XX

No Waiver

The failure of Lessor to insist upon a strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that Lessor may have and shall not be deemed a waiver of any subsequent breach or default in any of such agreements, terms, covenants and conditions.

ARTICLE XXI

Definitions

The term "Lessor" as used herein shall mean only the Lessor for so long as it holds its leasehold interest in and to the leased Premises, so that in the event of any transfer of Lessor's interest in the Premises Lessor shall be and hereby is entirely freed and relieved of all agreements, covenants and obligations of Lessor hereunder, and it shall be deemed and construed without further agreement between the parties or their successors in interest or between the parties and the purchaser at any such sale that such purchaser has assumed and agreed to carry out any and all agreements, covenants and obligations of Lessor hereunder.

The term "insurable value" shall mean, with respect to the building and other improvements located on the leased Premises, the replacement value less depreciation of such building and other improvements at the time of loss thereof or damage thereto by fire or other casualty.

The term "lease year" shall mean the calendar year.

ARTICLE XXII

Article Headings

The article headings herein contained are inserted only as a matter of convenience and for reference and in no way definite, limit or describe the scope or intent of this Lease nor in any way affect the terms and provisions hereof.

ARTICLE XXIII

Separability Clause

If any term or provision of this Lease or any application thereof shall be invalid or unenforceable, the remainder of this Lease and other application of such term or provision shall not be affected thereby.

ARTICLE XXIV

Lessor's Right of Entry

Lessor reserves the right to enter upon the leased Premises during business hours at any time to inspect the same or to make such repairs as Lessor may deem advisable (even though the same may not be required by this Lease). Lessor also reserves the right, at any time within thirty (30) days next preceding the expiration of the term hereby granted or any renewal thereof, provided said term has not been extended by Lessee's exercise of the option privileges contained in Article XVI hereof, to place notices on the front of the leased Premises offering said leased Premises "to let", and such notice or notices shall not be removed by Lessee, or Lessee's agents or employees. Such notices, however, shall not be placed upon the doors or windows of the building and other improvements.

ARTICLE XXV

Release of Lessor

Lessor shall not be liable for any failure of water supply or electric current, gas or heat, nor for the injury or damage to person or property, caused by or resulting from steam, gas, electricity, water, rain or snow, which may leak or flow from any part of said building, or from the pipes, appliances or plumbing works of the same, or from the street or subsurface, or from any other place, nor from interference with light or other incorporeal hereditaments, either by Lessor or otherwise, or caused by operations by or for the City of Abilene in construction of any public or quasi-public work; neither shall Lessor be liable for any defect in the building, nor for the act or acts or Lessee, its agents, servants or employees, or of any one else, nor for any damage to person or property caused by any other or different reason or source, unless due to negligence of Lessor, its agents, servants or employees.

ARTICLE XXVI

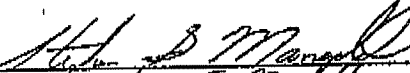
Miscellaneous

Each and all of the covenants, terms, agreements and obligations of this Lease shall extend to and bind and inure to the benefit of the successors and/or permitted assigns of said parties hereto. Herein the singular number includes the plural and the masculine gender includes the feminine and the neuter. The covenants, terms, agreements and obligations of this Lease may not be changed orally, but may be changed only by a written lease modification agreement signed by Lessor and Lessee.

The Lessee shall comply with all of the provisions of the Primary Lease which are to be observed or performed during the term hereof by the Lessor (as lessee) under the Primary Lease, except that the payment of rent shall be governed by the provisions of Article II of this Lease. In the event of cancellation or termination of the Primary Lease prior to the expiration date thereof and prior to the expiration date of this Lease or any extensions and renewals hereof, or in the event of the surrender thereof, whether voluntary, involuntary, or by operation of law, the Lessee shall make full and complete attornment to the Primary Lessor for the balance of the term of this Lease, including any extensions and renewals hereof, upon the same covenants and conditions as are contained herein, so as to establish direct privity of estate and contract between the Primary Lessor and the Lessee and with the same force and effect as though this Lease was originally made directly from the Primary Lessor to the Lessee, and the Lessee shall make all rent payments thereafter directly to the Primary Lessor, provided that the Primary Lessor agrees to such attornment. Insofar as the provisions of the Primary Lease do not conflict with specific provisions herein contained, they and each of them are incorporated into this Lease as fully as if completely re-written herein, and the Lessee agrees to be bound to the Lessor by all of the terms of the Primary Lease and to assume toward Lessor and perform all of the obligations and responsibilities that Lessor by the Primary Lease assumes towards the Primary Lessor, and to indemnify and hold harmless Lessor from any claim or liability under the Primary Lease except for payment of rental by Lessor to the Primary Lessor as provided in the Primary Lease. The relationship between the Lessor and Lessee hereunder shall be the same as that between the Primary Lessor and the Lessor under the Primary Lease.

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

FLEMING FOODS OF TEXAS, INC.,
a Texas corporation

By: 
Name: Stephen E. Marshall
Title: Vice President

JJ&T,
a Texas general partnership

By: 
Jere M. Lawrence,
General Partner

By: 
Jere L. Lawrence,
General Partner

151.D91030699.00
0311915071
LPUR F4350-44194

SCHEDULE "A"

Property DescriptionTract I:

All of Lot 1, Block A, Safeway Addition to the City of Abilene, Taylor County, Texas, according to the Plat thereof recorded in Volume 10, Page 51, of the Plat Records of Taylor County, Texas, and being more particularly described as follows:

BEGINNING at the point of intersection of the South line of Ambler St. (a 70 foot ROW) with the West line of Pine St. (a 100 foot ROW) the Northeast corner of said Block A;

THENCE South 325.50 feet along said West line of Pine St., and the East line of Block A, to a point for corner, the Southeast corner of Block A;

THENCE West 220.00 feet along the South line of Block A to a point for corner;

THENCE North 325.50 feet to a point for corner in the North line of said Block A and the South line of Ambler St.;

THENCE East 220.00 feet along said North line of Block A and the South line of Ambler St., to the PLACE OF BEGINNING and containing 71,610.00 Sq. Ft. or 1.644 acres of land.

Tract II:

BEING a part of Lot 2, Block A, Safeway Addition to the City of Abilene as recorded in Volume 10, Page 51, Plat Records, Taylor County, Texas, and being more particularly described as follows:

COMMENCING at the point of intersection of the South line of Ambler St. (a 70 foot ROW) with the West line of Pine St. (a 100 foot ROW), the Northeast corner of Block A;

THENCE South 325.50 feet along said West line of Pine St. and the East line of Block A, to a point for corner, the Southeast corner of Block A;

THENCE West 220.00 feet along the South line of Block A to the PLACE OF BEGINNING;

THENCE North 325.50 feet to a point for corner in the North line of said Block A and the South line of Ambler St.;

THENCE West 130.00 feet along said North line of Block A and the South line of Ambler St. to a point for corner;

THENCE South 325.50 feet to a point for corner in the South line of said Block A;

THENCE East 130.00 feet along said South line of Block A to the PLACE OF BEGINNING and containing 42,315.00 Sq. Ft. or 0.971 acres of land.

151.091030688.00

Fleming

VIA REGISTERED MAIL
RETURN RECEIPT REQUESTED

P.O. Box 26647
Oklahoma City, Ok 73126
telephone 405.840.7200

May 18, 2001

Mal Enterprises, Inc.
C/O Lawrence Management
P.O. Box 8
Sweetwater, TX 79556

Re: Fleming Sublease File No TX-161.a
2160 Pine Street
Abilene, TX ("Premises")

Dear Lessee:

Reference is hereby made to the Lease Agreement dated July 14, 1971, ("Lease") by and between Kin Properties, successor Lessor, and Fleming Companies, Inc., successor Lessee, covering the above reference Premises.

Reference is further made to the Sublease Agreement dated March 12, 1991, ("Sublease"), by and between Fleming Companies, Inc. ("Fleming"), successor Lessor, and Mal Enterprises, Inc., successor Lessee, covering the above reference Premises.

In reliance upon your decision to allow the term of the Sublease to renew, we are allowing the term of our Lease to automatically renew. Therefore, effective upon the renewal of the Lease, the term of the Sublease will be renewed for a period of five (5) years commencing January 1, 2002, under the same terms and conditions, including rent.

Please acknowledge receipt of this notice of renewal by signing and dating the enclosed copy of the letter in the space provided for the Subtenant, and returning the same to us in the enclosed, stamped preaddressed envelope.

Sincerely,
FLEMING COMPANIES, INC.



William C. Mee
VP Shared Services Real Estate

Receipt of Notice of Renewal of the above referenced Sublease is hereby acknowledge this 23RD day of MAY, 2001.

MAL ENTERPRISES, INC.

By:  (Title)

smh
cc: Robert Glenn
Kent Ferren
Missy Misialek