

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 attorney, 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. 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 ELEVENTH (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, in an amount sufficient to prevent Lessor and Lessee from becoming co-insurers under provisions of applicable policies of insurance but in any event, in an amount equal to not less than eighty per centum (80%) of the "insurable value" of the building improvements thereon; general public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the leased premises

and to afford protection of not less than \$500,000 with respect to bodily injury or death to any one person, not less than \$1,000,000 with respect to any one accident and not less than \$250,000 with respect to property damage, and boiler and pressure vessel insurance on all equipment, parts thereof and appurtenances attached or connected to the leased premises which by reason of their use or existence are capable of bursting, erupting, collapsing or exploding, in the minimum amount of \$500,000 for damage to property resulting from such perils, in each case written by a responsible insurance company or insurance companies authorized to do an insurance business in the state in which the leased premises are located; said policy or policies of insurance to bear a first mortgage endorsement in favor of the Trustee, together with each other person and/or organization acting together with the Trustee and 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 and/or any such Trustee and/or any mortgagee and/or assignee designated by Lessor from time to time, as their respective interests may appear. Lessee agrees that in the event of loss of or damage to said building improvements by fire or other casualty during the preliminary or original terms or any renewal term, Lessee shall rebuild or repair said building improvements or construct a new building on the leased premises, 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 improvements as reconstructed by Lessee shall be a value not less than the value of the building improvements as of the date of the casualty and the building improvements as reconstructed shall immediately become part of the realty and the property of Lessor. Any building permit that may be required shall be obtained by Lessee. Notwithstanding any other provision of this Article Eleventh to the contrary, should such fire or other casualty occur at any time during the preliminary or the original term and should the leased premises be so damaged or destroyed in any single casualty that they shall be economically unsuitable for restoration for Lessee's continued use and occupancy in Lessee's business, as certified by a Vice President of Lessee, then at Lessee's option, in lieu of rebuilding or repairing the leased premises,

Lessee may, within ninety (90) days after such loss or damage, give written notice to Lessor of Lessee's intention to terminate this Lease as provided for in Article Fourteenth hereof, and as a part of said notice shall offer to purchase the leased premises upon the terms set out in said Article. Said notice shall be accompanied by a certificate of Lessee, signed by a vice president thereof, stating that the leased premises are economically unsuitable for Lessee's continued use and occupancy in Lessee's business by reason of such damage or destruction. In the event said offer to purchase is accepted by Lessor and said property purchased by Lessee, all insurance proceeds shall be paid by said insurance company or companies to and retained by Lessee. However, should said offer to purchase not be accepted by Lessor and this Lease be terminated as in said Article Fourteenth provided, Lessee shall be deemed to and does hereby agree to relinquish all rights to the proceeds of any insurance in effect upon said building improvements and such proceeds shall be paid directly to Lessor by said insurance company or companies. In the event any mortgagee and/or assignee thereof requires that the proceeds be made payable to it, then and in such event the proceeds shall be so paid to such mortgagee and/or assignee thereof upon condition that said mortgagee and/or assignee thereof shall agree to pay the said proceeds to Lessee upon the restoration of the leased premises as in this Article provided or upon the purchase of the leased premises by Lessee as provided for in Article Fourteenth hereof.

Regardless of the cost of rebuilding or repairing said building 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 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 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 (1) year and shall procure renewals thereof from time to time at least twenty (20) days before the expiration thereof and shall deliver to Lessor certificates of such policies and renewals.

No abatement, diminution or reduction of rent, charges or 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, changes, additions, improvements or repairs to any buildings 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 TWELFTH (Condemnation): Lessor hereby empowers Lessee, from time to time during the preliminary and the original terms of this Lease and during any renewal terms: (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 or 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. Notwithstanding the granting of any such easement or such dedication or conveyance, the rents and the amounts set forth in Schedule A 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 in which the leased premises is 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, 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 as a grocery supermarket.

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 use as a grocery supermarket, 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 as provided for in Article Fourteenth hereof, 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 use as a retail food supermarket, and shall offer to purchase the leased premises from Lessor upon the terms set out Article Fourteenth hereof. In the event such offer to purchase is accepted by Lessor within the time and in the manner in Article Fourteenth provided, and said leased premises are purchased by Lessee, Lessee shall be entitled to and shall receive any and all award or payment made in said condemnation proceedings, and Lessor shall assign, and Lessor does hereby assign and transfer to Lessee such award or payment as may be made. Should said offer to purchase not be accepted by Lessor and this Lease be terminated as provided for in said Article, any and all award or payment made in such condemnation proceedings in respect only of the leased premises shall be paid to Lessor; provided, however, that 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. Should Lessee, however, remain in possession 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 the 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 and all 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 pay all appraisal fees, attorneys' fees and other expense 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 (such remaining balance being hereinafter referred to as net surplus award). Notwithstanding any such condemnation, the rents and purchase prices referred to in Article Fourteenth and set forth in Schedule A attached hereto and made a part hereof, shall continue in effect without any modification.

Should the entire leased premises be condemned at any time during the preliminary or the original term hereof and this Lease be terminated either by operation of the law or 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 and Lessee shall pay to Lessor an amount equivalent to the applicable purchase price determined in the manner provided in Article Fourteenth, as of the date of termination of this Lease.

Should the condemnation occur during an optional renewal 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 and all 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 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 pay to the Lessor the remaining balance of such award or payment.

ARTICLE THIRTEENTH (Notices): Any notice provided for herein shall be given by registered or certified United States mail, postage prepaid, addressed, if to Lessor, to the person to whom the rent is then payable at the address to which the rent is then mailed, and, if to Lessee, to it at Oakland, California 94660. 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 FOURTEENTH (Lessee's right of termination): Lessor agrees that if Lessee has discontinued or determines to discontinue its use of the leased premises as a grocery supermarket, Lessee shall have the right, subject to the following conditions, at its option, to terminate this Lease. Except where the right accrued pursuant to the provisions of Article Eleventh or Article Twelfth, such option to terminate shall not be exercised prior to the expiration of the fifth year of the original term. In the event Lessee desires to exercise this option and to terminate this Lease, it shall give written notice to Lessor of its intention to terminate this Lease, it shall offer to purchase the leased premises at the Purchase Price hereinafter set

forth, and, as a part of such notice, Lessee shall furnish Lessor a certification executed by a vice president of Lessee, stating that (i) the leased premises have become uneconomic or unsuitable for the continued use in Lessee's business and (ii) Lessee will discontinue its use of the leased premises as a grocery supermarket within ninety (90) days after purchase of the leased premises from Lessor for the applicable price computed in accordance with the schedule attached hereto and marked Schedule "A" (herein referred to as the "Purchase Price").

Unless Lessor shall reject such offer to purchase not later than the 90th day after the date of Lessee's notice to Lessor (provided that the rejection of such offer shall be of no effect unless accompanied by the written consent thereto of the Trustee), then Lessor shall be conclusively presumed to have accepted such offer and Lessor shall open or cause an escrow to be opened with a title insurance company approved by the Trustee and doing business in the area in which the leased premises are located and shall deposit in said escrow a properly executed grant or warranty deed, and such other instruments and authorizations as may be necessary to convey to, and vest in, Lessee such title to the leased premises as will enable Lessee, upon the escrow completion, to obtain from a title insurance company satisfactory to Lessee, an owner's policy of title insurance in the amount of the purchase price paid by Lessee, insuring Lessee, or if title insurance is not available, a title opinion written by an attorney designated by Lessee substantiating that it is the unencumbered fee title owner of the leased premises, free and clear of any mortgage or deed of trust (which shall be released or reconveyed of record by Lessor in the escrow settlement) and free and clear of any other liens, charges, encumbrances or exceptions, except such as may have been in existence at the time of Lessor's acquisition of title to the leased premises, provided, however, and Lessee agrees, that Lessee will take title to the leased premises subject also to any other liens, encumbrances and exceptions not caused or created by any lessor, and to all zoning rules and restrictions, regulations and ordinances that are applicable to the leased premises on the date of conveyance thereof to Lessee and subject to any violations of building codes, fire laws and other laws and regulations that are in existence as of said date. Lessor shall notify Lessee of the opening of the escrow and of its

deposit therein of the deed and other instruments and authorizations, if any, necessary to convey to Lessee title to the leased premises as hereinabove provided, and Lessee shall, at or prior to the expiration of one hundred twenty (120) days from the date of Lessee's notice to Lessor, deliver to the escrow holder the Purchase Price, with its instructions for the completion of the escrow in accordance with the terms hereof. If Lessee purchases the leased premises as herein provided, Lessee shall pay rent to the date of its purchase of the leased premises and the charges covering the escrow fee, recording fee, premium for an owner's policy of title insurance, and the cost of any applicable documentary stamps and any applicable state and local stamp taxes and other like costs and charges.

Should Lessor have rejected the offer of Lessee to purchase the leased premises (provided that such rejection shall have been accompanied by the written consent thereto of the Trustee) or should Lessor, after having accepted Lessee's offer to purchase fail, or be unable within one hundred twenty (120) days after said date of Lessee's notice to Lessor, to deposit with said escrow holder such deed, instruments and authorizations as may be necessary to vest such title to the leased premises in Lessee as is hereinabove provided for, then this Lease shall terminate at the expiration of such one hundred twenty (120) day period. In the event of such termination, all parties hereto shall be discharged from their liability by reason of this Lease and the provisions with respect to the purchase of the premises herein contained, and this Lease shall be of no further force or effect. Lessee shall pay rent to the date of termination and shall vacate and remove its property from the leased premises by such date of termination, and as of such date proper adjustment shall be made in respect of taxes and unexpired insurance premiums.

ARTICLE FIFTEENTH (Bankruptcy): If (i) Lessee should make an assignment for the benefit of creditors or file any petition or institute any proceedings under the Bankruptcy Act, either as such Act now exists or under any amendment thereof which may hereafter be enacted, or under any other act or acts, 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) any such petition or proceedings of the same or similar kind or character be filed or taken against Lessee, or (iii) 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 ninety (90) 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 and in the event of any other default hereunder or breach hereof, 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, all rent and other sums payable hereunder due and payable to the date of payment, together with the sum of (a) 25% of the Applicable Amount for the Initial Period as set forth in Column 2 of Schedule A hereto, discounted at the rate of 5% per annum from November 30, 1996 to the date of such breach and (b) 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 five per cent (5%) per annum. Such accrued rent and damages shall become due and payable to Lessor immediately upon such breach and without regard to whether this Lease be terminated

or not, and if this Lease be terminated, without regard to the manner in which it shall be 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 instalment 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 instalment 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 instalments 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 Fifteenth 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 Fifteenth 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.

In the event of any default hereunder or breach of this Lease by Lessee, Lessor shall, in addition to the rights set forth above in this Article Fifteenth, have the right to require that Lessee purchase the leased premises at a price determined in accordance with Schedule A hereto on a date specified by Lessor which is not later than 60 days following written notice of such requirement from Lessor to Lessee. Lessor shall transfer and convey the leased premises to Lessee on such date upon the terms and provisions set forth in Article Fourteenth hereof as if Lessor had accepted an offer by Lessee to purchase the leased premises; except, however, that (A) the time periods referred to in Article Fourteenth shall be adjusted to effectuate said purchase on the date determined pursuant to this Article Fifteenth and (B) this Lease shall in no event terminate until the leased premises shall have been conveyed and the purchase price thereof and all other sums due under this Lease shall have been paid.

ARTICLE SIXTEENTH (Lessee's option privileges):
Lessor hereby grants to Lessee, the right, at Lessee's option, to extend the term of this Lease for eight (8) separate and additional periods of five (5) years each after the expiration of the term hereof at an annual rental which shall be payable in equal quarter-annual instalments, in arrears, and which shall be equivalent to five per centum (5%) of the aggregate of (a) the Applicable Amount for the Initial Period as set forth in Column 2 of Schedule A hereto and (b) any payment made by Lessor to Lessee under Article Sixth hereof for the first and second extended terms and three per centum (3%) of the aggregate of (a) and (b) hereof for the remaining extended terms, and upon the terms (other than length of term and quarter-annual rental) herein specified. These options shall be exercised by written notice given to Lessor or delivered or mailed to Lessor, at the address at which the rent is then payable, at least sixty (60) 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 sixty (60) days before the expiration of the option term then in effect. The parties hereto agree that a new lease need not be executed upon the exercise 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 eighth renewal term, and except that Lessee may, on the giving to Lessor of a six (6) month's written notice, cancel any option term then in effect.

ARTICLE SEVENTEENTH (Compliance with laws):

Lessee agrees throughout the preliminary or the original term of this Lease or 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 EIGHTEENTH (Remedies Cumulative): No remedy herein conferred upon or reserved to Lessor or Lessee 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 NINETEENTH (Additional rent): This is a net lease, 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 non-payment Lessor shall have all the rights and remedies herein provided in the case of non-payment of rent.

ARTICLE TWENTIETH (No Waiver): The failure of Lessor or Lessee 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 or Lessee 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 TWENTY-FIRST (Definitions): The term "Lessor" as used herein shall mean only the owner or the mortgagee in possession for the time being of the leased premises, so that in the event of any sale or sales of the leased premises the preceding 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 improvements located on the leased premises, the replacement value less depreciation of such building improvements at the time of loss thereof or damage thereto by fire or other casualty.

ARTICLE TWENTY-SECOND (Article headings): The article headings herein contained are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this Lease nor in any way affect the terms and provisions hereof.

ARTICLE TWENTY-THIRD (Separability): If any term or provision of this Lease or any application thereof shall be invalid or unenforceable, the remainder of this Lease and any other application of such term or provision shall not be affected thereby.

ARTICLE TWENTY-FOURTH (Successors and Assigns): 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 assigns of said parties hereto; herein the singular number includes the plural and the masculine gender includes the feminine and the neuter.

ARTICLE TWENTY-FIFTH: (Lessee's obligation to complete the improvements): Lessee will complete, not later than one hundred eighty (180) days after the first day of the preliminary term of this Lease, the construction of the buildings and improvements on the leased premises which have not been completed as of the commencement of the preliminary term of this Lease, in conformity with the requirements of Article Sixth, to the same extent as if such construction were alterations made under the provisions of Article Sixth. Lessee will deliver to Lessor promptly after completion of such construction, but in no event later than the expiration of such 180-day period, (A) an as built survey, certified by a surveyor or surveyors licensed in the state in which the leased premises is located, showing the buildings and improvements within the boundary lines of the leased premises and (B) a certificate of Lessee, executed by a vice president of Lessee, (i) to the effect that such construction has been completed, (ii) setting forth in reasonable detail the aggregate cost to Lessee of completing such construction, (iii) if such aggregate cost exceeds the Applicable Amount for the Initial Period (as set forth in Column 2 of Schedule A hereto), certifying that Lessee has paid, in full, such excess and (iv) to the effect that all building permits and certificates of occupancy, if any are required, have been obtained and all applicable zoning and use laws, ordinances, regulations and agreements have been complied with. If the aggregate cost as certified pursuant to clause (ii) of this Article Twenty-fifth is less than the Applicable Amount for the Initial Period (as set forth in Column 2 of Schedule A hereto), Lessee shall pay to Lessor at the time of the delivery of Lessee's certificate referred to in this Article Twenty-fifth an amount of money equal to the difference between the Applicable Amount for the Initial Period (as set forth in Column 2 of Schedule A hereto) and the cost as certified pursuant to clause (ii) of this Article Twenty-fifth, then: (1) each Applicable Amount (as set forth in Column 2 of Schedule A hereto) shall be reduced by the amount of such payment and (2) each instalment of rent payable pursuant to Article Second during the original term

of this Lease and at least three months subsequent to the date of such payment shall be reduced by 2.64% of such payment. If the aggregate cost as certified pursuant to clause (ii) of this Article Twenty-fifth exceeds the Applicable Amount for the Initial Period (as set forth in Column 2 of Schedule A hereto) by \$250,000 or more, Article Sixth shall be applicable.

If such construction is not completed during the period ending 180 days after the first day of the preliminary term of this Lease, or if, Lessee before the expiration of such 180-day period shall not have delivered to Lessor the certificate referred to above, then Lessee shall, at the request of Lessor, on a date specified by Lessor which is not later than 90 days after the date for the completion of such construction, purchase the leased premises at a price determined in accordance with Schedule A hereto. Lessor shall transfer and convey the leased premises in accordance with the provisions of Article Fourteenth hereof as if Lessor had accepted an offer by Lessee to purchase the leased premises; except, however, that (A) the time periods referred to in Article Fourteenth shall be adjusted to effectuate said purchase on the date determined pursuant to this Article Twenty-fifth, (B) this Lease shall in no event terminate until the leased premises shall have been conveyed to Lessee and the purchase price thereof and all other sums due under this Lease shall have been paid and (C) the provisions of Article Fourteenth relative to Lessee discontinuing the use of the leased premises as a retail food supermarket shall be inapplicable. If Lessor does not make such request of Lessee to purchase the leased premises, then this Lease shall continue in full effect and Lessee shall thereafter proceed with due diligence to complete the construction of the buildings and improvements on the leased premises.

ARTICLE TWENTY-SIXTH: (Purchase at expiration of original term): Lessee hereby makes an irrevocable offer to purchase the leased premises on November 30, 1996 at a price determined in accordance with Schedule A hereto. Unless Lessor shall have rejected such offer to purchase by notice to Lessee given not later than four (4) months prior to such purchase date or if Lessor makes such rejection without the consent of the Trustee, then Lessor shall be conclusively presumed to have accepted such offer to purchase, and Lessor

shall convey the leased premises in accordance with the provisions of Article Fourteen hereof, as if Lessor had accepted an offer by Lessee to purchase the leased premises; except, however, that (A) the time periods referred to in Article Fourteenth shall be adjusted to effectuate said purchase on the date determined pursuant to this Article Twenty-sixth, (B) this Lease shall in no event terminate until the leased premises shall have been conveyed to Lessee and the purchase price thereof and all other sums due under this Lease shall have been paid and (C) the provisions of Article Fourteenth relative to Lessee discontinuing the use of the leased premises as a retail food supermarket shall be inapplicable. If Lessor shall have rejected such offer in accordance with the provisions of this Article Twenty-sixth, this Lease shall continue in full effect as if no such offer had been made pursuant to this Article Twenty-sixth.

ARTICLE TWENTY-SEVENTH: (Use of leased premises):
The leased premises are leased exclusively for business, commercial, manufacturing, mercantile or industrial purposes, as distinguished from residence purposes.

ARTICLE TWENTY-EIGHTH: (Rule Against Perpetuities):
If and to the extent that any of the rights granted to Lessor or Lessee under Articles Sixth, Eleventh, Twelfth, Fourteenth, Fifteenth, Twenty-Fifth or Twenty-Sixth of this Lease would, in the absence of the limitation imposed by this Article, be invalid or unenforceable as being in violation of the rule against perpetuities or any other rule of law relating to the vesting of interests in or the suspension of the power of alienation of property, then and only in such case, and, notwithstanding any other provision of this Lease, said rights (subject to the respective conditions set forth in said Articles governing the exercise of such rights), shall be exercisable by Lessee and Lessor only during the period which shall end twenty (20) years and six (6) months after the date of death of the last survivor of the following named persons:

<u>Name</u>	<u>Approximate Age</u>	<u>Address</u>
Lauren C. Gloster	4	311 Alida Road Braintree, Massachusetts 02184
Craig P. Sabbey	3	124 Woodbine Circle Needham, Massachusetts 02191
Elizabeth C. Belanger	2	85 Beachwood Road Wellesley Hills, Massachusetts 02181
Amanda J. Smith	2	23 Fire Cut Lane Sudbury, Massachusetts 01776

SCHEDULE A

Upon the purchase of the leased premises pursuant to this Lease, the purchase price payable shall be an amount equal to the sum of (i) the Applicable Amount set forth in Column 2 below opposite the period in which the date of purchase occurs (the Initial Period being the period commencing with and including the first day of the preliminary term of this Lease and ending on and including November 30, 1976, period 1 being the period commencing with December 1, 1976, and ending on and including February 28, 1977, and each succeeding period being each following three-month period of the original term of this Lease), (ii) if such date of purchase is not a date upon which a payment of rent is due, interest at the rate of 9.00% per annum on the amount determined as provided in clause (i) above for the period beginning on the date upon which a payment of rent was due immediately preceding such date of purchase (or beginning on and including the first day of the Initial Period, if such date of purchase occurs during the Initial Period) and ending on and including such date of purchase, (iii) if such purchase is made pursuant to Articles Eleventh or Twelfth of this Lease, \$31,680, plus a premium equal to one per centum of the amount determined pursuant to clause (i) above, (iv) if such purchase is made pursuant to Article Twenty-fifth of this Lease, \$15,840, and (v) if such purchase is made pursuant to Article Fourteenth of this Lease, \$31,680, plus a premium equal to a per centum of the amount determined pursuant to clauses (i) and (ii) above in accordance with the following schedule:

<u>Year</u>	<u>Percentage</u>
1981	4.0%
1982	3.0%
1983	2.0%
1984	1.0%
1985	0.0%

255
Solvia

SCHEDULE A (Continued)

Column 1	Column 2
<u>Period in which purchase occurs</u>	<u>Applicable Amount</u>
Initial Period	776,160.00
1	773,149.12
2	770,070.50
3	766,922.61
4	763,703.89
5	760,412.75
6	757,047.56
7	753,606.65
8	750,088.32
9	746,490.83
10	742,812.39
11	739,051.19
12	735,205.36
13	731,273.00
14	727,252.16
15	723,140.85
16	718,937.04
17	714,638.64
18	710,243.53
19	705,749.53
20	701,154.41
21	696,455.90
22	691,651.68
23	686,739.36
24	681,716.52
25	676,580.66
26	671,329.24
27	665,959.67
28	660,469.28
29	654,855.36
30	649,115.13
31	643,245.74
32	637,244.29
33	631,107.81
34	624,833.26
35	618,417.53
36	611,857.44
37	605,149.75
38	598,291.14
39	591,278.21
40	584,107.49
41	576,775.43
42	569,278.40
43	561,612.68
44	553,774.49
45	545,759.94
46	537,565.06
47	529,185.79
48	520,617.99
49	511,857.41
50	502,899.72
51	493,740.48
52	484,375.16
53	474,799.12
54	465,007.62
55	454,995.81
56	444,758.74
57	434,291.33
58	423,588.40
59	412,644.66
60	401,454.68

SCHEDULE A (Continued)

Column 1	Column 2
<u>Period in which purchase occurs</u>	<u>Applicable Amount</u>
61	390,012.93
62	378,313.74
63	366,351.32
64	354,119.74
65	341,612.95
66	328,824.76
67	315,748.84
68	302,378.71
69	288,707.75
70	274,729.19
71	260,436.12
72	245,821.45
73	230,877.95
74	215,598.22
75	199,974.70
76	183,999.65
77	167,665.16
78	150,963.15
79	133,885.34
80	116,423.28

SCHEDULE B

Montpelier, Bear Lake,
County, Idaho
Store No. 255

Lots 5 and 6, Block 13, of the Original Townsite
of the City of Montpelier, according to Montpelier Plat A.

IN WITNESS WHEREOF, Lessor has caused this Lease to be duly executed and Lessee has caused this Lease to be executed and its corporate seal to be hereunto affixed by its duly authorized officers, as of the day and year first above set forth.

S. S. PROPERTIES ASSOCIATES II

By


a General Partner

SAFEWAY STORES, INCORPORATED
(a Maryland corporation)

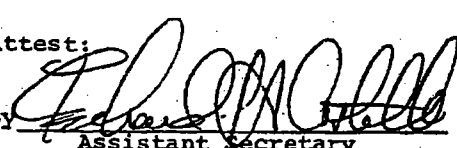
By


Assistant Vice President

[Seal]

Attest:


By


Assistant Secretary

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this 15 day of October, 1976, before me personally in said County and State appears SHELDON J. STREISAND, to me personally known and known to me to be a general partner of S. S. PROPERTIES ASSOCIATES II, a New Jersey limited partnership named in and executing the foregoing instrument, which instrument was produced to me in said County and State aforesaid by the said general partner, known to me to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its general partner, who by me being duly sworn, did severally depose, say and acknowledge, on his oath, in said County and State aforesaid, that he is a general partner of said partnership and that said partnership executed said instrument; that he, being informed of the contents of said instrument, signed said instrument and that he executed the same in the name and on behalf of said partnership, being duly authorized to do so; that he executed the same as, and said instrument is, his free and voluntary act and deed and the free and voluntary act and deed of said partnership for the consideration, uses and purposes therein set forth and expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid on the day and year first above written.


Notary Public

My Commission Expires:

(Seal)

DON B. PANUSH
Notary Public, State of New York
No. 41-3009665
Qualified in Queens County
Commission Expires March 30, 1977

State of California)
)ss.:
County of Alameda)

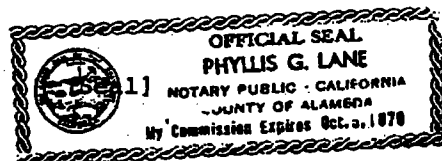
On this 15th day of October, 1976, before me, PHYLLIS G. LANE, a Notary Public in and for the said County and State, personally in said County and State appeared PATRICK S. TOTMAN and RICHARD H. COSTELLO, to me personally known and known to me to be the Assistant Vice President and Assistant Secretary, respectively, of SAFEWAY STORES, INCORPORATED, a corporation named in and executing the foregoing instrument, which instrument was produced to me in said County and State aforesaid by the said Assistant Vice President and Assistant Secretary, who are known to me to be the identical persons who subscribed the name of the maker thereof to the foregoing instrument as its Assistant Vice President and Assistant Secretary, respectively, who by me being duly sworn, did severally depose, say and acknowledge, in their several oaths, in said County and State aforesaid, that they are the Assistant Vice President and Assistant Secretary, respectively, of said corporation and that said corporation executed said instrument; that they know the seal of said corporation; that the seal affixed to said instrument is the corporate seal of said corporation; that they, being informed of the contents of said instrument, signed and sealed said instrument and that they executed the same in the name and on behalf of said corporation by order, authority and resolution of its Board of Directors and that they signed their names thereto by like order; that they executed the same as, and said instrument is, their free and voluntary act and deed and the free and voluntary act and deed of said corporation for the consideration, uses and purposes therein set forth and expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and my official seal in the County and State aforesaid on the day and year first above written.

Phyllis G. Lane
Notary Public

My Commission Expires:

October 5, 1979



ASSIGNMENT AND ASSUMPTION

Safeway Stores, Incorporated, A Maryland Corporation ("Assignor") hereby assigns, sets over and transfers to Safeway Stores 53, Inc., A Delaware Corporation ("Assignee"), its successors and assigns, all of Assignor's estate, right, title and interest in, to and under that certain LEASE dated September 01, 1976 by and between S S Properties Associates II and Safeway Stores Incorporated, as such lease may have been from time to time modified, ("said Lease"), and all, if any, relative options, easements, licenses, subleases and other agreements (collectively "Related Agreements"). Said Lease pertains to that real property situated in the City of MONTPELIER, County (Parish) of BEAR LAKE, State of ID, as more particularly described in said Lease. Assignor shall have continued liability under said Lease to the extent and in the manner provided therein.

Assignee hereby accepts said assignment and covenants with Assignor and the lessor of said Lease, and for the benefit of any assignee or successor in interests of said lessor, that Assignee, its successor and assigns, hereby assumes and will henceforth perform or cause to be performed all of the obligations of every nature contained in said Lease and Related Agreements which, by the terms thereof, are imposed upon Assignor.

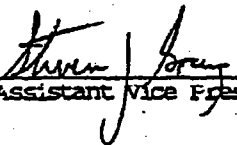
Assignee hereby agrees that the assignment set forth herein is subject and subordinate to the terms of said Lease.

This Assignment and Assumption shall be effective as of November 25, 1986.

Executed as of November 1, 1986.

("Assignee")

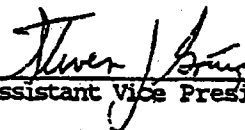
Safeway Stores 53, Inc.
A Delaware Corporation

By 
Assistant Vice President

By 
Assistant Secretary

("Assignor")

Safeway Stores, Incorporated,
A Maryland Corporation

By 
Assistant Vice President

By 
Assistant Secretary

FACILITY #: 0255
ADDRESS: 130 SO 4TH ST
MONTPELIER, ID

SL-23

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Borman's, Inc.
P.O. Box 33446
Detroit, Michigan 48232-5446
Attention: President

Store 255

ASSIGNMENT OF LEASE

THIS ASSIGNMENT is as of made this 27th day of April, 1987, between SAFEWAY STORES 53, INC., a Delaware corporation ("Assignor") and S E G STORES, INC., a Delaware corporation ("Assignee").

R E C I T A L S

A. Pursuant to the lease(s) and other documents listed in Exhibit "A", attached hereto and incorporated herein by this reference, as amended to date, true and complete copies of which are attached hereto as Exhibit B (collectively, the "Lease"), Safeway Stores, Incorporated, a Maryland corporation or its predecessor in interest (the "Original Tenant"), leased and acquired other rights in certain premises located at 130 South 4th Street, Montpelier, Idaho, as more particularly described in the Lease (the "Premises").

B. Assignor obtained the Original Tenant's interest in the Lease pursuant to an Assignment and Assumption Agreement dated as of November 1, 1986.

C. Pursuant to that certain Asset Purchase Agreement dated as of April 27, 1987 between Safeway Stores, Incorporated, Safeway Stores 51, Inc., Safeway Stores 52, Inc., Safeway Stores 53, Inc., Safeway Stores 54, Inc., Safeway Stores 55, Inc., and Safeway Stores 57, Inc. as Seller, S E G Stores, Inc. as Buyer, and Borman's, Inc., Assignor desires to assign the Lease to Assignee, and Assignee desires to accept an assignment of the Lease, together with all right, title and interest of Assignor thereunder as hereinafter provided.

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which are hereby acknowledged, and in consideration of the premises and the mutual covenants, conditions and agreements contained herein and in the Asset Purchase Agreement, the parties agree as follows:

1. Assignment: Assignor hereby transfers, sets over and assigns to Assignee all right, title and interest of Assignor in and to the Lease, TO HAVE AND TO HOLD the same to Assignee, its successors and assigns forever, together with any and all options in favor of Assignor under the lease, including, without limitation, any options to extend the term of the Lease, to terminate the term thereof, to expand the improvements on the Premises or to purchase the interest of Landlord in the Premises, and all rights of Assignor in or to any deposits and advance payments, if any, made by Assignor under the Lease; SUBJECT, HOWEVER, to each and every

provision of the Lease and as hereinafter provided; provided, further, that Assignor represents and warrants that nothing contained in the Lease precludes or prevents any holder of the interest of any tenant other than the original tenant named therein from exercising or enjoying any renewal options.

2. Acceptance of Assignment: Assignee accepts the within assignment and agrees to perform and discharge all of the covenants, terms, conditions and provisions to be kept, observed and performed by Assignor as tenant under the Lease from and after the Effective Date as defined in Paragraph 3 hereinbelow, including, without limitation, the payment of all rents, additional rents and other charges reserved in and by the Lease. Nothing herein shall obligate Assignee to assume or pay any rent, fee, charge, expense or adjustment attributable to any obligations of Assignor under the Lease which shall have arisen or accrued prior to the Effective Date.

3. Effective Date: This Assignment shall be effective April 27, 1987 (the "Effective Date").

4. Delivery of Premises. Assignor shall deliver full and unhindered possession of the premises to Assignee on the Effective Date.

5. Notice. Any notice, request, instruction or other document to be given hereunder by either party to the other shall be in writing and delivered personally or mailed

by certified mail, postage prepaid, return receipt requested (such mailed notice to be effective on the date such receipt is acknowledged), as follows:

If to Assignor, addressed to:

Safeway Stores, Inc.
201 Fourth Street
Oakland, California 94660
Attention: Manager, Real Estate Law Division

With a copy to:

Latham & Watkins
555 South Flower Street
Suite 4300
Los Angeles, California 90071
Attention: Michael C. Kelcy, Esq.

If to Assignee by mail, addressed to:

Borman's
P.O. Box 33446
Detroit, Michigan 48232-5446
Attention: President

If to Assignee by personal service, addressed to:

Borman's
18718 Borman Avenue
Detroit, Michigan 48228
Attention: President

With a copy to:

Stein Simpson & Rosen
1370 Avenue of the Americas
New York, New York 10019
Attention: David Simpson, Esq.

or to such other place and with such other copies as either party may designate as to itself by written notice to the others.

6. Counterparts. This Agreement may be executed in one or more counterparts by the parties hereto. All


counterparts shall be construed together and shall constitute one agreement.

7. Binding Effect. This Agreement shall be binding on and inure to the benefit of the parties and their respective heirs, successors and assigns.

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

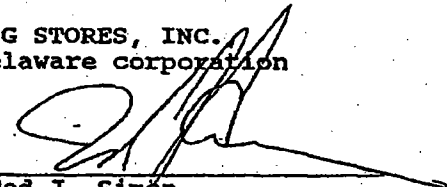
ASSIGNOR:

SAFEWAY STORES 53, INC.,
a Delaware corporation

By: 
Philip G. Horton
Its Vice President

ASSIGNEE:

S E G STORES, INC.
a Delaware corporation

By: 
Ted J. Simon
Its Vice President

Address: Borman's, Inc.
P.O. Box 33446
Detroit, Michigan
48232-5446
Attention: President

EXHIBIT "A"

Lease dated September 1, 1976 between SouthSouth Properties Associates II and Safeway Stores, Incorporated, a Maryland corporation. The Lessee's interest in the Lease was assigned by Assignment and Assumption Agreement dated November 1, 1986 between Safeway Stores, Incorporated and Safeway Stores 53, Inc., a Delaware corporation.

Related Agreements:

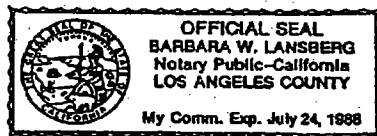
Grant of Easement (Utility) dated October 21, 1976 between Safeway Stores, Incorporated and The Mountain States Telephone and Telegraph Company, a Colorado corporation.

Grant of Easement (Utility) dated February 9, 1977 between Safeway Stores, Incorporated and City of Montpelier, Idaho.

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

On April 26, 1987, before me, the undersigned, a Notary Public in and for said State, personally appeared PHILIP G. HORTON personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument as Vice President of SAFEWAY STORES 53, INC., a Delaware corporation, the corporation that executed the within instrument and acknowledged to me that he subscribed his name thereto as Vice President of said corporation and that said corporation executed the same.

WITNESS my hand and official seal.

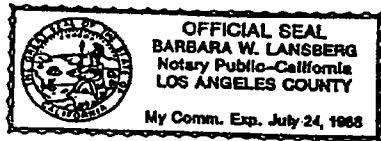


Barbara W. Lansberg
Notary Public in and for
said County and State

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

On April 26, 1987, before me, the undersigned, a Notary Public in and for said State, personally appeared TED J. SIMON personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument as Vice President of S E G STORES, INC., a Delaware corporation, the corporation that executed the within instrument, and acknowledged to me that he subscribed his name thereto as Vice President of said corporation and that said corporation executed the same.

WITNESS my hand and official seal.



Barbara W. Lansberg
Notary Public in and for
said County and State

ASSIGNMENT AND ASSUMPTION AGREEMENT

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, SEG Stores, Inc., a Delaware corporation, whose address is 331 Bearcat Drive, P. O. Box 30001, Salt Lake City, Utah 84130 ("Assignor"), hereby assigns, transfers and conveys, upon the terms and conditions contained herein, to Fleming Companies, Inc., an Oklahoma corporation and Fleming Foods West, Inc., a California corporation, whose address is 2205 West 1500 South, Salt Lake City, Utah 84126 (collectively "Assignee"), all of Assignor's right, title and interest, as tenant, in and to that certain lease more fully described in Exhibit 1 to this Assignment and Assumption Agreement ("Lease").

The terms and conditions above-referred to are as follows:

1. This Assignment and Assumption Agreement shall be effective as of the date hereof, and incorporates all the representations and warranties relating to the Lease made by Assignor to Assignee in that certain Agreement of Purchase and Sale between Assignor and Assignee dated February 22, 1988.

2. Assignee hereby assumes and agrees to perform and observe all of the obligations of the tenant under the Lease, which obligations are in respect of the period from and after the date of this Assignment and Assumption Agreement and Assignee hereby indemnifies and agrees to defend and hold harmless Assignor against all liabilities in connection with such obligations.

3. Assignor hereby indemnifies and agrees to defend and hold harmless Assignee against all liabilities in connection with the obligations of the tenant under the Lease in respect of the period subsequent to April 26, 1987 and prior to the date of this Assignment and Assumption Agreement.

IN WITNESS WHEREOF, this Assignment and Assumption Agreement has been executed on the ____ day of March, 1988.

SEG Stores, Inc.
A Delaware Corporation ("Assignor")

By: [Signature]
Ted J. Simon, Vice President

Fleming Companies, Inc.
An Oklahoma Corporation ("Assignee")

By: [Signature]
Its: [Signature]

Fleming Foods West, Inc.,
an Oklahoma corporation ("Assignee")

By: [Signature]
Its: [Signature]

STATE OF UTAH)
COUNTY OF SALT LAKE) SS

On the 15 day of March, 1988, personally appeared before me Ted J. Simon, who being by me duly sworn, did say that he is the Vice President of SEG Stores, Inc., a Delaware corporation, and that said instrument was signed in behalf of said corporation by the authority of its bylaws or of a resolution of its board of directors, and said Ted J. Simon acknowledged to me that said corporation executed the same.

[Signature]
Notary Public
Residing in SEC. UTAH

My Commission expires:
3-11-91

STATE OF UTAH)
)SS
COUNTY OF SALT LAKE)

On the 25 day of March, 1988, personally appeared before me Stephen Mangold, who being by me duly sworn, did say that he is the _____ of Fleming Companies, Inc., an Oklahoma corporation, and that said instrument was signed in behalf of said corporation by the authority of its bylaws or of a resolution of its board of directors, and said _____ acknowledged to me that said corporation executed the same.


Notary Public

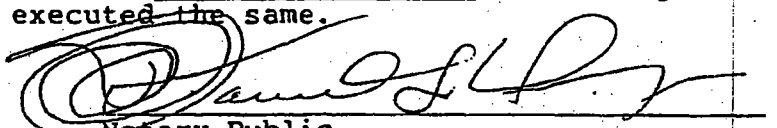
Residing in Salt Lake

My Commission expires:

3-11-90

STATE OF UTAH)
)SS
COUNTY OF SALT LAKE)

On the 25 day of March, 1988, personally appeared before me Stephen Mangold, who being by me duly sworn, did say that he is the _____ of Fleming Foods West, Inc., a California corporation, and that said instrument was signed in behalf of said corporation by the authority of its bylaws or of a resolution of its board of directors, and said _____ acknowledged to me that said corporation executed the same.


Notary Public

Residing in Salt Lake

My Commission expires:

3-11-90

wp:borflemexa

EXHIBIT 1

Store #255 - 130 So. 4th St.
Montpelier, Idaho

Lease dated September 1, 1976 between S.S. Properties Associates II and Safeway Stores, Incorporated, a Maryland corporation. The Lessee's interest in the Lease was assigned by Assignment and Assumption Agreement dated November 1, 1986 between Safeway Stores, Incorporated and Safeway Stores 53, Inc., a Delaware corporation, and by Assignment of Lease dated April 27, 1987, between Safeway Stores 53, Inc., a Delaware corporation, and SEG Stores, Inc., a Delaware corporation.

SL-23

Store No. 255

ASSIGNMENT AND ASSUMPTION AGREEMENT

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, Fleming Companies, Inc., an Oklahoma corporation, whose address is P. O. Box 26647, Oklahoma City, Oklahoma 73126 ("Assignor"), hereby assigns, transfers and conveys to Fleming Foods West, Inc., a California corporation, whose address is 2205 West 1500 South, Salt Lake City, Utah 84126 ("Assignee"), all of Assignor's right, title and interest in and to that certain lease more fully described in Exhibit 1 to this Assignment and Assumption Agreement ("Lease").

Assignee hereby assumes and agrees to perform and observe all of the obligations of the tenant under the Lease, which obligations are in respect of the period from and after the date of this Assignment and Assumption Agreement, and Assignee hereby indemnifies and agrees to defend and hold harmless Assignor against all liabilities in connection with such obligations.

IN WITNESS WHEREOF, this Assignment and Assumption Agreement has been executed on the 31st day of May, 1989, and is to be effective as of March 25, 1988.

FLEMING COMPANIES, INC., an
Oklahoma corporation

ATTEST:

James Clark
Secretary
[Seal]

By: [Signature]

Vice President

FLEMING FOODS WEST, INC., a
California corporation

ATTEST:

James Clark
Secretary
[Seal]

By: [Signature]

Vice President

STATE OF OKLAHOMA)
) ss:
COUNTY OF OKLAHOMA)

The foregoing instrument was acknowledged before me
this 31st day of May, 1989, by Stephen H. Mangold, Vice Presi-
dent of Fleming Companies, Inc. an Oklahoma corporation, on
behalf of the corporation.

Nelda L. Trease
Notary Public

My commission expires:
11-15-92

(Seal)

STATE OF OKLAHOMA)
) ss:
COUNTY OF OKLAHOMA)

The foregoing instrument was acknowledged before me
this 31st day of May, 1989, by Stephen H. Mangold, Vice Presi-
dent of Fleming Foods West, Inc. a California corporation, on
behalf of the corporation.

Nelda L. Trease
Notary Public

My commission expires:
11-15-92

(Seal)

CALA:FLEMING_A_A AGMT_255

EXHIBIT 1

Store #255 - 130 So. 4th St.
Montpelier, Idaho

Lease dated September 1, 1976 between S.S. Properties Associates II and Safeway Stores, Incorporated, a Maryland corporation. The Lessee's interest in the Lease was assigned by Assignment and Assumption Agreement dated November 1, 1986 between Safeway Stores, Incorporated and Safeway Stores 53, Inc., a Delaware corporation, and by Assignment of Lease dated April 27, 1987, between Safeway Stores 53, Inc., a Delaware corporation, and SEG Stores, Inc., a Delaware corporation.

EXHIBIT 1
(Continued)

The previously described lease covers certain real property more particularly described as:

Lots 5 and 6, Block 13, of the Original Townsite of the City of Montpelier, Idaho according to Montpelier Plat A.

Located in Bear Lake County

ASSIGNMENT AND ASSUMPTION OF LEASES

KNOW ALL MEN BY THESE PRESENTS: That for good and valuable consideration, receipt and adequacy of which is hereby acknowledged, S.S. PROPERTIES ASSOCIATES II, a New Jersey Limited Partnership ("Assignor"), having an office care of Financial Packaging Corporation, 205 East 42nd Street, Suite 1919, New York, New York 10017, hereby transfers, assigns, sells and sets over unto JANESE ASSOCIATES, a New York partnership, ("Assignee"), having an office at 77 Tarrytown Road, Suite 100, White Plains, New York 10607-1620, from and after May 30, 1996, all of the right, title, and interest of the Landlord under all leases of space and other rights of occupancy or use covering any portion of the premises located in the County of Bear Lake, State of Idaho ("Premises"), as described on Exhibit "A" hereto, including without limitation that certain Lease ("Lease") dated September 1, 1976, by and between S.S. Properties Associates II, a New Jersey limited partnership, as Landlord, and Safeway Stores, Incorporated, a Maryland corporation, as Tenant, as disclosed by Memorandum of Lease dated September 1, 1976 recorded as Microfilm Instrument No. 109987, Records of Bear Lake County, Idaho, together with all rents, issues, and profits to be derived therefrom and all powers and privileges relating thereto.

Assignor hereby indemnifies Assignee with respect to any and all obligations of the Landlord under the Lease which may arise on or before May 29, 1996. Assignee hereby assumes all of the obligations of the Landlord under the Lease which may arise from and after May 30, 1996, and hereby indemnifies Assignor with respect to any and all such obligations which may arise from and after May 30, 1996.

Assignor hereby agrees and confirms that all rentals to be paid by the Tenant under the Lease are being paid (pursuant to collateral assignment of lease dated September 1, 1976 recorded as Microfilm Instrument No. 109989, Records of Bear Lake County, Idaho, from S.S. Properties Associates II and Safeway Stores, Incorporated to First Brandywine Store Properties Corp., a Delaware corporation, and Shawmut Bank of Boston, N.A. and W.B. Wadland, Trustees, as reassigned to Shawmut Bank of Boston, N.A. and W.B. Wadland, Trustees by instrument dated September 1, 1976, recorded as Microfilm Instrument No. 109991, Records of Bear Lake County, Idaho) and shall continue to be paid by such Tenant directly to the holder ("Mortgagee") of that certain Deed of Trust ("Mortgage") covering the Premises which is dated September 1, 1976, recorded as Microfilm Instrument No. 109988, Records of Bear Lake County, Idaho, from S.S. Properties Associates II to Title and Trust Company, as Trustee, and First Brandywine Store Properties Corp., as Beneficiary, and Shawmut Bank of Boston, N.A. and W.B. Wadland, as Indenture Trustees, which Mortgage was assigned to Shawmut Bank of Boston, N.A. and W.B. Wadland, as Trustees by instrument dated September 1, 1976, recorded as Microfilm Instrument No. 109990, Records of Bear Lake County, Idaho. It expressly is understood and agreed by and between Assignor and Assignee that from the date hereof up to and including May 29, 1996, that all rentals payable under the Lease shall be paid to Shawmut Bank, N.A. under all circumstances. It is expressly understood and agreed by the parties hereto that for the period from the date hereof to and including May 29, 1996, any excess

of such rentals, after deduction by the Mortgagee of the amounts necessary to service the indebtedness evidenced by the Note secured by the Mortgage and all expenses incurred by the Mortgagee with respect to the Mortgage, shall be paid by the Mortgagee directly to Assignor. Any such excess rents from and after May 30, 1996 shall be paid by the Mortgagee directly to Assignee. Assignor further agrees that Assignor shall make no change to the aforesaid rental directions without the prior written consent of all parties constituting the Assignee.

The parties hereto agree that in the event the date of May 29, 1996 shall be accelerated pursuant to the provisions of that certain Two-Party Agreement ("Agreement") dated as of even date herewith between Assignor and Assignee, all of the rights and obligations of the Landlord under the Lease shall automatically revert to Assignee.

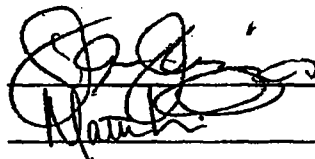
This Assignment shall be under and subject to the Agreement.

The terms and provisions of this Assignment shall inure to the benefit of the parties hereto and their respective successors and assigns.

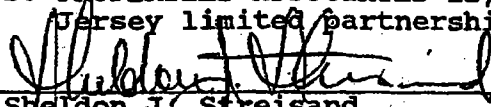
This instrument may be executed in any number of counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Assignment of Lease as of the 30th day of November, 1990.

WITNESS:



S.S. PROPERTIES ASSOCIATES II, a New Jersey limited partnership

By: 
Sheldon J. Streisand,
general partner

By: S.D. ASSOCIATES, a partnership,
general partner

By: 
Robert Sylvor, partner

WITNESS:

JANESS ASSOCIATES, a New York partnership

By: _____
Sanford Sandelman, Partner

By: _____
Susan Sandelman, Partner

Prepared by:

Howard E. Heller, Esq.
Kin Properties, Inc.

77 Tarrytown Road, Suite 100, White Plains, NY 10607

of such rentals, after deduction by the Mortgagee of the amounts necessary to service the indebtedness evidenced by the Note secured by the Mortgage and all expenses incurred by the Mortgagee with respect to the Mortgage, shall be paid by the Mortgagee directly to Assignor. Any such excess rents from and after May 30, 1996 shall be paid by the Mortgagee directly to Assignee. Assignor further agrees that Assignor shall make no change to the aforesaid rental directions without the prior written consent of all parties constituting the Assignee.

The parties hereto agree that in the event the date of May 29, 1996 shall be accelerated pursuant to the provisions of that certain Two-Party Agreement ("Agreement") dated as of even date herewith between Assignor and Assignee, all of the rights and obligations of the Landlord under the Lease shall automatically revert to Assignee.

This Assignment shall be under and subject to the Agreement.

The terms and provisions of this Assignment shall inure to the benefit of the parties hereto and their respective successors and assigns.

This instrument may be executed in any number of counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Assignment of Lease as of the 30th day of November, 1990.

WITNESS:

S.S. PROPERTIES ASSOCIATES II, a New Jersey limited partnership

By:

Sheldon J. Streisand,
general partner

By: S.D. ASSOCIATES, a partnership,
general partner

By:

Robert Sylvor, partner

WITNESS:

JANESS ASSOCIATES, a New York partnership

By:

Sanford Sandelman
Sanford Sandelman, Partner

By:

Susan Sandelman
Susan Sandelman, Partner

Nancy J. Pappalardo

Deborah J. Paul

Prepared by:

Howard E. Heller, Esq.
Kin Properties, Inc.

77 Tarrytown Road, Suite 100, White Plains, NY 10607

EXHIBIT "A"

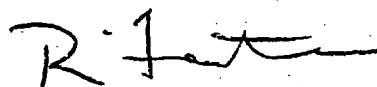
LEGAL DESCRIPTION

Lots 5 and 6, Block 13, of the Original
Townsite of the City of Montpelier, ac-
cording to the official plat thereof.

STATE OF NEW YORK)
COUNTY OF ~~NASSAU~~ ^{New York}) SS.

On this 29 day of November, in the year 1990, before me, a Notary Public, personally appeared Sheldon J. Streisand, known or identified to me to be the general partner of S.S. Properties Associates II, the New Jersey limited partnership that executed the above instrument or the person who executed the instrument on behalf of said partnership and acknowledged to me that such partnership executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Notary Public

My commission expires _____

RINA FONTANA
Notary Public, State of New York
No. 41-4879765
Qualified in Queens County
Commission Expires December 16, 1990

STATE OF NEW YORK)
COUNTY OF NEW YORK) SS.

On this 29 day of November, in the year 1990, before me, IRIS S. Richman, a Notary Public, personally appeared Robert Sylvor, known or identified to me to be the partner of S.D. Associates, the partnership that executed this instrument acting in its capacity as general partner of S.S. Properties Associates II, the New Jersey limited partnership that executed the above instrument or the person who executed the instrument on behalf of said partnership acting in its capacity as general partner of said limited partnership and acknowledged to me that such limited partnership executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Notary Public

My commission expires _____

IRIS S. RICHMAN
Notary Public, State of New York
No. 31-4788411
Qualified in New York County
Commission Expires Dec. 31 1991

STATE OF NEW YORK)
COUNTY OF WESTCHESTER) SS.

On this day of , in the year 1990, before me, Mary D. Martin, a Notary Public, personally appeared Sanford Sandelman and Susan Sandelman, known or identified to me to be the sole partners of Janess Associates, the New York partnership that executed the above instrument or the persons who executed the instrument on behalf of said partnership and acknowledged to me that such partnership executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public

CORPORATE STAFF

July 16, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Janess Associates
C/O Kin Properties, Inc.
77 Tarrytown Road, #100
White Plains, NY 10607
Attn: Jeffrey Sandelman

Re: Lease Renewal Notification
ID-023; Peterson's IGA
130 South 4th Street
Montpelier, ID 83254

Dear Mr. Sandelman:

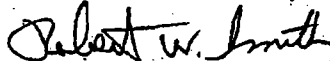
Reference is hereby made to the Lease Agreement dated September 1, 1976, ("Lease"), by and between Janess Associates, successor in interest to S.S. Properties Associates II, ("Lessor"), and Fleming Companies, Inc., successor by merger to Fleming Foods West, Inc., successor in interest to SEG Stores, Inc., successor in interest to Safeway Stores 53, Inc., successor in interest to Safeway Stores, Inc., ("Lessee").

Please take notice that Fleming Companies, Inc. hereby exercises its option to renew the term of the above-referenced Lease for a period of five (5) years, commencing December 1, 1996 and terminating on November 30, 2001, under the same terms and conditions except for rent, which shall be \$38,808.00 dollars annually, payable at \$3,234.00 per month.

Please acknowledge your receipt of this notice of renewal by signing and dating the enclosed copy of this letter in the space provided. Thereafter, please return the copy to us in the pre-addressed, postage pre-paid envelope enclosed.

Sincerely,

FLEMING COMPANIES, INC.



Robert W. Smith
Sr. Vice President

Receipt of the Notice of Renewal of the Lease on the above-referenced premises is hereby acknowledged this ____ day of _____, 1996.

JANESS ASSOCIATES

By: _____
(Title)

RWS:sc

cc: Don Bradley, Jim McIntyre, Jim Costello

Fleming.

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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

June 22, 2001

Janess Associates
C/O Kin Properties, Inc.
77 Tarrytown Road, Suite 100
White Plains, NY 10607

Re: Fleming Lease File No. ID-023
130 South 4th Street
Monpelier, ID ("Premises")

Dear Lessor:

Reference is hereby made to the Lease Agreement dated September 1, 1976 ("Lease"), by and between Janess Associates, successor Lessor, and Fleming Companies, Inc. ("Fleming"), as Lessee, covering the above reference Premises.

Please take notice that Fleming hereby exercises its option to renew the term of the Lease for a period of five (5) years, commencing December 1, 2001, and ending November 30, 2006, upon the same terms and conditions as currently stated in the Lease, 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 Landlord, 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 the Notice of Renewal of the above referenced Lease is hereby acknowledged this _____ day of _____, 2001.

JANESS ASSOCIATES

By: _____
(Title)

/smh
cc: Robert Glenn
Missy Misialek
Gary Whittaker