

RETURN RECORDED DOCUMENT TO:

WALGREEN CO.

200 Wilmot Road, Dept. #2252
Deerfield, Illinois 60015
Attn: Mary Butler

This Instrument Prepared by:
William A. Montgomery, Jr.
200 Wilmot Road, Deerfield, Illinois 60015

Inst # 1997-27817

08/29/1997-27817
03:02 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
007 MEL 347.00

MEMORANDUM OF LEASE

By this Memorandum of Lease, made the 29th day of July, 1997, between RKM 'BAMA, INC., an Alabama corporation, hereinafter called "Landlord", and WALGREEN CO., an Illinois corporation, hereinafter called "Tenant";

Landlord has leased to Tenant, and Tenant has rented from Landlord, for the term commencing January 10, 1998 and continuing to and including January 9, 2058, as such dates shall be adjusted pursuant to a lease of even date herewith between the parties hereto (the "Lease") and subject to prior termination as therein provided, the premises to include both the real property and building and other improvements, appurtenances, easements and privileges belonging thereto, at southwest corner of Montgomery Road (U.S. Highway 31) and Valleydale Road (State Highway 261), in the City of Pelham, County of Shelby, State of Alabama, as shown on the plan attached hereto and made a part hereof as Exhibit "A" and as legally described on Exhibit "B" attached hereto and made a part hereof and hereinafter referred to as the "Leased Premises".

For purposes of this Memorandum of Lease, Tenant shall pay a rent of One Dollar (\$1.00) per year.

Provisions for additional rent and the other terms, covenants and conditions of said letting, including the options on the part of Tenant for prior termination, are set forth at length in the Lease and all of said provisions, terms, covenants and conditions are, by reference thereto, hereby incorporated in and made a part of this Memorandum of Lease.

The Lease, among other things, contains the following provisions:

EXCLUSIVES

8. (a) Landlord covenants and agrees that, during the Term of this Lease and any extensions or renewals thereof, no additional property which Landlord, directly or indirectly, may now or hereafter own or control, and which is contiguous to the Leased Premises, will be used for any one or combination of the following: (i) the operation of a drug store or a so-called prescription pharmacy or for any other purpose requiring a qualified pharmacist or other person authorized by law to dispense medicinal drugs, directly or indirectly, for a fee or remuneration of any kind; (ii) the sale of so-called health and/or beauty aids and/or drug sundries; (iii) the operation of a business in which alcoholic beverages shall be sold for consumption off the premises; (iv) the operation of a business in which photofinishing services and/or photographic film are offered for sale; (v) the sale of greeting cards; and/or (vi) the sale of food for off premises consumption. In the event that Tenant files suit against any party to enforce the foregoing restrictions, Landlord agrees to cooperate fully with Tenant in the prosecution of any such suit, and reimburse Tenant for all of attorneys' fees and court costs incurred by Tenant in connection with such suit, notwithstanding its resolution.

RIGHT OF FIRST REFUSAL

25. (a) In the event that Landlord shall receive a Bona Fide Offer to purchase the Leased Premises at any time and from time to time on or after the date hereof and during the Initial Term and Term of this Lease or any extensions thereof from any person or entity, Landlord shall so notify Tenant together with a true and correct copy of said Bona Fide Offer. For purposes hereof, a "Bona Fide Offer" shall be deemed to be one made in writing by a person or entity that is not related or affiliated with Landlord in which Landlord intends to accept (subject to this Article 25). Landlord's notice to Tenant under this Article 25 shall be sent in accordance with the requirements of Article 24 hereof except that such notice shall be directed to Tenant attention to both Tenant's Law Department and Real Estate Department, and shall identify this Article 25 and the time period required herein for Tenant's response. Tenant may, at Tenant's option and within fourteen (14) days after receipt of Landlord's notice of said Bona Fide Offer and receipt of a copy thereof, offer to purchase the Leased Premises at the price and upon the terms and conditions as are contained in said Bona Fide Offer, in which event, Landlord shall sell the Leased Premises to Tenant upon said terms and conditions and that said price; furthermore, in such event, Landlord shall convey the Leased Premises to Tenant by warranty deed. Landlord covenants that it shall accept no such Bona Fide Offer or convey the premises until it has complied with the terms of this Article 25. Any conveyance of the Leased Premises made in the absence of full satisfaction of this Article 25 shall be void. Tenant may enforce this Article 25, without limitation, by injunction, specific performance or other equitable relief.

(b) If Tenant elects not to exercise its right of first refusal as provided for herein, and the transaction contemplated under the Bona Fide Offer is subsequently terminated or canceled for any reason whatsoever, including but not limited to a default by the Landlord, Tenant's right of first refusal shall upon such termination or cancellation be reinstated as to any future Bona Fide Offer. Tenant shall have a right of first refusal as to each sale of the Leased Premises during the Lease Term. Tenant's election not to exercise its Right of First Refusal shall not prejudice Tenant's rights hereunder as to any further Bona Fide Offer. The terms and conditions contained in this Article shall be binding upon the heirs, successors and assigns of Landlord.

This instrument shall also bind and benefit, as the case may require, the heirs, legal representatives, assigns and successors of the respective parties, and all covenants, conditions and agreements herein contained shall be construed as covenants running with the land. This instrument shall not become binding upon the parties until it shall have been executed and delivered by both Landlord and Tenant.

This Memorandum of Lease is made and executed by the parties hereto for the purpose of recording the same in the office of the public records of Shelby County, Alabama, and is subject in each and every respect, to the rents and other terms, covenants and conditions of the Lease, and this Memorandum of Lease is executed and delivered with the understanding and agreement that the same shall not in any manner or form whatsoever, alter, modify or vary the rents and other terms, covenants and conditions of the Lease.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease, under seal, as of the day and year first above written.

WALGREEN CO.

RKM 'BAMA, INC.

By William A. Paul
Vice President

By Richard H. Maloff
President and Secretary

Attest:

Attest:



Assistant Secretary

Attest:

Secretary

Witnesses:

Jerry Keenan
Deana Schmuckel

Witnesses:

Lise J. Peterson
Lise J. Peterson
James V. Stearns
James V. Stearns

PELHAM.MOL
7/23/97

STATE OF FLORIDA)
)SS
COUNTY OF PINELLAS)

I hereby certify that on this day before me, an officer duly authorized in the state aforesaid and in the county aforesaid to take acknowledgments, personally appeared Richard K. Maloof and _____, to me known to be the persons described in and who executed the foregoing instrument as president and secretary, respectively, of RKM 'BAMA, INC., and severally acknowledged before me that they executed the same as such officers in the name of and on behalf of said corporation.

Witness my hand and official seal in the county and state last aforesaid this 29th day of July, 1997.

(Seal)

Lise J. Peterson
(Signature)

Print Name _____

(Title)

My commission expires:



Lise J. Peterson
MY COMMISSION # CC63575 EXPIRES
May 2, 2000
BONDED THRU TROY FAJIN INSURANCE, INC.

EXHIBIT A

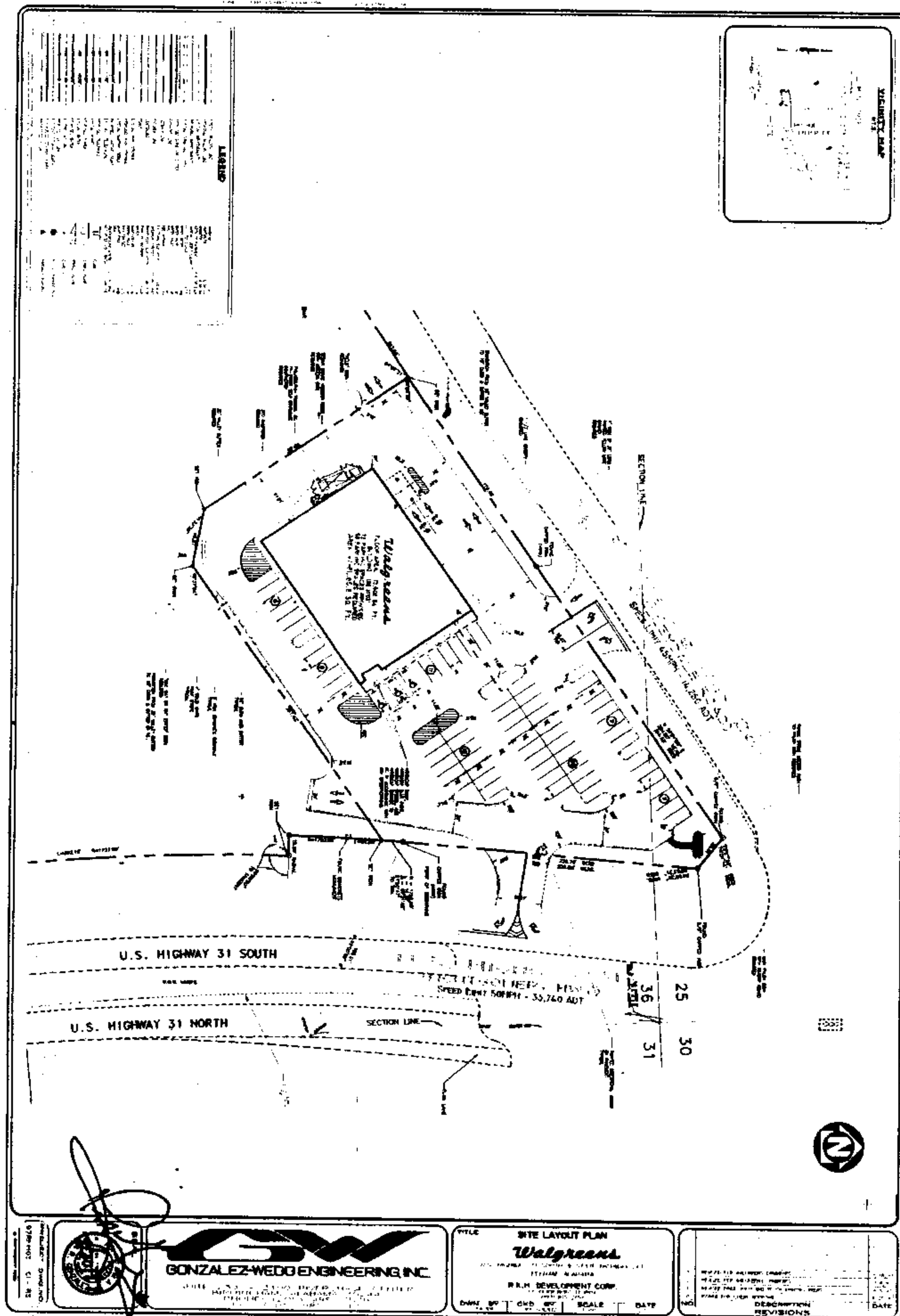


EXHIBIT B

LEGAL DESCRIPTION OF LEASED PREMISES

AS TO PARCEL 1:

A parcel of land situated in the Southeast 1/4 of Section 25 and the Northeast 1/4 of Section 36, all in Township 19 South, Range 3 West, Shelby County, Alabama, more particularly described as follows:

Commence at the Northeast corner of said Section 36, Township 19 South, Range 3 West; thence run South along the East line of Section 36 a distance of 266.80 feet to a point; thence $117^{\circ}40'00''$ right and run northwesterly a distance of 165.21 feet to a point on the westerly right of way line of U.S. Highway No. 31, and the point of beginning; thence continue on last described course North $62^{\circ}00'00''$ west a distance of 236.92 feet to a point on the southeasterly right of way line of Valleydale Road; thence $120^{\circ}24'$ right and run North $58^{\circ}24'00''$ east along southerly right of way line of Valleydale Road a distance of 254.53 feet to a point; thence $73^{\circ}57'50''$ right and run South $47^{\circ}38'11''$ east 29.41 feet to a point on the west right of way line of U.S. Highway 31; thence turn $55^{\circ}03'31''$ right and run South $7^{\circ}25'20''$ west along said right of way line a distance of 226.70 feet to the point of beginning.

AS TO PARCEL 2:

A parcel of land situated in the Northeast 1/4 of Section 36, Township 19 south, Range 3 West, Shelby County, Alabama, being more particularly described as follows:

Commence at the Northeast corner of said Section 36; thence run south along the east line of said Section 36 a distance of 266.80 feet, thence turn $117^{\circ}40'00''$ right and run northwesterly 165.21 feet to a point on the westerly right of way line of U.S. Highway #31, said point being the point of beginning of the parcel of land herein described; thence continue along the last described course a distance of 236.92 feet to a point on the southerly right of way line of Valleydale Road; thence turn $58^{\circ}26'34''$ left and run southwesterly along said road right of way for 179.46 feet; thence turn $91^{\circ}07'31''$ left and run southeasterly for 187.95 feet; thence turn $44^{\circ}22'56''$ left and run southeasterly for 45.57 feet; thence turn $45^{\circ}37'04''$ left and run northeasterly for 257.43 feet to a point on the westerly right of way line of U.S. Highway #31; thence turn $51^{\circ}50'47''$ left to the tangent of a curve to the right, said curve having a radius of 1752.68 feet and run northerly along the arc of said curve and said road right of way for 16.26 feet to the point of beginning.

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