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UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION

BY: _____

In re:) Case No. 05-03817-3F1
)
WINN-DIXIE STORES, INC., et al.,) Chapter 11
)
Debtors.) Jointly Administered

NOTICE OF REJECTION OF UNEXPIRED LEASE

TO: Birmingham Realty Company
Accounting Dept.
27 Inverness Center Parkway
Birmingham, AL 35242-4202

20051214000646310 1/8 \$32.00
Shelby Cnty Judge of Probate, AL
12/14/2005 12:36:44PM FILED/CERT

Re: **Winn-Dixie Store 547, located in Pelham, Alabama**
Lease dated September 1, 1993, and any amendments, modifications or supplements relating to the lease (collectively, the "Lease"), filed with the Shelby County Judge of Probate at Book 1993, Page 29143, and attached hereto as Exhibit A.

PLEASE TAKE NOTICE that on September 8, 2005 the United States Bankruptcy Court for the Middle District of Florida, Jacksonville (the "Bankruptcy Court") entered an order Granting the Debtors' Motion (i) to Sell Leasehold Interests in Targeted Stores Free and Clear of Liens, Claims and Interests and Exempt from Taxes, (ii) to Assume and Assign Leases, (iii) to Reject Targeted Leases the Debtors are Unable to Sell, and (iv) Granting Related Relief (Docket No. 3405) (the "Order").

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Order, the Debtors provide notice of their intent to reject the Lease. Pursuant to the terms of the Order, the Lease is deemed rejected effective on the later of (i) the tenth (10th) calendar day following the service of the Rejection Notice; and (ii) the date on which Debtors have (a) vacated and surrendered possession of the premises; and (b) delivered the keys to the leased premises to the

affected landlord at the mall management office where the leased premises are located (the "Rejection Date").

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Order, if you hold a claim or claims against the Debtors arising from the rejection of the Lease, you must submit a proof of claim for rejection damages, if at all, to Logan and Company, Inc. at 546 Valley Road, Upper Montclair, New Jersey 07043 within thirty (30) days following the applicable Rejection Date, or be forever barred from asserting a claim for rejection damages.

WINN DIXIE STORES, INC, and its
Subsidiaries and affiliates as
Debtors and Debtors-In-Possession,

By its attorneys,

s/ Cynthia C. Jackson

Stephen D. Busey

James H. Post

Cynthia C. Jackson (FBN 498882)

225 Water Street, Suite 1800

Jacksonville, Florida 32202

(904) 359-7700

(904) 359-7708 (facsimile)

cjackson@smithhulsey.com

Co-Counsel for Debtors

Dated: September 14, 2005



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SHORT FORM LEASE

THIS SHORT FORM LEASE, made this 1st day of September, 1993, by and between BIRMINGHAM REALTY COMPANY, an Alabama corporation, (hereinafter called "Landlord") and WINN-DIXIE MONTGOMERY, INC., a corporation organized and existing under the laws of the State of Kentucky and qualified to do business within the State of Alabama (hereinafter called "Tenant"); which terms "Landlord" and "Tenant" shall include, wherever the context admits or requires, singular or plural, and the heirs, legal representatives, successors and assigns of the respective parties;

W I T N E S S E T H:

That Landlord, in consideration of the covenants of Tenant, does hereby lease and demise unto Tenant, and Tenant hereby agrees to take and lease from the Landlord, for the term hereinafter specified, the following described premises:

That certain store building approximately 220 feet in width by 200 feet in depth, together with vestibule at the front measuring approximately 77 feet in width by 12 feet in depth with rear additions, concrete pads for coolers and freezers and compactor or baler at the rear, and the land on which the same shall stand (hereinafter collectively called "demised premises"), which store building and related improvements are to be constructed by Landlord according to plans and specifications to be approved by the parties hereto and shall be in the location and of the dimensions as outlined in red on the Plot Plan prepared by Charles A. Cline, Architect, entitled "Oak Mountain Marketplace, Pelham, Alabama," drawn on March 4, 1993, last revised August 26, 1993.

The demised premises are located in a shopping center development (hereinafter called "shopping center"), located at the northwest corner of the intersection of U.S. Highway #31 and Highway #119 in the City of Pelham, Shelby County, Alabama, the legal description of which is attached as Exhibit "A" and by this reference made a part of this Short Form Lease.

FOR TENANT TO HAVE AND TO HOLD from the date when Tenant opens said premises for the transaction of its business for an initial term of twenty (20) years.

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SHELBY COUNTY JUDGE OF PROBATE
DO5 MCD 3299.00

Lease.Pelham
8/26/93

P.O. Box 2029
Montgomery, AL 36102-2029

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Shelby Cnty Judge of Probate, AL
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1993-29143

It is further agreed that Tenant, at its option, shall be entitled to the privilege of five (5) successive extensions of this lease, each extension to be for a period of five (5) years.

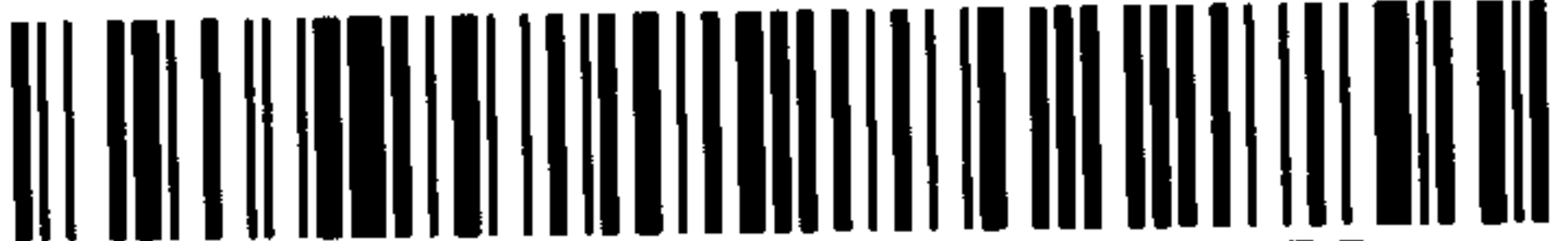
Landlord covenants and agrees that so long as a supermarket is operated in the demised premises the Tenant shall have the exclusive right to operate a food supermarket in the shopping center and any enlargement thereof. Landlord further covenants and agrees that it will not directly or indirectly lease or rent any property located within the shopping center, or within 1,000 feet of any exterior boundary thereof, for occupancy as a food supermarket, grocery store, meat, fish or vegetable market, nor will the Landlord permit any tenant or occupant of any such property to sublet in any manner, directly or indirectly, any part thereof to any person, firm or corporation engaged in any such business without written permission of the Tenant; and Landlord further covenants and agrees not to permit or suffer any property located within the shopping center to be used for or occupied by any business dealing in or which shall keep in stock or sell for off-premises consumption any staple or fancy groceries, meats, fish, vegetables, fruits, bakery goods, dairy products or frozen foods without written permission of the Tenant; except the sale of such items in not to exceed the lesser of 500 square feet of sales area or 10% of the square foot area of any storeroom within the shopping center, as an incidental only to the conduct of another business, and except the sale by a restaurant operation of prepared, ready-to-eat food items, for consumption either on or off the premises, shall not be deemed a violation hereof. With the exception of package stores and a drug store, only Tenant may sell beer and wine in the shopping center for off-premises consumption. Only Tenant may operate a bakery, delicatessen or similar department in the shopping center. Only Tenant may operate a seafood market or seafood department in the shopping center.

Landlord's covenant not to lease any property located within 1,000 feet of the exterior boundary of the shopping center for occupancy as a food supermarket, grocery stores, meat, fish, or vegetable market shall not be construed to prevent the operation of a Wal-Mart, K Mart, Target, Sam's Club, or Pace Store within 1,000 feet of the exterior boundary of the shopping center.

Without the prior written consent of Tenant herein only retail and/or service stores shall be allowed to operate in the shopping center, or any enlargement thereof, it being the intent of the parties hereto that no spa, lounge, bar, "teen lounge", bowling alley, pawn shop, skating rink, bingo or electronic or other game parlor, theatre (either motion or legitimate), business or professional offices, sales of automobiles, or health, recreational or entertainment-type activities, non-retail or non-service type activities, shall be permitted. Notwithstanding the foregoing, business and professional offices such as real estate sales and rental offices (but not schools), tax preparation offices, dentist offices, insurance offices, etc., of a type dealing with the public and with no more than seven (7) employees or owners using each individual space at a time may be located in the most northerly 8,400 square feet of retail shop space in the shopping center as shown on Exhibit "A," provided that no such business or professional office may exceed 2,800 square feet.

IT IS UNDERSTOOD AND AGREED that this is a Short Form Lease which is for the rents and upon the terms, covenants and conditions contained in the collateral lease agreement executed by the parties on this date. The collateral lease agreement is part of this instrument as fully and completely as if it were fully set forth in this Short Form Lease.

IN WITNESS WHEREOF, the Landlord and Tenant have executed


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Shelby Cnty Judge of Probate, AL
12/14/2005 12:36:44PM FILED/CERT

this instrument as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

BIRMINGHAM REALTY COMPANY,
an Alabama corporation

Charles M. Miller
Charles M. Miller
As to Landlord

By: Stephen W. House
Its President
Attest: Myrtle L. Brown
Its Secretary

(CORPORATE SEAL)

LANDLORD

WINN-DIXIE MONTGOMERY, INC.

Paula
Laura E. Baughman
As to Tenant

By: Samuel J. [Signature]
Its Vice President
Attest: [Signature]
Its Secretary

(CORPORATE SEAL)
TENANT



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STATE OF Alabama
COUNTY OF Jefferson

I, Manda Sait Stone, a Notary Public in and
for said County, in said State, hereby certify that
Stephen W. House, whose name as Vice President of
BIRMINGHAM REALTY COMPANY, an Alabama corporation is signed to
the foregoing conveyance, and who is known to me, acknowledge
before me on this day that, being informed of the contents of the
conveyance, he, as such SA Vice President and with full
authority, executed the same voluntarily on the day the same
bears date.

Given under my hand and official seal this 30th day of
August, 1993.

Manda Sait Stone
NOTARY PUBLIC

MY COMMISSION EXPIRES:

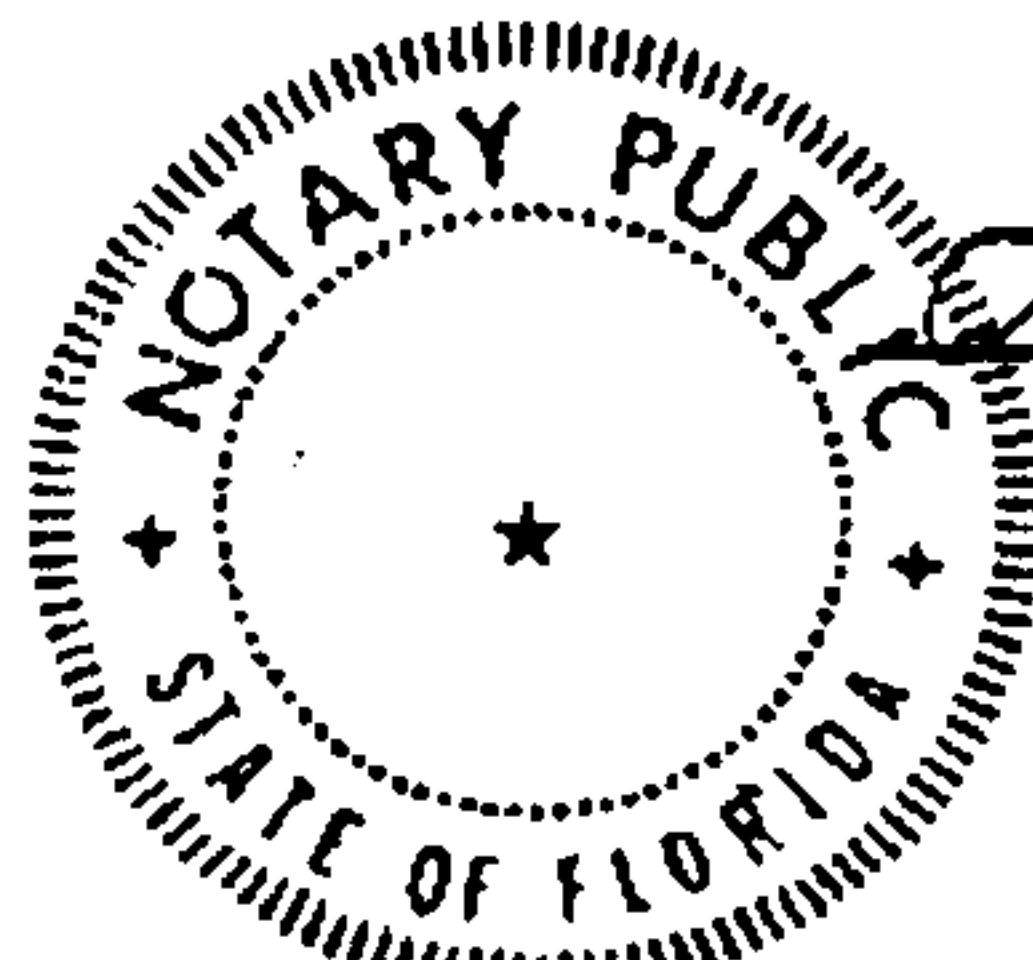
MY COMMISSION EXPIRES OCTOBER 12, 1994

(NOTARIAL SEAL)

STATE OF FLORIDA)
COUNTY OF DUVAL)

I, Laura E. Baughman, a Notary Public in and
for said County, in said State, hereby certify that
James Kufeldt, whose name as Vice President of
WINN-DIXIE MONTGOMERY, INC., an Kentucky corporation qualified to
transact business in Alabama, is signed to the foregoing
conveyance, and who is known to me, acknowledge before me on this
day that, being informed of the contents of the conveyance, he,
as such SA Vice President and with full authority, executed
the same voluntarily on the day the same bears date.

Given under my hand and official seal this 1st day of
September, 1993.



Laura E. Baughman
NOTARY PUBLIC

MY COMMISSION EXPIRES:

(NOTARIAL SEAL) LAURA E. BAUGHMAN
My Comm. Exp. July 17, 1994
Comm. No. CC 021236



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EXHIBIT A *SWH*

Legal Descriptions of Property

A parcel of land located in the S.W. $\frac{1}{4}$ of the S.W. $\frac{1}{4}$ of Section 31, Township 19 South, Range 2 West, more particularly described as follows: Commence at the Northwest corner of said $\frac{1}{4}$ - $\frac{1}{4}$ Section; thence in an easterly direction along the northerly line of said $\frac{1}{4}$ - $\frac{1}{4}$ Section, a distance of 514.26 feet to the Point of Beginning; thence 95 degrees, 55 minutes, 44 seconds right, in a southwesterly direction, a distance of 706.27 feet; thence 90 degrees left, in a southeasterly direction, a distance of 710.00 feet to a point on the westerly right-of-way line of U.S. Highway 31 South; thence 90 degrees left, in a northerly direction along said right-of-way line, a distance of 422.00 feet; thence 90 degrees left, in a northwesterly direction, a distance of 200.00 feet; thence 90 degrees right, in a northeasterly direction, a distance of 190.00 feet; thence 90 degrees left, in a northwesterly direction, a distance of 50.00 feet; thence 90 degrees right, in a northeasterly direction, a distance of 142.04 feet to the northerly line of aforesaid $\frac{1}{4}$ - $\frac{1}{4}$ section; thence 84 degrees, 04 minutes, 16 seconds left in a westerly direction along aforesaid $\frac{1}{4}$ - $\frac{1}{4}$ section line a distance of 462.48 feet to the Point of Beginning.

Inst # 1993-29143

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