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AFTER RECORDING, SEND TO:

Steven J. Gouig, Esq.  
Safeway Inc.  
Real Estate Law Division  
5918 Stoneridge Mall Road  
Pleasanton, CA. 94588-3229

**SHOPPING CENTER LEASE  
(Short Form)**

**THIS SHOPPING CENTER LEASE (Short Form)** is made as of the 8th day of July, 1997 by and between **ROUND HILL SQUARE, LLC**, a Nevada limited liability company, hereinafter referred to as Landlord, and **SAFeway INC.**, a Delaware corporation, hereinafter referred to as Tenant.

1. Landlord hereby leases to Tenant a portion (which portion is hereinafter referred to as, and is also referred to in the Lease in Paragraph 2 below as, the "Leased Premises") of the following described real property situated in the County of Douglas, State of Nevada:

(See Exhibit "A" attached hereto and made a part hereof. The property described in Exhibit A hereof is hereinafter referred to as, and is also referred to in the Lease in Paragraph 2 below as, the "Shopping Center".)

TOGETHER WITH the building or portion of building to be constructed on the Leased Premises by Landlord and together with certain rights to use portions of the Shopping Center in addition to that portion comprising the Leased Premises.

TO HAVE AND TO HOLD for an Original Term of approximately twenty years (20) years, commencing on December 1, 1997 and expiring on the last day of November, 2017, as provided for in the Lease executed by the parties hereto and referred to in Paragraph 2 below, with options in Tenant to extend said term for six (6) separate and additional periods of five (5) years each as provided therein.

2. The rentals to be paid by Tenant and all of the obligations and rights of Landlord and Tenant in respect to the Leased Premises and the Shopping Center are set forth in that certain Shopping Center Lease dated as of July 8, 1997 (the "Lease"), executed by the parties hereto covering the above described Shopping Center of which the Leased Premises is a part.

3. Landlord and Tenant hereby set forth excerpts of provisions found in the aforesaid Lease:

(a) Section 2.8.1.: "The "Existing Cross Easement Agreements" as collectively referred to in this Lease consist of the following three (3) existing access and parking agreements in (a) through and including (c) below and one (1) existing access only agreement in (d) below:"

"(a) Parking Space Lease Agreement dated February 12, 1993; by and between Wing Wah Jang and Blossom Jang as Lessor and Alexander Trust as Lessee, recorded on April 7, 1993 in Book 493, Page 1051, as Document No. 303955, Official Records of Douglas County, Nevada;"

"(b) Agreement dated October 27, 1971 by and between B-Neva, Inc., a Nevada corporation and Milton Manoukian and Lorraine Manoukian, recorded on

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Facility #1537, Round Hill, NV..

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November 9, 1971 in Book 93, Page 215, as Document No. 55376, Official Records of Douglas County, Nevada;”

“(c) Parking Easement, undated, by Gerald J. Chazan, as the owner of Parcel 5-290-10-1 and Gerald J. Chazan, d/b/a/ Round Hill Shopping Center as the owner of Parcel 5-290-09-3, recorded on March 17, 1981 in Book 381, Page 1260, as Document No. 54415, Official Records of Douglas County, Nevada; and”

“(d) Reciprocal Easement Agreement dated September 25, 1980 by and between Gerald J. Chazan and Stephen H. Bourne and Kent A. Bourne, recorded on October 7, 1980 in Book 1080, Page 455, as Document No. 49341, Official Records of Douglas County, Nevada.”

(b) Section 3.2.1.: “Except for the rights granted pursuant to the Existing Cross Easement Agreements referred to in Section 2.8.1. above, and the Chamber BLDG Easement referred to in Section 3.2.3. below, the Common Area shall be for the sole and exclusive joint use of (i) Landlord, its successors and assigns (each individually for purposes of this clause being herein referred to as “Owner”), as long as such Owner is the owner of any portion of the Shopping Center and then limited to such Owner’s performance of its obligations under this Lease and/or other leases of building space within the Shopping Center and/or its operation of a business within building space of this Shopping Center and (ii) all tenants in the Shopping Center, their customers, invitees and employees, and Landlord hereby grants to Tenant and its customers, invitees and employees the right of such exclusive joint use of all of said Common Area.”;

(c) Section 3.2.2.: “Landlord shall not amend the Existing Cross Easement Agreements referred to above without the prior written approval of Lessee.”;

(d) Section 3.4.1.: “The sizes and arrangements of the Building Area and Common Area of the Shopping Center (including parking areas and traffic circulation and flow patterns) as shown on Exhibit A shall not be changed without Tenant’s written consent, which consent shall not be unreasonably withheld for (a) minor changes having only an insignificant effect upon said sizes and arrangements, such as minor changes in landscaping or slight moves of curbs, or (b) changes to the building configuration of the buildings of Phase II and Phase III which (i) stay within the building envelopes of Phase II and Phase III respectively as shown on Exhibit A, (ii) do not increase the total permitted building area for each of Phase II and Phase III above that permitted for each of such Phases II and III on Exhibit A, (iii) do not adversely impact the traffic flow in the Shopping Center, and (iv) do not adversely affect the parking available to Tenant, its customers and invitees within Phase I of the Shopping Center.”;

(e) Section 12.1.2.: “To safeguard Tenant’s interest in a clean, quiet environment, free of obnoxious odors, and to ensure adequate parking for Tenant’s customers, Landlord covenants and agrees that:”

“(i) within two hundred seventy feet (270’) of any wall defining the limit of the Leased Premises it shall not permit the operation of any restaurant (including any take-out, fastfood, cafeteria or full service sit-down restaurant) or any training or educational facility, except, however, that:”

“(a) a coffee/sandwich shop of no more than 800 square feet of total floor area shall be permitted within that portion of Phase I identified as “Coffee shop” on Exhibit A hereof; and”

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Facility #1537, Round Hill, NV..

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“(b) a Straw Hat Pizza restaurant (including any successor pizza restaurant therefore) shall be permitted within that portion of Phase I identified as “Pizza” on Exhibit A hereof provided that such restaurant (1) does not exceed 3,000 square feet of total floor area, (2) has seating for no more than 40 people, (3) has no outside seating and (4) has one service entrance at the rear of the premises;”

“(ii) the area identified as “2nd Floor Area” on Exhibit A hereof shall be used solely for general office use (but not for a medical or dental clinic, governmental office, or any other office use which would typically use, at any one time, more than five (5) parking stalls per 1000 square feet of its floor area for parking by the employees, customers and invitees thereof) and all access to such 2nd Floor Area shall only be at the point(s) identified as “2nd Floor Office Access” on Exhibit A hereof; except, however, that there may be one (1) orthopedic office within that portion of the 2nd Floor Area identified as “Orthopedic Office” on Exhibit A hereof provided that such orthopedic office (a) does not exceed a total of 15,000 square feet of floor area, (b) shall have access only from the above referenced 2nd Floor Office Access and (c) shall use no more than 6 parking stalls per 1,000 square feet of its total floor area, all of which parking stalls shall be provided in the rear of the Shopping Center;”

“(iii) except for the Leased Premises and except as permitted pursuant to the following subsections (iv) (v) and (vi), Landlord shall not permit the use or operation of any portion of the Shopping Center for the purpose of any entertainment or recreational facility;”

“(iv) the Pizza restaurant permitted within the shop space referred to in subsection (i) above may devote not more than ten percent (10%) of its total ground floor area in such shop space to the operation of game/gaming machines, i.e. gambling video or slot machines or non-gambling electronic or mechanical video/pinball type of game machines (collectively “Game Machines”);”

“(v) as to the shop spaces which may be located in that portion of the Shopping Center located southeasterly of that line identified as “Special Use Line” on Exhibit A hereof:”

“(a) there may be no more than one (1) shop space within such portion of the Shopping Center which can be used for the operation of a health or aerobic spa or studio or gymnasium, which shop space shall not exceed 1500 square feet of floor area; and”

“(b) in addition to the use or operation of a business within such shop spaces not otherwise prohibited by this Section 12.1.2., each space within such portion of the Shopping Center may devote not more than ten percent (10%) of its total ground floor area in such shop space to the operation of Game Machines; and”

“(vi) one (1) computer training/educational office shall be permitted within that building identified as “Retail No. 3” on Exhibit A hereof provided that such office does not exceed a total of 3,000 square feet of floor area.”

“As used herein “training or educational facility” includes, without limitation, a beauty school, barber college, place of instruction, or any other operation catering primarily to students or trainees rather than to customers, but excludes employee training

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by Shopping Center tenants incidental to the conduct of their businesses within the Shopping Center.”

“As used herein, “entertainment or recreational facility” includes, without limitation, a theater, carnival, bowling alley, skating rink, amusement center, electronic or mechanical games arcade, pool or billiard hall, betting parlor, bingo parlor, health or aerobic spa or studio, gymnasium, massage parlor, pornographic shop, adult book store, nightclub, dance hall, tavern, cocktail lounge, any facility serving alcoholic beverages or allowing the on-premises consumption of alcoholic beverages, excepting only from this prohibition a full service restaurant serving alcoholic beverages within no more than twenty percent (20%) of the customer area of such restaurant (which restaurant nevertheless shall be subject to the restriction contained in item (i) of this Section 12.1.2.), or other place of public or private amusement.”

(f) Section 21.7.1.4.3.: “All buildings in the Shopping Center (i) shall be one story only (but may include mezzanines), except that the portion of the Shopping Center identified as “2nd Floor Area” may be two (2) stories, (ii) shall not exceed thirty-five (35) feet in height, and (iii) shall be constructed only within the Building Area.”;

(g) Section 25.1.1.: “As long as Tenant, or any assignee or sublessee thereof, is operating a grocery supermarket within the Leased Premises (or as long as Tenant, or any assignee or sublessee thereof, is not operating because of the Tenant’s Special Exceptions referred to in Section 25.3.1. below) Landlord covenants not to permit over 2000 square feet of sales area (including aisle space adjacent thereto) within any store in the Shopping Center, other than the Leased Premises, to be devoted to the sale of food for off-premises consumption; provided, however, that the foregoing covenant shall not be applicable to the sale of food for off-premises consumption by a restaurant (fast food or sit-down) otherwise permitted by this Lease.”

(h) Section 25.2.1.: “During the first 365 days of the Original Term of this Lease, Landlord covenants not to permit any portion of any store in the Shopping Center, other than the Leased Premises, to be used for the operation of a pharmacy business as defined below, regardless of whether or not a pharmacy business has been, or is being, operated within the Leased Premises during that period and regardless of the reason why such pharmacy business is not then being operated within the Leased Premises. Thereafter, as long as Tenant, or any assignee or sublessee thereof, is operating a pharmacy business, as defined below, within the Leased Premises (or as long as Tenant, or any assignee or sublessee thereof, is not operating such pharmacy business because of the Tenant’s Special Exceptions referred to in Section 25.3.1. below) Landlord covenants not to permit any portion of any store in the Shopping Center, other than the Leased Premises, to be used for the operation of a pharmacy business. For purposes of this provision, a pharmacy business is defined as any business which employs or is required to employ a registered pharmacist, or which is called, named, labeled or is commonly known as or is referred to as a “pharmacy”, or which sells or displays merchandise which, by law, may only be sold by or under the supervision of a registered pharmacist).”

“At any time after the expiration of the 365th day of the Original Term, while a pharmacy business is not being operated in the Leased Premises, except where such pharmacy business is not being operated in the Leased Premises due to the Tenant’s Special Exceptions referred to in Section 25.3.1. below, the Landlord may lease space to another tenant in the Shopping Center for the purpose of the operation of a pharmacy business therein (the “Third Party Pharmacy Lease”). Regardless of the terms of such Third Party Pharmacy Lease, such Third Party Pharmacy Lease shall have no affect on Tenant’s continued right herein granted to permit Tenant, or any assignee or sublessee

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thereof, to operate (or reopen for operation) a pharmacy business within the Leased Premises, nor shall the subsequent operation of a pharmacy business within the Leased Premises obligate the Third Party Pharmacy Lease tenant to cease pharmacy business operations within the leased premises thereof because of the provisions of the first paragraph of this Section 25.2.1. However, once Tenant, or assignee or sublessee thereof, so commences to operate (or reopen for operation) a pharmacy business within the Leased Premises, (i) the pharmacy business restriction set forth in the first paragraph of this Section 25.2.1. shall continue to apply to the balance of the Shopping Center, excluding the portion thereof in which the Third Party Pharmacy Lease tenant is operating pursuant to the terms of such Third Party Pharmacy Lease, and (ii) Landlord shall not be permitted to either extend the term of such Third Party Pharmacy Lease, nor enlarge the leased premises thereof, without the written consent of Tenant."

4. This instrument is merely a memorandum of the aforesaid Lease and is subject to all the terms and conditions thereof. In the event of any inconsistency between the terms of this instrument and said Lease, the terms of said Lease shall prevail as between the parties hereto.

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

**LANDLORD:**

**ROUND HILL SQUARE, LLC,**  
a Nevada limited liability company

By: **Round Hill Ventures, LLC,**  
a Nevada limited liability company

By: Douglas P. Rastello  
Douglas P. Rastello,  
Its President and Manager

By: Andrew Macdonald  
Andrew Macdonald  
Its Secretary and Manager

Date: 7/16/97

**TENANT:**

**SAFEWAY INC.**  
a Delaware corporation,

By: Stephen J. Gowig  
Assistant Vice-President  
Stephen J. Gowig

By: Jerome P. Harrison  
Assistant Secretary  
Jerome P. Harrison

Date: July 8, 1997



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STATE OF CALIFORNIA }  
County of Alameda }

On July 9, 1997 before me, Dina Gutierrez, Notary Public, personally appeared Steven J. Gouig and Jerome P. Harrison personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.



Signature Dina Gutierrez (Seal)

State of Nevada  
County of Douglas

On this 16 day of July, 1997, Douglas P. Rastello and Andrew Macdonald personally appeared before me,  
 whose identity I verified on the basis of picture identification  
 who is personally known to me,  
 whose identity I verified on the oath/affirmation of \_\_\_\_\_ a credible witness,  
to be the signer of the foregoing document, and he/she acknowledged that he/she signed it.

Karen Pawloski  
Notary Public



My Commission expires: May 24, 2000

Attribution Clause: This Acknowledgment Certificate is prepared for, and exclusively belongs to, the accompanying document entitled Shopping Center Lease, which consists of 8 page(s) and is dated July 8, 1997.  
If this Certificate is appropriated to any document other than the one described herein, it shall be deemed null and void.

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**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

The land referred to herein is situated in the State of Nevada, County of Douglas,, described as follows:

**PARCEL 1:**

A parcel of land located within a portion of Section 15, Township 13 North, Range 18 East, Mount Diablo Meridian, more particularly described as follows:

Commencing at the Southeast corner of said Section 15; thence along the Section line common to Sections 15 and 22 North  $89^{\circ}54'09''$  West, 1,513.39 feet to a point on the Northeasterly right-of-way of U.S. Highway 50 as described in the conveyance to the State of Nevada recorded July 18, 1933 in the office of Recorder, Douglas County, Nevada in Book T of Deeds, at Page 436; thence along said Northeasterly right-of-way North  $47^{\circ}36'00''$  West, 674.72 feet to the Southwest corner of a parcel of land shown as Nevada Allied Industries on the Record of Survey for Nevada Allied Industries recorded September 25, 1980 in the office of Recorder, Douglas County, Nevada in Book 980, at Page 1969, as Document No. 48927, a found  $3/4''$  iron pipe and plug RLS 3519, the POINT OF BEGINNING; thence along said Northeasterly right-of-way North  $47^{\circ}36'00''$  West, 590.28 feet to the Southeasterly corner of Parcel #1 as shown on said Record of Survey; thence along the boundary of said Parcel #1 the following three courses: thence North  $42^{\circ}24'00''$  East, 90.00 feet; thence North  $47^{\circ}36'00''$  West, 120.00 feet; thence South  $42^{\circ}24'00''$  West, 90.00 feet to a point on said Northeasterly right-of-way of U.S. Highway 50; thence along said Northeasterly right-of-way North  $47^{\circ}36'00''$  West 55.55 feet to the Southeasterly corner of Shell Oil Company, A.P.N. 05-290-01, as recorded in the office of Recorder, Douglas County, Nevada in Book 1094, at Page 559; thence along the boundary of said Shell Oil Company the following five courses: thence North  $42^{\circ}24'00''$  East, 88.00 feet; thence along the arc of a curve to the left having a radius of 82.50 feet, central angle of  $46^{\circ}00'00''$ , and an arc length of 66.24 feet; thence North  $03^{\circ}36'00''$  West, 65.41 feet; thence South  $80^{\circ}30'10''$  West, 117.91 feet; thence South  $42^{\circ}24'00''$  West, 100.00 feet to a point on said Northeasterly right-of-way of U.S. Highway 50; thence along said Northeasterly right-of-way North  $47^{\circ}36'00''$  West, 14.45 feet; thence North  $42^{\circ}24'00''$  East, 545.28 feet; thence South  $52^{\circ}35'30''$  East, 40.63 feet; thence North  $68^{\circ}56'23''$  East, 124.71 feet; thence South  $47^{\circ}39'37''$  East, 119.37 feet;

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**STEWART TITLE**

Guaranty Company

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EXHIBIT "A" cont.

168.59 feet; thence South 09°10'30" East, 122.01 feet; thence along the arc of a curve to the left having a radius of 34.12 feet, central angle of 89°43'38" and an arc length of 53.43 feet; thence North 81°05'52" East, 64.33 feet; thence South 12°39'37" East, 30.95 feet; thence South 35°39'37" East, 348.46 feet to a point on the Westerly right-of-way of Elks Point Road; thence along said Westerly right-of-way along the arc of a curve to the right having a radius of 320.00 feet, central angle of 33°22'12", arc length of 186.37 feet, chord bearing South 25°42'54" West, and chord length of 183.75 feet; thence along said Westerly right-of-way South 42°24'00" West, 244.60 feet; thence along the arc of a curve to the right having a radius of 25.00 feet, central angle of 90°00'00", and an arc length of 39.27 feet to a point on said Northeasterly right-of-way of U.S. Highway 50, the POINT OF BEGINNING.

Portion of Assessors Parcel No. 05-290-12

Reference is hereby made to that certain Record of Survey to support a Lot Line Adjustment filed for record in the office of the Douglas County Recorder on June 2, 1997 in Book 697, Page 403, as Document No. 414039, Official Records.

PARCEL 2:

A parcel of land located within a portion of Section 15, Township 13 North, Range 18 East, Mount Diablo Meridian, more particularly described as follows:

Commencing at the Southeast corner of said Section 15; thence along the Section line common to Sections 15 and 22 North 89°54'09" West, 1,513.39 feet to a point on the Northeasterly right-of-way of U.S. Highway 50 as described in the conveyance to the State of Nevada recorded July 18, 1933 in the office of Recorder, Douglas County, Nevada in Book T of Deeds, at Page 436; thence along said Northeasterly right-of-way North 47°36'00" West, 674.72 feet to the Southwest corner of a parcel of land shown as Nevada Allied Industries on the Record of Survey for Nevada Allied Industries recorded September 25, 1980 in the office of Recorder, Douglas County, Nevada in Book 980, at Page 1969, as Document No. 48927, a found 3/4" iron pipe and plug RLS 3519; thence along said Northeasterly right-of-way North 47°36'00" West, 590.28 feet to the Southeasterly corner of Parcel #1 as shown on said Record of Survey; thence along the boundary of said Parcel #1 the following three courses:

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EXHIBIT "A" cont.

thence North 42°24'00" East, 90.00 feet; thence North 47°36'00" West, 120.00 feet; thence South 42°24'00" West, 90.00 feet to a point on said Northeasterly right-of-way of U.S. Highway 50; thence along said Northeasterly right-of-way North 47°36'00" West 55.55 feet to the Southeasterly corner of Shell Oil Company, A.P.N. 05-290-01, as recorded in the office of Recorder, Douglas County, Nevada in Book 1094, at Page 559; thence along the boundary of said Shell Oil Company the following five courses: thence North 42°24'00" East, 88.00 feet; thence along the arc of a curve to the left having a radius of 82.50 feet, central angle of 46°00'00", and an arc length of 66.24 feet; thence North 03°36'00" West, 65.41 feet; thence South 80°30'10" West, 117.91 feet; thence South 42°24'00" West, 100.00 feet to a point on said Northeasterly right-of-way of U.S. Highway 50; thence along said Northeasterly right-of-way North 47°36'00" West, 14.45 feet; thence North 42°24'00" East, 545.28 feet; thence South 52°35'03" East, 40.63 feet; thence North 68°56'23" East, 124.71 feet to the POINT OF BEGINNING; thence continuing North 68°56'23" East, 40.17 feet; thence North 04°43'13" East, 17.70 feet to a point on the Southwesterly right-of-way of McFaul Way; thence along said Southwesterly right-of-way of McFaul Way South 59°30'37" East, 128.00 feet; thence South 76°36'23" West, 67.98 feet; thence South 09°08'39" East, 32.19 feet; thence North 47°39'37" West, 119.37 feet to the POINT OF BEGINNING.

Assessors Parcel No. 05-290-03

-3-

REQUESTED BY  
**Stewart Title of Douglas County**  
IN OFFICIAL RECORDS OF  
DOUGLAS COUNTY, NEVADA

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LINDA SLATER  
RECORDER  
PAID *KJ* DEPUTY