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RECORDING REQUESTED BY: )

Cost Plus, Inc. )

AND WHEN RECORDED MAIL TO: )

✓ Cost Plus, Inc. )

Attn: Lease Administration )

200 - 4<sup>th</sup> Street )

Oakland, CA 94607 )

Space Above for Recorder's Use

**MEMORANDUM OF LEASE**

THIS MEMORANDUM OF LEASE ("Memorandum") is effective upon recordation and is entered into by and between AIG BAKER CARSON VALLEY, L.L.C., a Delaware limited liability company ("Landlord"), having its principal place of business at c/o AIG Baker Shopping Center Properties, L.L.C., 1701 Lee Branch Lane, Birmingham, Alabama 35242, and COST PLUS, INC., a California corporation ("Tenant"), having its principal place of business at 200 4<sup>th</sup> Street, Oakland, CA 94607, who agreed as follows:

WITNESSETH:

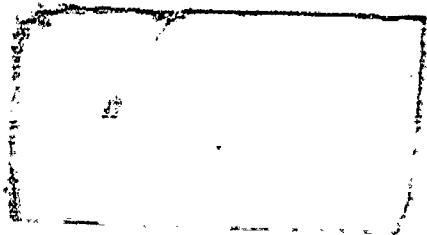
1. By written lease (the "Lease"), Landlord leases to Tenant and Tenant hires from Landlord a portion of that certain real property located in Douglas County, Nevada, described in EXHIBIT A, attached hereto and by this reference incorporated herein, together with certain rights appurtenant thereto, for a term of approximately ten (10) years, which term is subject to extension at Tenant's option for three (3) additional periods of five (5) years each.

2. The provisions of the Lease are incorporated into this Memorandum of Lease by reference. The Lease contains the following section:

"Tenant has entered into this Lease in reliance upon representations by Landlord that the Shopping Center is and will remain retail in character, and, further, no part of which shall be used for office or residential purposes or as a school, church or other place of public assembly, "flea market," dance hall, billiard or pool hall, massage parlor, video game arcade, bowling alley, skating rink, car wash, facility for the sale, leasing or repair of motor vehicles (unless located at least five hundred (500) feet from the main entrance to the Store), night club or adult book or adult video store (which are defined as stores at least ten percent (10%) of the inventory of which is not available for sale or rental to children under 15 years old because such inventory explicitly deals with or depicts human sexuality). No theater, auditorium or meeting hall may be located

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within the Shopping Center. No health club may be located within three hundred (300) feet from the main entrance to the Store. Except with the prior written consent of Tenant, which may be given or withheld in Tenant's sole and absolute discretion, no restaurant shall be permitted within three hundred (300) feet from the main entrance to the Store."

3. This Memorandum of Lease is prepared for the purpose of giving constructive notice and in no way modifies the provisions of the Lease.

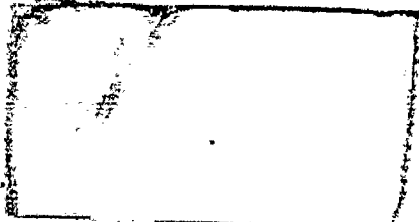
4. The provisions of the Lease to be performed by Landlord, whether to be performed at the Tenant's Store or any other portion of the Shopping Center, whether affirmative or negative in nature, are intended to and shall bind the Landlord, its successors and assigns at any time, and shall inure to the benefit of Tenant, its successors and assigns.

5. Contents of Memorandum of Lease:

Paragraphs 1-5

Exhibit A - Legal Description

[SIGNATURES ON FOLLOWING PAGE]



IN WITNESS WHEREOF, the parties have executed this Memorandum of Lease on this 19th day of September, 2002.

**LANDLORD:**

**AIG BAKER CARSON VALLEY, LLC,**  
a Delaware limited liability company

By: AIG Baker Shopping Center Properties, L.L.C.,  
a Delaware limited liability company,  
Its Sole Member

By: *W Ernest Moss*

Its: *Executive Vice President*  
W Ernest Moss

**TENANT:**

**COST PLUS, INC.,**  
a California corporation

By: *Murray Dashe*  
Murray Dashe

Its: Chairman of the Board, CEO & President

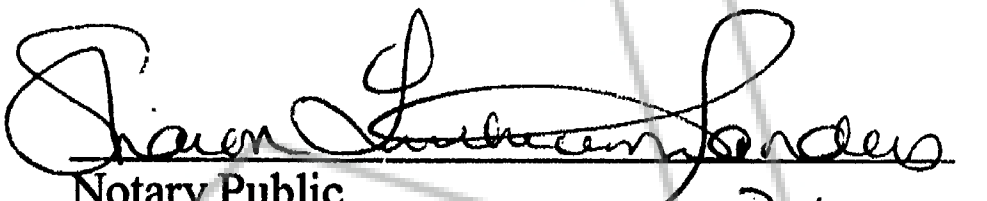
[NOTARIAL ACKNOWLEDGMENTS ON FOLLOWING PAGE]

State of Alabama )  
 )  
County of Shelby )

On 9-24-02 before me, the undersigned, a Notary Public, personally appeared W. Ernest Moss, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

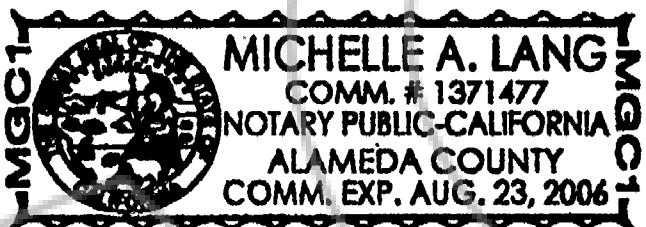
**SEAL'**

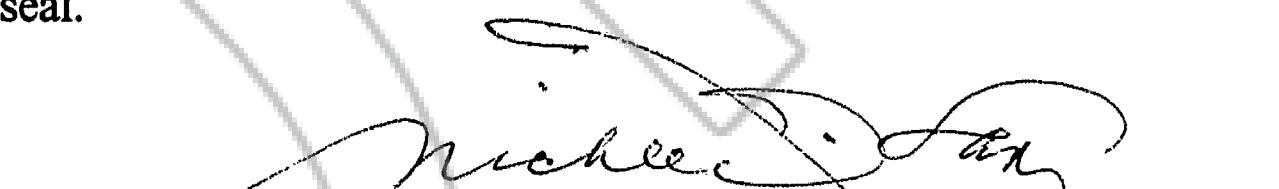
  
Notary Public  
3-16-03

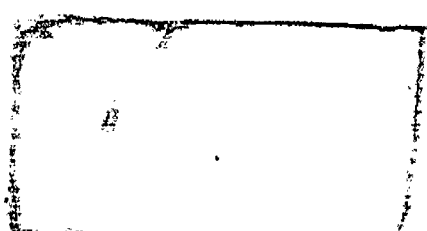
State of CALIFORNIA )  
 )  
County of ALAMEDA )

On Sept 17, 2002 before me, Michelle A. Lang, a Notary Public, personally appeared MURRAY DASHE, personally known to me or ~~(proved to me on the basis of satisfactory evidence)~~ to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



  
Notary Public



## Legal Description

All that certain parcel of land situate within Section Six (6), Township Fourteen North (T.14N.), Range Twenty East (R.20 E.), M.D.M., County of Douglas, State of Nevada, being more particularly described as follows:

BEGINNING at the southwest corner of that 10.09 acre parcel as shown on that record of survey map titled "Record of Survey for Douglas County" recorded April 10, 2000 in Book 0400 of Official Records at Page 1314, Document No. 489613, Douglas County, Nevada, said POINT OF BEGINNING also being referred to as the center of said Section Six;

THENCE South 89°43'29" East along the south line of the northeast-one-quarter (NE ¼) of said section, a distance of 1316.34 feet;

THENCE continuing along said south line South 89°43'57" East, 27.35 feet to a point on the westerly line of U.S. Highway 395, a four hundred-foot (400') wide right-of-way;

THENCE North 08°31'54" East along said west line, a distance of 1341.23 feet;

THENCE North 89°45'27" West, 201.70 feet;

THENCE North 89°44'22" West, 1317.49 feet to the north center one-sixteenth corner of said Section Six (6);

THENCE South 01°00'51" West along the west line of the northeast one quarter (NE ¼) of said section a distance of 1326.99 feet to said POINT OF BEGINNING, containing 1,899,608.000 square feet or 43.610 acres, more or less.

The Basis of Bearings for this description is Nevada State Plane Coordinate System, West Zone.

Michael J. Miller, P.L.S. #6636  
CFA Inc.  
1150 Corporate Blvd.  
Reno, NV. 89502

EXHIBIT A  
PAGE 1 OF 1

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REQUESTED BY  
*Cost Plus Inc*  
IN OFFICIAL RECORDS OF  
DOUGLAS CO. NEVADA  
2003 APR 15 AM 11:20  
WERNER CHRISTEN  
RECORDER  
\$18<sup>00</sup> PAID *KJ* DEPUTY

