

APN 1220-04-501-007 \ NEW  
1220-04-501-008 / 1220-04-501-018

DO-1050028-LS

Douglas County - NV  
Werner Christen - Recorder  
Page: 1 of 8 Fee: 21.00  
BK-0106 PG- 9340 RPTT: 0.00



RETURN RECORDED DOCUMENT TO:

BENCOR, LLC  
90 S. CASCADE, SUITE 330  
COLORADO SPRINGS, CO 80903  
ATTN: JON GORSKI

\*\*\*\*\*

**MEMORANDUM OF LEASE**

By this Memorandum of Lease made this 28<sup>th</sup> day of September, 2005, between **BENCOR/WATERLOO**, a Nevada Limited Partnership, hereinafter called "Landlord", and **WALGREEN CO.**, an Illinois corporation, hereinafter called "Tenant".

Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord, for the term commencing **October 1, 2006** and continuing to and including **September 30, 2081**, 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 the northwest corner of US Highway 395 and Waterloo Lane, in the City of Gardnerville, State of Nevada, as legally described on **Exhibit "B"** attached hereto and made a part hereof and as shown on the site plan attached hereto and made a part hereof as **Exhibit "A"** and hereinafter referred to as the "Leased Premises".

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

## PARKING

Landlord, at Landlord's cost and expense, shall repair and replace (but shall not be obligated to maintain, which shall be Tenant's responsibility) the parking areas of the Leased Premises ("Parking Areas") for one (1) year after Tenant's acceptance of possession. Subject to the immediately preceding sentence, Tenant, at Tenant's cost and expense, commencing when the Term commences or when Tenant may open for business at the Leased Premises (if at all), whichever is earlier, and in addition to Tenant's maintenance and repair obligations under Section (a) of Article 10, shall maintain, repair (including pothole repair, patching, sealing and striping), landscape, illuminate when necessary during such hours and days as Tenant may determine, clean and replace said Parking Areas. However, Tenant shall have no obligation to perform nor pay any costs in connection with the following: (i) any damages caused by the fault of Landlord; (ii) any "latent defects" in the construction of the Leased Premises by Landlord (for purposes hereof, defined as those defects which are not discovered by Tenant and brought to Landlord's attention within one (1) year after Tenant's acceptance of possession of the Leased Premises hereunder and which were not reasonably discoverable in the normal course); provided, however, that to the extent Landlord's construction of the Leased Premises was performed in full compliance with the Criteria and Plans referenced in Article 5, then such construction so required of and performed by Landlord shall not be considered a defect for purposes of this subsection (ii), and furthermore, no item of a nature that could be classified as a Punchlist Item under Article 4(a)(ii) above shall be deemed a latent defect under this subsection (ii)); and/or (iii) any item which is Landlord's obligation under this Lease. The foregoing items (i) through and including (iii) shall remain Landlord's responsibility to perform at Landlord's sole cost and expense and in addition to Landlord's obligations hereunder. The Parking Areas shall be for the exclusive use of Tenant and Tenant's customers, employees, invitees, successors, assigns and sublessees.

## EXCLUSIVES

Landlord covenants and agrees that, during the Term 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, or which is within five hundred (500) feet of any boundary of, the Leased Premises ("Landlord's Property"), 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 operation of a medical diagnostic lab or the provision of treatment services (other than as part of a medical, dental, physician, surgical or chiropractic office(s), which office(s) shall not be restricted by this subsection (iii)); (iii) the sale of so-called health and beauty aids or drug sundries; (iv) the operation of a business in which photofinishing services or photographic film are offered for sale; (v) the operation of a business in which greeting cards or gift wrap are offered for sale; and (vi) the operation of a business in which prepackaged food items for off premises



consumption are offered for sale. In the event that Tenant files suit against any party to enforce 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. For purposes hereof "contiguous" shall mean property that is either adjoining the Leased Premises or separated from the Leased Premises only by a public or private street, alley or right-of-way.

### **RIGHT OF FIRST REFUSAL**

(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 (Attn: Law Department) 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 which Landlord intends to accept (subject to this Article). In submitting the Bona Fide Offer to Tenant, Landlord shall segregate the price and the terms of the offer for the Leased Premises from the price and other terms connected with any additional property or properties that such person or entity is offering to purchase from Landlord. Tenant may, at Tenant's option and within fifteen (15) 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 terms and conditions and said price; furthermore, in such event, Landlord shall convey the Leased Premises to Tenant by warranty deed. Notwithstanding the foregoing, the price that Tenant shall pay for the Leased Premises shall be reduced by (i) an amount equal to broker's fees or commissions that would have been payable by either the purchaser or Landlord if the Leased Premises were sold pursuant to a Bona Fide Offer; and (ii) the amount of any payment(s) to be made by the proposed purchaser to any entity owned or controlled by, or affiliated with, the proposed purchaser. Landlord shall provide Tenant evidence of the amount of broker's fees or commissions payable in connection with any such Bona Fide Offer. 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. Any conveyance of the Leased Premises made in the absence of full satisfaction of this Article shall be void. Tenant may enforce this Article, without limitation, by injunction, specific performance or other equitable relief.

(b) 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.

Provisions for additional rent and the other terms, covenants and conditions of said letting, including the options on the part of the Tenant for prior termination, are set forth at length in the Lease, and all of said provisions, terms, covenants and conditions

are, by reference hereto, hereby incorporated in and made a part of this Memorandum of Lease.

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 **Douglas County, Nevada**, 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 Memorandum of Lease, under seal, as of the day and year first above written.

**TENANT:**

**WALGREEN CO.**

**LANDLORD:**

**BENCOR/WATERLOO L.P.**

**BY: BENCOR DEVELOPMENT, LLC  
ITS GENERAL PARTNER**

178  
By: 

By: 

Print Name: Robert M. Silverman

Print Name: RAY WALKOWSKI

Its: Divisional Vice President

Its: MANAGER



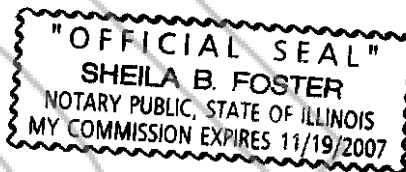
ACKNOWLEDGEMENT

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF LAKE )

Before me, Sheila Foster, a notary public in and for said state, on the 27<sup>th</sup> day of September, 2005, personally appeared Robert M. Silverman, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its Div. V.P. and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such Div. V.P. for the uses and purposes therein set forth.

Sheila B. Foster  
Notary Public

My commission expires:



STATE OF COLORADO )  
 ) SS  
COUNTY OF EL PASO )

Before me, Allison Smart, a notary public in and for said state, on the 28<sup>th</sup> day of September, 2005, personally appeared Ray Walkowski, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its Manager and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of such Manager for the uses and purposes therein set forth.

Allison M. Smart  
Notary Public

My commission expires: 8/9/2009

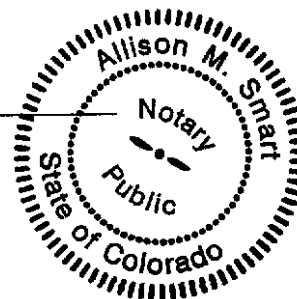
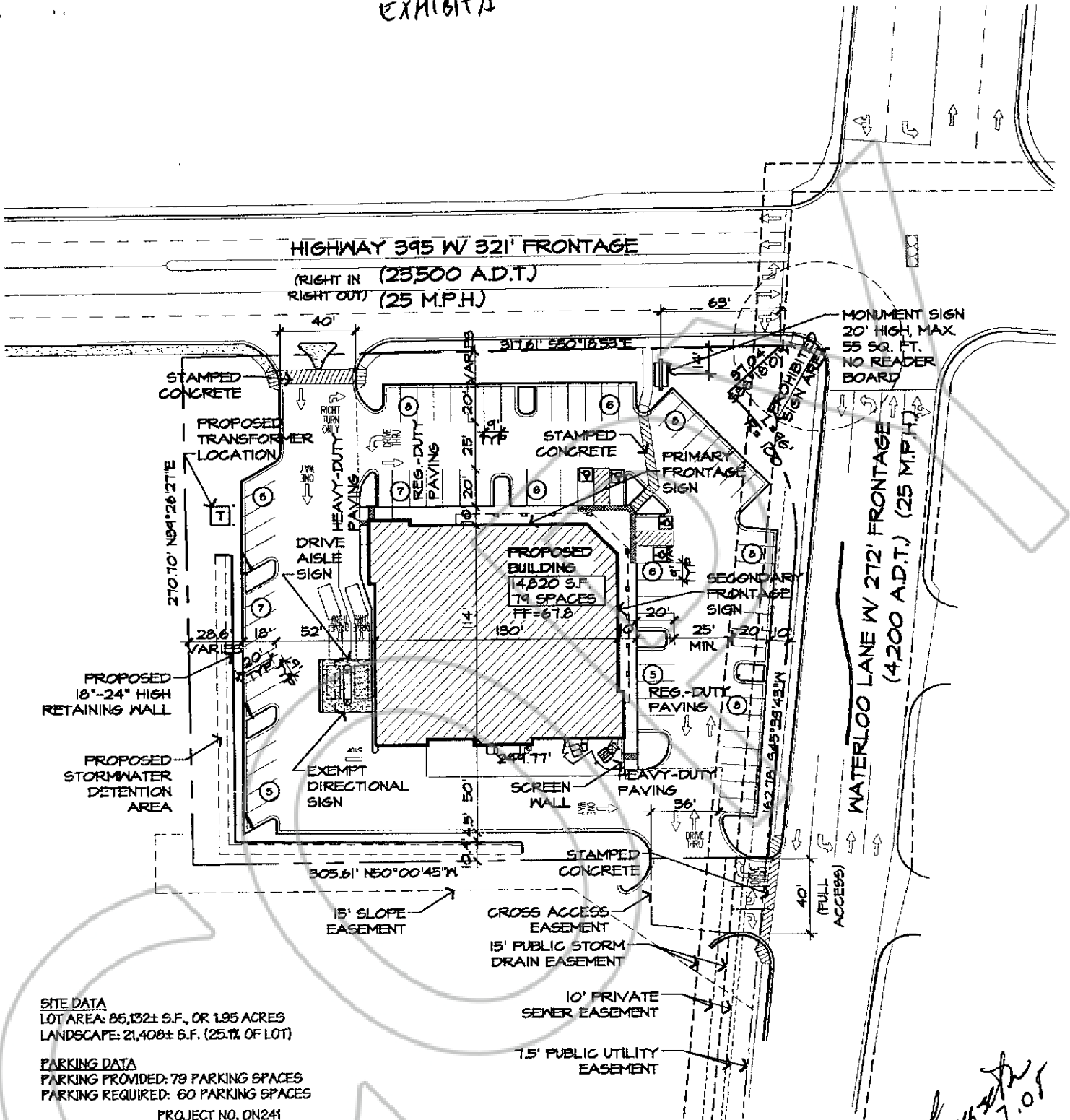


EXHIBIT A



**SITE DATA**  
 LOT AREA: 85,132± S.F., OR 1.95 ACRES  
 LANDSCAPE: 21,408± S.F. (25.1% OF LOT)

**PARKING DATA**  
 PARKING PROVIDED: 79 PARKING SPACES  
 PARKING REQUIRED: 60 PARKING SPACES

- PROJECT NO. ON241  
 DATE: 10/19/04  
 REV: 10/26/04  
 REV: 11/30/04  
 REV: 01/18/05  
 REV: 02/02/05 -EJD  
 REV: 02/08/05 -EJD  
 REV: 02/09/05 -EJD  
 REV: 02/14/05 -CM
- REV: 04/13/05 - DP  
 REV: 05/03/05 - EJD  
 REV: 05/04/05 - EJD  
 REV: 05/06/05 - EJD  
 REV: 05/09/05 - EJD  
 REV: 05/10/05 - EJD  
 REV: 05/11/05 - EJD  
 REV: 05/12/05 - EJD
- REV: 05/16/05 - EJD  
 REV: 05/19/05 - EJD  
 REV: 05/24/05 - EJD  
 REV: 09/23/05 - RM

**WALGREENS**  
 # 9864

*T. Gallup*  
 9.27.05



NORTH



SCALE IN FEET

**BENCOR, LLC**  
 COLORADO SPRINGS, CO.

**PROPOSED SITE PLAN**

(NWC) HWY. 395 & WATERLOO  
 GARDNERVILLE, NV

Copyright © 2005 by TIMOTHY M. GALLUP

**TIMOTHY M. GALLUP**

*Architect of Record*

9 East 4th Street • Suite 1000 • Tulsa, Oklahoma 74103  
 (918) 584-8855 • (918) 584-2880 FAX



**EXHIBIT "B"**

**TRACT 1  
LEGAL DESCRIPTION**

APN: 1220-04-501-007 & 008 AND A PORTION OF 1220-04-501-006

PORTIONS OF THAT CERTAIN PROPERTY WITHIN DOUGLAS COUNTY, NEVADA SITUATE IN SECTION 4, TOWNSHIP 12 NORTH, RANGE 20 EAST, M.D.M., AS SHOWN AS PARCELS "APN 25-142-15 (5.70 ACRES), "APN 25-142-16 (42,000 S.F.)" AND "APN 25-142-17 (53,276 S.F.)" ON RECORD OF SURVEY RECORDED JUNE 26, 1990 AS DOCUMENT #228900, IN OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST NORTHERLY POINT OF SAID "APN 25-142-16";  
THENCE ALONG THE LINE OF US HWY 395 S 50°18'53" E, A DISTANCE OF 136.28 FEET TO THE POINT OF BEGINNING;  
THENCE CONTINUING ALONG THE LINE OF US HWY 395 S 50°18'53" E, A DISTANCE OF 317.61 FEET;  
THENCE S 88°18'01" W, A DISTANCE OF 37.04 FEET;  
THENCE ALONG A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, WITH A RADIUS OF 100.00 FEET, THROUGH AN ANGLE OF 55°00'26", AND AN ARC LENGTH OF 96.00 FEET, A CHORD BEARING S 18°10'19" W, A DISTANCE OF 92.36 FEET;  
THENCE ALONG THE LINE OF WATERLOO LANE S 45°39'43" W, A DISTANCE OF 162.78 FEET;  
THENCE N 50°00'45" W, A DISTANCE OF 305.61 FEET;  
THENCE N 39°26'27" E, A DISTANCE OF 270.70 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.95 ACRES, MORE OR LESS.

BASIS OF BEARINGS IS NEVADA STATE PLANE COORDINATE SYSTEM, WEST ZONE.

NOTE: Legal description prepared by Jeff Codega Planning/Design Inc.  
Address: 433 W. Plumb Lane, Reno, NV 89509

**EXHIBIT "B" – PAGE 1 OF 2**



0666676

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01/27/2006

BK- 0106  
PG- 9346

**EXHIBIT "B"**

**TRACT 2  
EASEMENT OVER THE FOLLOWING DESCRIBED PROPERTY**

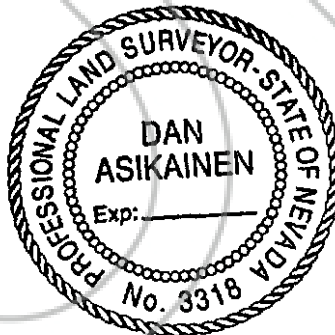
**LEGAL DESCRIPTION  
ACCESS**

That portion of Section 4, Township 12 North, Range 20 East, M.D.M., situate within Douglas County, Nevada, described as follows:  
Beginning at the most Easterly corner of that parcel described in Document No. 344617, recorded August 24, 1994, Official Records Douglas County;  
Thence S 88°18'01" W, a distance of 37.04 feet;  
Thence along the arc of a curve to the right, concave Westerly, having a delta angle of 55°00'26", a radius of 100.00 feet, length of 96.00 feet, with a chord bearing S 18°10'19" W, a distance of 92.36 feet;  
Thence S 45°39'43" W along the Northwesterly right-of-way line of Waterloo Lane a distance of 162.78 feet to the point of beginning;  
Thence continuing S 45°39'43" W along the Northwesterly right-of-way line of Waterloo Lane a distance of 40.18 feet;  
Thence N 44°20'17" W, a distance of 57.34 feet;  
Thence N 39°59'23" E, a distance of 34.31 feet;  
Thence S 50°00'45" E, a distance of 61.03 feet to the point of beginning.

Basis of bearings of this description  
Coordinate System, West Zone.

is Nevada State Plane

Dan Asikainen, P.L.S. #3318  
Jeff Codega Planning/Design  
433 W. Plumb Lane  
Reno, NV 89509



**EXHIBIT "B" - PAGE 2 OF 2**