

Recorded at the Request of
and after Recording Return to:

Terrance A. Noyes
Terrance A. Noyes, LLC
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Dillon, Colorado 80435



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PAGE 001 OF 010
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KING COUNTY, WA
51.00

Abbreviated Legal Description: Lots 10-24, Block 56 and Lots 17-26, Block 55,
Volume 3, Page 19

Assessor's Tax Parcel ID#: 095200-7175-02; 095200-7265-03

MEMORANDUM OF LEASE

(West Seattle, Washington)

THIS MEMORANDUM OF LEASE is dated effective as of March 7, 2008 and is made by and between FAUNTLEROY PLACE, LLC, a Washington limited liability company ("Landlord"), and WHOLE FOODS MARKET PACIFIC NORTHWEST, INC., a Delaware corporation ("Tenant").

WITNESSETH:

In consideration of the premises, and of the mutual covenants and agreements set forth in that certain Lease dated as of January 3, 2006 by and between Landlord (as successor to Pacific Coast Investment Group, LLC, a Washington limited liability company) and Tenant, as amended by that certain First Amendment to Lease dated March 7, 2008 (the "Lease"), Landlord has leased to Tenant, and Tenant has leased from Landlord, certain real estate and improvements to be constructed thereon (such real estate and improvements are hereinafter collectively referred to as the "Demised Premises") located in Fauntleroy Place Shopping Center, located at the northeast corner of SW Alaska Street and 39th Avenue SW in West Seattle, Washington (the "Development"), for a term of twenty (20) Lease Years following the Commencement Date (as defined in the Lease), with options to extend the term for six (6) additional Extension Terms of five (5) years each, which term commences in accordance with the provisions of the Lease. The land upon which the Development is to be developed (the "Land") is more particularly described in Exhibit B attached hereto. The Development includes the Demised Premises, approximately 13,900 rentable square feet of other retail space (the "Other Retail Component"), approximately 170 residential apartments (the "Residential Component"), and the Parking Structure (defined below). The Demised Premises and the Other Retail Component are sometimes collectively referred to as the "Commercial Component".

1. Parking.

a. All of the parking for the Development shall be located in the underground parking structure (the "Parking Structure") depicted on Exhibit A to the First Amendment to Lease (the "Site Plan") which is to be constructed by Landlord below the Demised Premises and the Other Retail Component.

b. The "P1" level of the Parking Structure depicted on the Site Plan shall contain not fewer than one hundred forty (140) parking spaces; the "P2" level of the Parking Structure depicted on the Site Plan shall contain not fewer than one hundred sixty-four (164) parking spaces; and the "P3" level of the Parking Structure depicted on the Site Plan shall contain not fewer than one hundred thirty (130) parking spaces.

c. The entire "P1" level of the Parking Structure and the one hundred (100) parking spaces on the "P2" level of the Parking Structure labeled on the Site Plan as "WFM Reserved" shall be reserved for the exclusive use of Tenant in accordance with Section 2.2 (the "WFM Reserved Parking Area").

d. The twenty-three (23) parking spaces on the "P2" level of the Parking Structure labeled on the Site Plan as "Retail Non-Exclusive" shall be reserved for the use on a non-exclusive basis of both Tenant and the tenants and occupants of the Other Retail Component (the "Retail Non-Exclusive Parking Area"). The WFM Reserved Parking Area and the Retail Non-Exclusive Parking Area (collectively, the "Retail Parking Area") shall refer exclusively to parking spaces and shall not include the drive aisles providing access to such parking spaces, which drive aisles may be used on a non-exclusive basis by Tenant and the other tenants and occupants of the Retail Building (as hereinafter defined).

e. The forty-one (41) parking spaces on the "P2" level of the Parking Structure labeled on the Site Plan as "Residential Reserved" and the entire "P3" level of the Parking Structure (collectively, the "Residential Parking Area") shall be reserved for the exclusive use of the Residential Component.

f. "Retail Building" means the Commercial Component and the Retail Parking Area, together. "Residential Building" means the Residential Component and the Residential Parking Area, together.

2. Parking and Common Areas.

a. Parking Requirements. Landlord covenants to Tenant that throughout the Demised Term the Development shall contain the greater of: (1) the number of parking spaces set forth in Section 1 hereof, or (2) the number of parking spaces required by applicable law, all of which shall be a mix of standard, compact and disabled spaces as mandated by the City of Seattle, in compliance with applicable law. Throughout the Demised Term, Tenant and its suppliers, employees, agents, customers, contractors, business invitees, subtenants, licensees and concessionaires ("Tenant's Invitees") shall have (i) the exclusive right to use the WFM Reserved Parking Area, and (ii) the non-exclusive right to use the Common Area in the Retail Building in

common with Landlord and other tenants and/or other occupants of the Retail Building. Landlord shall not grant the right to use the Common Area to any party other than tenants of the Development, their customers, employees, business invitees and suppliers, and Landlord shall not grant the right to use the WFM Reserved Parking Area to any party other than Tenant. Further, in no event shall any owner or occupant of the Residential Component of the Development be permitted to park in the Retail Parking Area, and Landlord shall construct and operate the Development in such a manner that there is no elevator access to the Retail Parking Area from the Residential Component of the Development.

b. No Build Area. Except as required, if ever, by applicable law, no charge shall be made for the parking of vehicles in the Retail Parking Area. The location and configuration of the parking spaces in the Retail Parking Area shall be as shown on Exhibit A (such parking area is referred to herein as the "No Build Area"). Landlord shall not authorize or permit in the No Build Area (x) the erection or placement of any buildings, structures, kiosks, food facilities or other improvements, provided, however, that Landlord may erect facilities, such as storage closets, in the No Build Area if they do not adversely affect parking spaces or driveways; (y) any promotions, exhibits, carnivals, shows, rides, displays, signs (other than necessary traffic and directional signs) or the like; or (z) any other use that would interfere with Tenant's use of the Demised Premises or rights contained herein. Further, Landlord shall not permit the No Build Area to be used for valet parking, the parking of commercial vehicles, or for storage of any vehicles, equipment or materials. In addition, Landlord may not (i) make any changes to the Common Area located outside of the No Build Area which would (A) modify pedestrian or vehicular access to the Retail Building or the Demised Premises from what is depicted on the Site Plan, (B) affect the visibility of Tenant's storefront or (C) reduce the number of parking spaces in the Retail Parking Area below the number required by Section 1 above, or (ii) make any changes to the loading dock area or the loading dock access ways serving the Demised Premises. Notwithstanding the foregoing, Tenant may install, at Tenant's sole cost and expense, a shopping cart corral system selected or designed by Tenant within the WFM Reserved Parking Area in locations which are reasonably acceptable to Tenant. In addition, Tenant shall have the right at any time and from time to time to limit parking in the WFM Reserved Parking Area to a maximum period of time as Tenant deems appropriate, to provide appropriate signage in the WFM Reserved Area indicating the maximum period of time that parking is allowed and to monitor and enforce any such limit on parking. Tenant shall have the right, at its cost and expense, to monitor and enforce such limit on parking in the WFM Reserved Area, including without limitation, the right to have violating cars towed.

c. Employee Parking. Tenant shall cause its employees to use only the WFM Reserved Parking Area, and Landlord shall cause the employees of the tenants of the Other Retail Component to use only the Retail Non-Exclusive Parking Area. If Landlord fails to enforce any such limit on parking, Tenant shall have the right, at Landlord's cost and expense, to monitor and enforce such limit on parking, including without limitation, the right to have violating cars towed.

3. Restrictive Covenant. Except as prohibited by law, Landlord shall not permit (i) in any other portion of the Development or (ii) on any land contiguous or adjacent to the

Development (including, without limitation, any land that would be contiguous or adjacent to the Development but for any intervening road, street, alley or highway) ("Related Land") now or hereafter owned by Landlord or its affiliates, any restaurant (including, without limitation any natural foods restaurant such as O'Naturals), salad bar, delicatessen, any other business that sells any prepared foods (including, without limitation, pizza, salad, sandwiches or soups) for on or off premises consumption, bar, coffee store and/or coffee bar, or juice and/or smoothie bar; any salon (or other business) in excess of 2,000 gross square feet that provides hair treatments (haircuts, hair coloring, permanents, etc.), manicures, facials, massages or similar services; the sale of produce; meat, poultry, seafood, dairy, cheese, cereals, grains, fruits and vegetables, frozen foods, grocery products, bulk foods, gourmet foods, bakery goods, alcoholic beverages (including beer and wine), body care products, cosmetics, health care items, beauty aids, plants, flowers, medicinal herbs, naturopathic or homeopathic remedies, nutritional supplements, coffee beans, smoothies and/or fresh fruit drinks, vitamins, ice cream and/or frozen yogurt; or any use set forth on Exhibit N attached hereto (the "Prohibited Uses"). Tenant shall not use any portion of the Demised Premises for any of the Prohibited Uses.

This Memorandum is executed for the purpose of giving notice of the existence of the Lease and that certain terms thereof encumber the Development. In addition to the above provisions, the Lease includes provisions containing covenants and obligations similar to those commonly found in other leases, including, but not limited to provisions regarding construction of improvements, maintenance and signs. Reference should be made to the Lease (and any amendments thereto that may be entered into) for a full description of the rights and duties of Landlord and Tenant, and this Memorandum of Lease shall in no way affect the terms and conditions of the Lease or the interpretation of the rights and duties of Landlord and Tenant thereunder.

[Signatures on following page]

IN WITNESS WHEREOF, Landlord and Tenant have caused this Memorandum of Lease to be executed effective from and as of the day and year first above written.

LANDLORD:

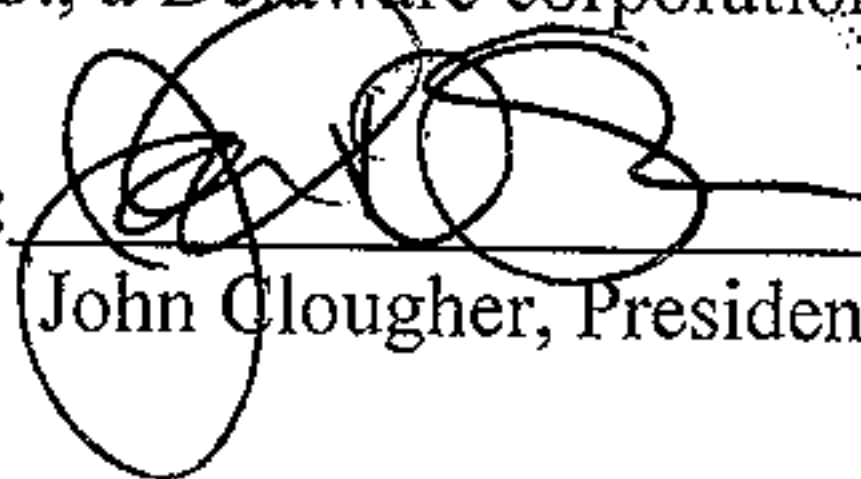
FAUNTLEROY PLACE, LLC,
a Washington limited liability company

By: BLUESTAR MANAGEMENT, INC.,
a Washington corporation, its Manager

By: 
Steven M. Hartley, President

TENANT:

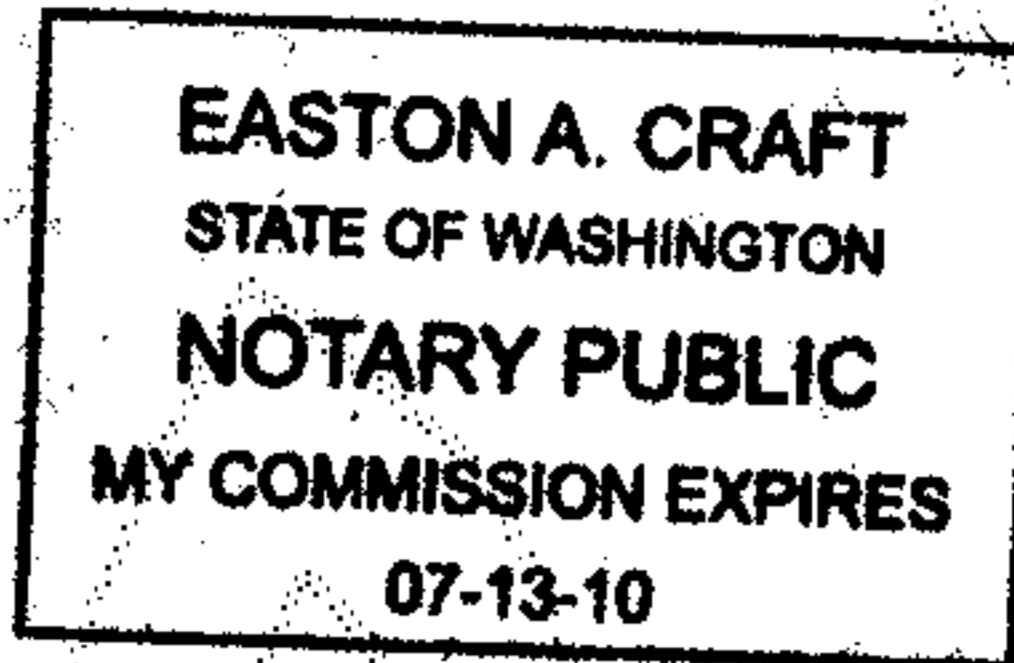
WHOLE FOODS MARKET PACIFIC NORTHWEST,
INC., a Delaware corporation

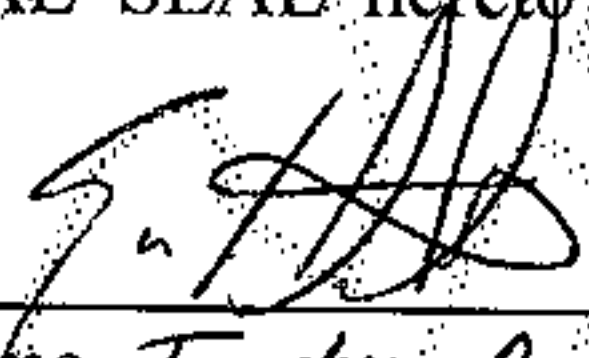
By: 
John Clougher, President

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 11 day of March, 2008, before me, the undersigned, a Notary Public in and for the State of Washington, personally appeared Steven M. Hartley, to me known to be the President of BLUESTAR MANAGEMENT, INC., a Washington corporation, the Manager of FAUNTLEROY PLACE, LLC, a Washington limited liability company, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument on behalf of said limited liability company.

WITNESS MY HAND AND OFFICIAL SEAL hereto affixed the day and year first above written.

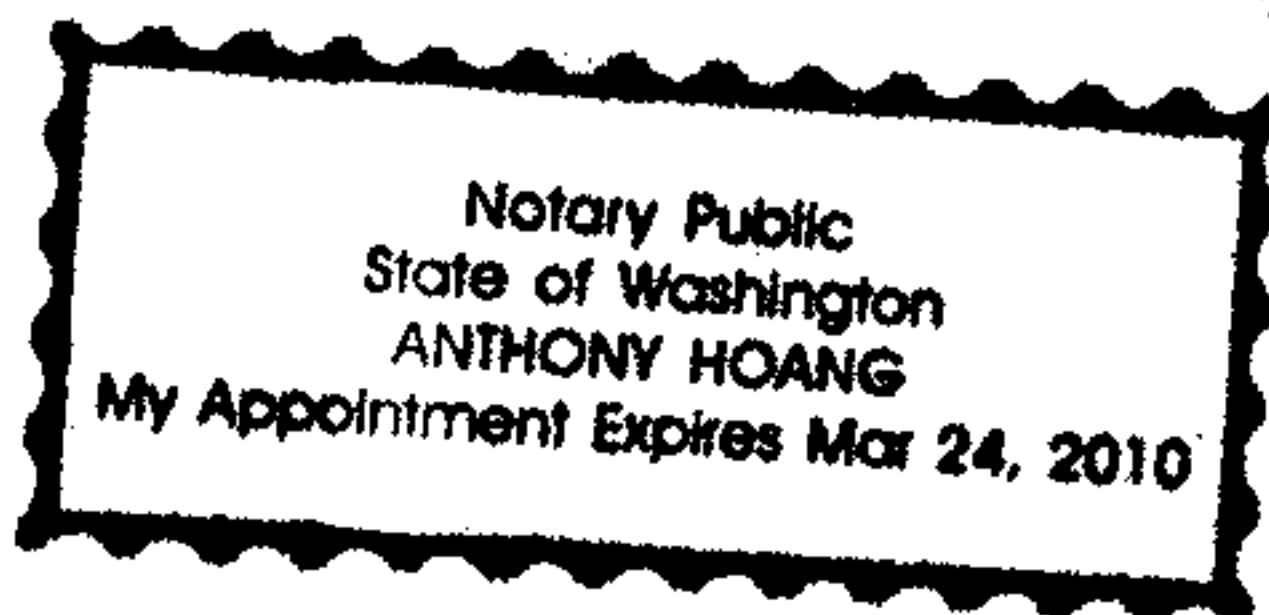



Name Easton A. Craft
NOTARY PUBLIC in and for the State of
Washington, residing at Shoreline
My commission expires 07-13-2010

STATE OF WASHINGTON)
) ss.
COUNTY OF King)

On this 12 day of March, 2008, before me, the undersigned, a Notary Public in and for the State of Washington, personally appeared John Clougher, to me known to be the President of WHOLE FOODS MARKET PACIFIC NORTHWEST, INC., a Delaware corporation, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument on behalf of said corporation.

WITNESS MY HAND AND OFFICIAL SEAL hereto affixed the day and year first above written.



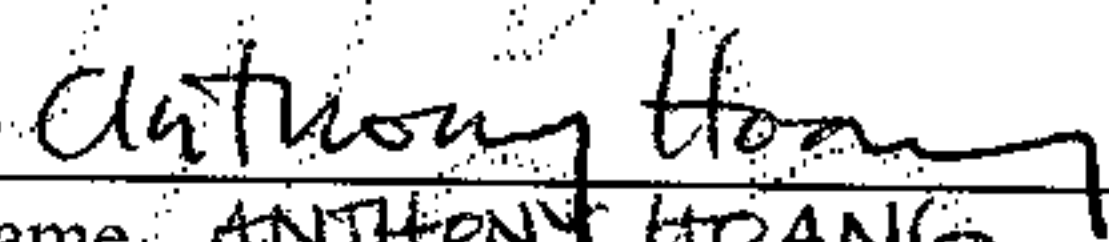

Name ANTHONY HOANG
NOTARY PUBLIC in and for the State of
Washington, residing at SEATTLE
My commission expires 3-24-10

EXHIBIT B

LEGAL DESCRIPTION OF LAND

CHICAGO TITLE INSURANCE COMPANY
A.L.T.A. COMMITMENT
SCHEDULE A
(Continued)

Order No.: 1130148
Your No.:

LEGAL DESCRIPTION EXHIBIT
(Paragraph 4 of Schedule A continuation)

LOTS 10 TO 24, INCLUSIVE, BLOCK 56, BOSTON CO.'S PLAT OF WEST SEATTLE,
ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 3 OF PLATS, PAGE(S) 19, IN
KING COUNTY, WASHINGTON;

EXCEPT PORTIONS OF SAID LOTS 23 AND 24 HERETOFORE CONDEMNED IN KING COUNTY
SUPERIOR COURT CAUSE NUMBERS 70682 AND 93059 FOR STREET PURPOSES, AS PROVIDED
BY ORDINANCE NUMBERS 21302 AND 29063, RESPECTIVELY, OF THE CITY OF SEATTLE.

EXHIBIT N

PROHIBITED USES

1. Any veterinarian use;
2. Any emergency medical clinic use;
3. Any office use (other than support offices incidental to the conduct of an Occupant's business);
4. Any entertainment use or recreational use, which "includes bars, theaters, 'adult' theaters, 'adult' bookstores, bowling alleys, skating rinks, billiard rooms, health spas or studios, discotheques, game arcades, massage parlors, athletic facilities or other places of public entertainment";
5. Any training or educational use. Training or educational use "includes beauty schools, barber colleges, reading rooms, places of instruction, or any other operation catering primarily to students or trainees rather than to customers, but excludes employee training and cooking classes by Tenant incidental to the conduct of its businesses within the Premises;
6. Any "secondhand" or "surplus" store use, laundry or laundromat use, or dry-cleaning plant;
7. [Deleted]
8. Any industrial or residential purpose;
9. Any use which emits an offensive or obnoxious odor, fume, dust, vapor, noise or sound which can be heard or smelled outside of any building or creates a fire, explosion, or other hazard (including, without limitation, the display or sale of explosives or fireworks), or constitutes a public or private nuisance, or any use which creates a noise or sound that is objectionable due to intermittence, heat, frequency, shrillness, or loudness; or any use which creates dust, dirt or fly ash in excessive quantities or any processing or rendering plant;
10. Any warehouse (provided that an area for the storage of goods intended to be sold at Tenant's retail store in the Retail Building shall not be deemed to be a warehouse);
11. Any "flea market" or "second-hand" store;

12. Any fire sale, bankruptcy sale (unless pursuant to a court order) or auction house operation;
13. Any central or commercial laundry or dry-cleaning plant, coin-operated laundry or laundromat; provided, however, this prohibition shall not be applicable to on-site service-oriented dry cleaners and launderers with pickup and delivery by the ultimate consumer, including nominal supporting facilities, as the same may be found in retail shopping districts in the metropolitan area where the Premises is located;
14. Any veterinary hospital or animal raising facility (except that this prohibition shall not prohibit pet shops);
15. Any mortuary, funeral parlor or home or similar service establishment;
16. Any amusement or game room; amusement park; carnival; game parlor; billiard room, hall or parlor; pool hall; off-track betting establishment; massage parlor; adult book store, peep show store, head shop store or any other similar store or club (which are defined as stores or clubs with any inventory, including nude photos, sexual devices, magazines, videos, tapes or objects depicting genitalia and other similar items; or in which any individual, whether male or female, shall be employed in any capacity in such store or club which includes the displaying of any genitalia, whether topless or bottomless or otherwise); any business devoted to sale of articles or merchandise normally used or associated with illegal or unlawful activities, including, without limitation, the sale of paraphernalia used in connection with marijuana, cocaine, or other controlled drugs or substances; any bar serving alcoholic beverages; tavern; pub; cocktail lounge; ballroom; night club; dance hall; discotheque; theater; meeting hall; school (including, without limitation, trade school or class sessions of any nature whatsoever); beauty school; barber college; place of instruction, reading room or any operation catering primarily to students or trainees rather than to customers; library; church; or home of worship;
17. Any sports, recreational or tanning facility;
18. A movie theater;
20. A recreational, entertainment, fitness, play, or party facility catering primarily to persons under 21 years of age.