

LEASE

Between

**DORIS ROOT, JAMES M. ROOT, AS TRUSTEE OF THE
DONALD G. ROOT CREDIT SHELTER TRUST,
JOHN BATZER, AND THE HUNTER THREE FAMILY
LIMITED PARTNERSHIP (collectively, "Landlord")**

And

DOLLAR TREE STORES, INC. ("Tenant")

**LAKEWOOD SHOPPING CENTER
White City, OR**

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LEASE AGREEMENT

THIS LEASE, made as of this _____ day of _____, 2004, between **DORIS ROOT, JAMES M. ROOT, AS TRUSTEE OF THE DONALD G. ROOT CREDIT SHELTER TRUST, JOHN BATZER, AND THE HUNTER THREE FAMILY LIMITED PARTNERSHIP**, whose address is PO Box 4310, Medford, Oregon 97501, Attn: Thad Keays (hereinafter referred to collectively as "Landlord") and **DOLLAR TREE STORES, INC.**, a Virginia corporation, whose address is 500 Volvo Parkway, Chesapeake, Virginia 23320 (hereinafter referred to as "Tenant").

WITNESSETH

THAT in consideration of the mutual covenants and agreements herein contained, it is agreed by and between Landlord and Tenant as follows:

A. BASIC LEASE PROVISIONS

The following constitute the basic provisions of this Lease:

1. Premises (as defined in Section B)

- | | | |
|----|---|--|
| a. | Shopping Center
Address | Lakewood Shopping Center
SEC of Highways 140 and 62
White City, OR |
| | County | Jackson County, Oregon |
| b. | Square Footage
Dimensions | Approximately 20,460 square feet
140 x 146 linear feet |
| c. | Tenant's Proportionate Share. 68.68%. Tenant's Proportionate Share shall be equal to a fraction, the numerator of which shall be the number of square feet of gross leasable area within the Premises (approximately 20,460 square feet) ("Premises GLA") and the denominator of which shall be the Shopping Center gross leasable area (29,791 square feet) ("Shopping Center GLA"). | |

Landlord and Tenant agree that the Gross Leasable Area of the Shopping Center may be expanded; therefore, Tenant's Proportionate Share may be less than that stated above. When and if the Gross Leasable Area of the Shopping Center is expanded, Landlord and Tenant agree to execute a Lease Amendment setting forth the new Tenant's Proportionate Share and the effective date of the decrease in such share

2. Trade Name. DOLLAR TREE

3. Permitted Use. The retail sale of general merchandise including, but not limited to, home décor and accessories, costume jewelry, bathroom accessories, toys, stationery, auto accessories, apparel, kitchen accessories, household supplies, cleaning supplies, gift wrap, greeting cards, party supplies, health and beauty supplies, novelty candy and snacks and other food items, as well as other items typically sold in similar Dollar Tree stores. Tenant agrees that no one category will become the principal product of the retail business. Landlord warrants that as of the date hereof there are no recorded or unrecorded restrictions or other tenant exclusives affecting the Shopping Center which would prohibit Tenant's use of the Premises as stated above. The exclusives in place affecting the Premises, if any, are attached hereto as Exhibit G.



4. Notices.

Landlord

**DORIS ROOT, JAMES M. ROOT, AS
TRUSTEE OF THE DONALD G. ROOT
CREDIT SHELTER TRUST, JOHN
BATZER, AND THE HUNTER THREE
FAMILY LIMITED PARTNERSHIP**

Attn: Thad Keays
690 S. Grape Street
PO Box 4310
Medford, OR 97501
Telephone: 541-772-5653 ext 138
Facsimile: 541-734-9714

Tenant

DOLLAR TREE STORES, INC.
Attn: Lease Administration Department
500 Volvo Parkway
Chesapeake, VA 23320
Telephone: 757-321-5000
Facsimile: 757-321-5220

5. Effective Date of Lease. Execution of the Lease Agreement and delivery of the Lease to all parties.

6. Delivery.

a. Delivery Date for Possession of Premises ("Delivery Date"). The earlier of **June 1, 2004, or the date that is thirty (30) days after Landlord gives Tenant written notice of delivery of possession of the Premises.**

b. Turnover Date. Date Premises is actually delivered to Tenant ("Turnover Date").

c. Contingency. Tenant acknowledges that Landlord currently leases the Premises to Unified Western Grocers pursuant to an existing lease. Landlord's obligations under this Lease are contingent on (i) Landlord obtaining a lease termination agreement with respect to such existing lease in form and content acceptable to Landlord signed by Unified Western Grocers and its subtenant and (ii) such lease termination agreement becoming effective in accordance with its terms. Landlord will notify Tenant promptly upon such lease termination agreement becoming effective in accordance with its terms. If by June 1, 2004 Landlord has not delivered possession of the Premises to Tenant and given notice to Tenant that such lease termination agreement has become effective, then either party may terminate this Lease by notice to the other at any time prior to Landlord both delivering possession of the Premises to Tenant and giving notice to Tenant that such lease termination agreement has become effective. In the event of such termination, neither party will have any further obligation to the other under the terms of this Lease.

7. Lease Term Commencement Date. The Lease term shall commence the earlier of (a) one hundred-twenty (120) days after the Turnover Date or (b) when Tenant opens for business.

8. Rent Commencement Date. Base Rent (as defined in Section E) shall commence the earlier of (a) one hundred-twenty (120) days after the Turnover Date or (b) when Tenant opens for business.



9. Termination Date. The Original Lease Term shall terminate on the last day of the sixtieth (60th) calendar month following the Lease Term Commencement Date set forth in Section A.7 hereof (the "Lease Termination Date" as further defined in Section C.2).

10. Lease Term, Renewal Term, and Base Rent.

LEASE TERM	YEARS	MONTHLY	ANNUALLY
Original Lease Term	1-5	\$10,833.33	\$130,000.00
First Renewal Term	6-10	\$11,666.66	\$140,000.00
Second Renewal Term	11-15	\$12,500.00	\$150,000.00
Third Renewal Term	16-20	\$13,333.33	\$160,000.00

11. Additional Rent. Any amounts (other than Base Rent) to be paid by Tenant to Landlord pursuant to the provisions of this Lease, including Common Area Maintenance Charges (as described in Section G.2), real estate taxes and assessments (as defined in Section F.1), and insurance (as defined in Section L.4.b), whether such payments are to be periodic and recurring or not, shall be deemed to be "Additional Rent" and otherwise subject to all provisions of this Lease and of law as to the default in the payment of Base Rent. Additional Rent shall commence on the Rent Commencement Date.

12. Operating Charges. The amount Tenant shall pay for its Proportionate Share of Operating Charges to include common Area Maintenance Charge (pursuant to Section G.2), real estate taxes and assessments (pursuant to Section F.1) and insurance (pursuant to Section L.4.b) are as follows:

LEASE TERM	YEARS	MONTHLY	ANNUALLY
Original Lease Term	1-5	\$1,327.28	\$15,927.41
First Renewal Term	6-10	\$1,538.68	\$18,464.23
Second Renewal Term	11-15	\$1,783.76	\$21,405.11
Third Renewal Term	16-20	\$2,667.86	\$24,814.39

The monthly amounts set forth in this Section A.12 shall be paid by Tenant to Landlord, at the address noted above, or at such place as Landlord may from time to time designate in writing, in advance on the first day of each calendar month during the Lease Term. An upward or downward adjustment in Tenant's Proportionate Share pursuant to this Lease shall not cause an adjustment in the amounts fixed and payable by Tenant for Operating Charges pursuant to this Section A.12.

13. Annual Increases for Common Area Maintenance Charge. Intentionally Omitted.
14. Early Termination. Intentionally Omitted.
15. Exclusive; Restricted Uses. As a material inducement for Tenant to enter into this Lease, Landlord hereby agrees as follows:
- a. Tenant shall have an exclusive in the Shopping Center for a single price point variety retail store ("Exclusive" or "Exclusive Use"). A single price point variety retail store is hereby defined as a store that offers all of its merchandise for sale at a single price point.



b. In addition, Landlord will not permit any other occupant in the Shopping Center to operate the following without Tenant's consent and such consent shall be in Tenant's sole and absolute discretion:

- (1) a close-out store (hereinafter defined);
- (2) a retail store whose "principal business" (hereinafter defined) is:
 - a. selling variety retail merchandise at a single price point;
 - b. selling gifts, cards, and other party supplies (individually or collectively); or
 - c. selling artificial flowers and picture frames (individually or collectively);
- (3) variety retail operations with the word "Dollar" in their trade name.

For purposes of this Section, a "close-out store" shall be defined as a store that sells only discontinued merchandise.

For the purpose of this Section, "principal business" shall be defined as selling such merchandise in twenty-five percent (25%) or more of the sales floor area (including one-half (1/2) of the adjacent aisle space).

Notwithstanding the foregoing, this Exclusive shall not apply to (1) any tenant or occupant selling single price point apparel as its principal business, or (2) any current occupant or tenant of the Shopping Center who is operating or operates in the future under their current use clause as of the date of this Lease; provided, however, in the event Landlord's consent is required for a change in permitted use, Landlord shall not consent to a change of any tenant's use which would violate Tenant's Exclusive Use, except to the extent Landlord may be required to consent to such use under its existing leases affecting the Shopping Center.

Landlord will not be in violation of these exclusive use provisions if Landlord consents to an assignment or sublease to a user that will operate in violation of this exclusive if Landlord is required to do so pursuant to any law, regulation or order such as the U.S. Bankruptcy Code or any court order which may be come applicable to Landlord.

If any provision of this Section A.15 is violated, and Landlord, despite its good faith efforts, has not caused the tenant violating such exclusive to cease violating such exclusive within a reasonable period of time following the earlier of (1) Tenant notifying Landlord of the violation or (2) Landlord learning of the violation, then Tenant's rights and remedies shall include, but not be limited to, the continuing option (until the violation is cured) of either (a) terminating the Lease; or (b) paying to Landlord as "Alternate Rent" the lesser of (i) one percent (1%) of gross sales in the Premises or (ii) one-half (1/2) of all rents due under the Lease beginning immediately after the violation occurs and continuing until the violation is cured. If Tenant elects to terminate the Lease in accordance with this paragraph, Landlord shall reimburse Tenant within thirty (30) days of Landlord's receipt of written notice for the unamortized value (using a straight-line amortization schedule over the Original Lease Term) of the cost of Tenant's improvements and the reasonable out-of-pocket expenses incurred by Tenant for services provided by Tenant's architect and attorney and related solely to the construction of Tenant's improvements pursuant to Exhibit C. In addition, the foregoing rights and remedies shall not be exclusive of Tenant's rights to damages or any other



rights or remedies available at law or in equity in the jurisdiction where the Premises are located.

16. Co-Tenancy. Intentionally Omitted.
17. Tenant Allowance; Cash Contribution. Landlord hereby agrees to contribute a sum not to exceed Seventy-Five Thousand Dollars (\$75,000) ("Landlord's Cash Contribution") toward the cost of Tenant's installation of a new heating, ventilating and air conditioning system (HVAC) including ductwork in the Premises within thirty (30) days of notification that the following criteria has been met:
 - a. Landlord's receipt of a breakdown of the costs for the installation of the HVAC and a Final Lien Waiver from Tenant's General Contractor.
 - b. Receipt of a copy of Tenant's Certificate of Occupancy; and
 - c. Tenant has opened for business.

If payment is not made by Landlord within such thirty (30) day period as set forth in this Section A.17, Tenant will have the right to collect any or all of the Landlord's Cash Contribution, together with interest at the rate of twelve percent (12%) per annum, by taking a credit against one hundred percent (100%) of Base Rent and Additional Rent commencing on the next installment of rent after such nonpayment by Landlord. Notwithstanding the foregoing, should Tenant exercise its right as provided above in this Section A.17, it will not affect any of their rights or remedies available to Tenant for recovery which may be available to Tenant at law or in equity in the jurisdiction where the Premises are located.

B. PREMISES

1. Description. Landlord hereby leases to Tenant the Premises ("Premises") described as follows: The space within a one-story unit (without a basement or balcony, but including a mezzanine) as measured from the exterior face of any exterior walls and to the centerline of common walls (but excluding the mezzanine from such measurement), and crosshatched on the Site Plan attached hereto as Exhibit A. The "Shopping Center" is more fully described in the legal description attached hereto as Exhibit B.
2. Additional Development. Tenant agrees that Landlord may (at Landlord's sole and absolute discretion) build out other portions of the Shopping Center. Tenant agrees that additional building(s) may be located on any part of the Shopping Center (including the Common Areas) other than the exclusion area indicated on the Site Plan attached as Exhibit A.

C. LEASE TERM

1. Lease Effective Date. This Lease shall be effective upon the mutual execution of this Lease and delivery of this Lease to all parties.
2. Original Lease Term. The Original Lease Term shall commence upon the Lease Term Commencement Date and shall terminate on the last day of the sixtieth (60th) full calendar month following the Lease Term Commencement Date as set forth in Section A.7 hereof ("Lease Termination Date"). In no event shall the Lease Termination Date occur during the months of October, November, or December, and as such the Lease Termination Date shall be extended to January 31 following the date of termination of the Lease.

3. Commencement Certificate. Upon the Rent Commencement Date, Landlord will prepare a written instrument stipulating the Lease Term Commencement Date, the Rent Commencement Date, and the Lease Termination Date to be signed by all parties.
4. Option to Renew. Provided Tenant is not in default beyond any applicable cure period under any of the terms and provisions herein contained at the time of renewal or at the time the option to renew is exercised, Landlord hereby grants to Tenant the option to renew this Lease for the periods stipulated in Section A.10. The First Renewal Term and each succeeding Renewal Term(s) (if any) shall be based upon all the terms and conditions contained in this Lease except for payment of Base Rent that shall be increased pursuant to Section A.10 ("Renewal Rent"). Notice of election by Tenant to exercise each option shall be given to Landlord in writing at least six (6) months prior to the expiration of the then current term; provided, however, that Tenant's right to exercise any option hereunder shall not expire unless and until Landlord has given Tenant written notice of Tenant's failure to timely exercise its option. After receipt of such notice from Landlord, Tenant shall have fifteen (15) days to notify Landlord if Tenant wishes to exercise such option.

D. CONSTRUCTION

1. Delivery. The Delivery Date of the Premises from Landlord to Tenant shall be as set forth in Section A.6.a. Tenant accepts the Premises in broom clean and "As Is" condition, subject to the conditions contained in Section D.6 below. If Landlord is unable to deliver the Premises within ten (10) days after the Delivery Date, Tenant, at its discretion, may either (a) cancel this Lease with no further obligation hereunder by notice given to Landlord at any time prior to the Turnover Date, or (b) unless the Lease is terminated pursuant to Section A.6.c., receive a credit against Base Rent equal to Five Hundred Dollars (\$500) by notice given to Landlord at any time prior to the Turnover Date per day for each day commencing on the Delivery Date above specified and ending with the Turnover Date.

Tenant will not be required to accept delivery of stores between September 15th and October 31st.

2. Force Majeure. The period of time during which Landlord or Tenant is prevented or delayed in the performance of, or the making of any improvements or repairs or fulfilling any obligation required under this Lease due to delays caused by fire, catastrophe, strikes or labor trouble, civil commotion, acts of God, governmental prohibitions or regulations including administrative delays in obtaining building permits, inability to obtain materials or other causes beyond the responsible party's control, shall be added to that party's time for performance hereof, and Landlord or Tenant shall have no liability by reason thereof. The provisions of this Section shall not operate to excuse Tenant from prompt payment of Base Rent, Additional Rent or any other payment required by the terms of this Lease.
3. HVAC. Prior to the Lease Term Commencement Date, Tenant will install a new heating, ventilating and air conditioning system (HVAC) (including ductwork) in the Premises (at least 1 ton per 400 square feet of sales floor and at least 1 ton per 500 square feet of stockroom). Tenant shall obtain a standard manufacturer's warranty on the HVAC.
4. Signage.
 - a. Sign Package. Tenant's sign package is attached as Exhibit D and made a part of this Lease. Tenant will place no sign on the exterior of the Premises or on the interior surface of any windows of the Premises (except for Tenant's standard window decal treatment which in no event shall occupy more than fifteen percent

(15%) of said window) unless it meets the standards set forth in Exhibit D attached hereto. Exterior signs are to be provided by Tenant, individually lit, of the largest size channel letters allowed by local code (but in no event smaller than thirty-six (36) inches) in Dollar Tree's registered trademark logo and face color 5121-0 Green by Cyro, and are to be located on the store front. Exterior signage as shown on Exhibit D is hereby approved by Landlord, subject to local codes. Tenant will have the right to place temporary signage announcing the opening of a new store. Tenant agrees not to display any pennants, searchlights, window signs, or similar temporary advertising media. Tenant may display banners inside the Premises within two (2) feet from the front of the store as long as they are professionally prepared.

- b. Pylon. Tenant shall have the right to display its name on the existing main pylon sign or on a replacement of such pylon sign at no additional cost other than manufacture and installation of its panel.
- c. Maintenance and Removal. Tenant agrees to maintain its signs in good states of repair and save Landlord harmless from any loss, cost, or damage resulting from the signs' condition and shall repair any damage which may have been caused by the erection, existence, maintenance, or removal of such signs. Upon vacating the Premises, Tenant agrees to remove all signs and repair all damages caused by such removal.

5. Tenant's Work. Tenant's work, if any, is detailed in Exhibit C of this Lease.

6. Code Compliance.

- a. Landlord warrants that, to the best of Landlord's knowledge, as of the Delivery Date, the building in which the Premises are a part (the "Building") and the Premises are in compliance in all material respects with the requirements of all applicable laws, codes, rules, and regulations of any municipality or governmental authority having jurisdiction with respect to the condition of such Building and Premises ("Applicable Laws"). In addition, in the event it is determined at any time during the Original Term of this Lease or any Renewal Term(s) that the portion of the Building and/or Premises for which Landlord has responsibility for repairs pursuant to Section K.1 of this Lease are not in compliance with the requirements of Applicable Laws, Landlord shall act promptly to perform any modifications required by Applicable Laws to such portion of the Building and/or Premises at Landlord's sole cost and expense and in accordance with Section K.1 of this Lease. The foregoing warranty shall not apply to that work to be undertaken by Tenant according to Tenant's plans ("Tenant's Work"). In addition, in the event any structural modifications to the portion of the Building or the Premises are required by the requirements of Applicable Laws or insurance regulations, Landlord shall be responsible to perform any such modifications unless such modifications are considered part of Tenant's Work. Nothing contained herein shall negate Landlord's or Tenant's right to challenge any such requirements in administrative and/or judicial proceedings. Nothing contained herein shall be interpreted to require the Landlord to make modifications of, improvements to or upgrades of the Building or the Premises which otherwise would not be required due to the operation of one or more exemption or "grandfather" provisions of Applicable Laws.
- b. In the event (i) thirty days or less are reasonably required for performance of an obligation of Landlord under Section 6.a and Landlord fails to perform its obligations under Section 6.a within thirty (30) days after written notice by Tenant to Landlord in writing, specifying the nature of Landlord's failure to perform or

(ii) the nature of such obligation of Landlord under Section 6.a is such that more than thirty days are reasonably required for performance, and Landlord fails to commence such performance within the thirty day period described in Section 6.b(i) and thereafter diligently prosecute the same to completion, then Tenant, if as a result Tenant's ability to operate in the Premises is impaired, may perform the work necessary and Landlord agrees to reimburse Tenant for all amounts reasonably expended in connection herewith within thirty (30) days after receipt of Tenant's invoice specifying the work performed and the costs incurred. If payment is not made by Landlord within thirty (30) days as set forth in this Section D.6, Tenant will have the right to collect any or all of the amounts due. Notwithstanding the foregoing, should Tenant exercise its right as provided above, it will not affect any other rights or remedies available to Tenant for recovery which may be available to Tenant at law or in equity in the jurisdiction where the Premises are located.

c. Tenant shall, at its expense, comply with all Applicable Laws relating to the operation of Tenant's business at the Premises.

7. Roof. Landlord will be responsible to deliver the Premises to Tenant on the Turnover Date with the roof in good condition.

8. Time is of the Essence. **TIME IS OF THE ESSENCE WITH REGARD TO SECTION D OF THIS LEASE AND OTHER PROVISIONS OF THIS LEASE.**

E. BASE RENT.

Tenant agrees to pay to Landlord, at the address noted above, or at such place as Landlord may from time to time designate in writing, Base Rent for the Premises during the Lease Term, as set forth in Section A.10, in advance on the first day of each calendar month. The amounts to be paid by Tenant for Base Rent and Additional Rent shall be pro-rated on a per diem basis for any partial month in the Original Lease Term.

F. TAXES

1. Real Estate Taxes and Assessments. Tenant agrees to pay Tenant's Proportionate Share of all real estate taxes and assessments (including sewer assessments), together with any and all expenses incurred by Landlord in negotiating, appealing, or contesting such taxes and assessments, both general and special, levied and assessed against the land, buildings, and all other improvements which may be added thereto, or constructed within the Shopping Center. Tenant's Proportionate Share of real estate taxes and assessments are included in the fixed amount of Operating Charges stated in Section A.12. Tenant shall pay to Landlord the monthly fixed amount of Operating Charges, as set forth in Section A.12, in advance on the first day of each calendar month during the Lease Term in accordance with Section A.12. Tenant's Proportionate Share of taxes will include all discounts and exclude all penalties and interest. Tenant's Proportionate Share shall be as defined in Section A.1.c. Tenant's Proportionate Share shall be at the time such taxes were levied or assessed, but excluding the gross leasable area of any buildings within the Shopping Center which are separately assessed for tax purposes and billed to an entity other than Landlord or paid directly by an entity other than Landlord. Tenant reserves the right to audit Landlord's real estate tax and assessment statements in accordance with , and subject to the same limitations on Tenant's right to audit Common Area Maintenance charges under Section G.4.

2. Procedure for Payment. Intentionally Omitted.



3. Municipal, County, State, or Federal Taxes. Tenant shall pay, before delinquent, all municipal, county, state, or federal taxes assessed against Tenant's fixtures, furnishings, equipment, stock-in-trade, or other personal property owned by Tenant in the Premises.
4. Other Taxes. Intentionally Omitted.

G. COMMON AREAS

1. Common Areas. Landlord grants to Tenant and Tenant's invitees the right to use, in common with all others to whom Landlord has or may hereafter grant rights to use same, the Common Areas located within the Shopping Center. The term "Common Areas," as used in this Lease, shall mean the parking areas, roadways, pedestrian sidewalks, loading docks, delivery areas, landscaped areas, service courts, open and enclosed courts and malls, fire corridors, meeting areas, public restrooms, and all other areas or improvements which may be provided by Landlord for the common use of the tenants of the Shopping Center. Landlord hereby reserves the following rights with respect to the Common Areas:
 - a. Rules and Regulations. To establish reasonable rules and regulations for the use thereof which shall be uniformly enforced;
 - b. Use. To use or prohibit the use by others to whom Landlord may have granted such rights for promotional activities;
 - c. Closings. To close all or any portion thereof as may be deemed necessary by Landlord's counsel to prevent a dedication thereof or the accrual of any rights to any person or the public therein; and
 - d. Maintenance. Landlord shall operate, equip, light, repair, and maintain said Common Areas for their intended purposes in an efficient and economical manner.
 - e. Changes. Subject to Section B.2, and provided Landlord does not block access to the Premises by delivery trucks over a roadway in the Common Areas, to make changes in the shape, size, location, number and extent of improvements, building accommodation areas, loading areas, parking layout or areas, and other improvements and to eliminate or add any improvements or buildings to any portion of the Shopping Center.
2. Common Area Maintenance Charge. Tenant shall pay to Landlord as a "Common Area Maintenance Charge" Tenant's Proportionate Share as defined in Section A.1.c of all costs and expenses paid or incurred by Landlord in operating, maintaining, and repairing the Common Areas. Tenant's Proportionate Share of Common Area Maintenance Charges are included in the fixed amount of Operating Charges stated in Section A.12. Tenant shall pay to Landlord the monthly fixed amount of Operating Charges, as set forth in Section A.12, in advance on the first day of each calendar month during the Lease Term in accordance with Section A.12. In no event shall the Common Area Maintenance Charge include any depreciation on improvements or equipment, the cost of correcting or repairing construction or design defects in the Common Area, or legal fees attributable to any matters concerning any other tenant of the Shopping Center. Such costs and expenses may include but not be limited to: cleaning, lighting, repairing, and maintaining all Common Area improvements, paving, roadways, sprinkler equipment, driveways, sidewalks, curbs, culverts and drainage facilities, barriers, retaining walls, fences, directional and Shopping Center signage (other than signs to be maintained by individual tenants), sewer and water supply lines and related sewer and water system facilities, snow and ice removal, pest control, parking lot striping, painting, and painting of exterior



walls, landscaping, providing security, personal property taxes, supplies, fire protection and fire hydrant maintenance, water and sewer charges, and utility charges.

3. Procedure for Payment. Intentionally Omitted.
4. Audit Rights. The Common Area Maintenance Charge described in Section G shall be subject to audit by Tenant or an accounting firm of Tenant's choice (provided such firm does not perform the audit on a contingency fee basis), at the address Landlord sets forth in this Lease, at Tenant's expense during regular business hours for one (1) year following the end of the period used by Landlord in assessing Tenant's Proportionate Share ("Audit Period"), provided no more than one such audit shall be conducted during a calendar year. Landlord shall keep accurate records showing in detail the Common Area Maintenance Charge. These records shall, upon demand, after reasonable notice, be made available during normal business hours at an office of Landlord for inspection by Tenant. Tenant, or its authorized agents, shall, at any time upon reasonable notice to Landlord, have the right to examine and audit any and all books, records, papers and documents relating to the Common Area Maintenance Charge for the Audit Period (and for informational purposes only and not for audit purposes, for the three (3) years preceding the Audit Period). Tenant shall keep such information confidential, except in connection with any proceeding regarding same between Landlord and Tenant. Tenant shall pay all costs in connection with any audit by Tenant.

H. UTILITIES AND RUBBISH DISPOSAL

1. Utilities.
 - a. Maintenance. Commencing on the Turnover Date, the Landlord shall provide and maintain (if not required to be maintained by any applicable utility provider) all necessary pipes, mains, conduits, wires, and cables up to the point of entry to the Premises for water, gas, electricity, and telephone service.
 - b. Tenant's Responsibilities. Tenant shall have all utilities (other than water) serving the Premises (electric, natural gas, sewer, and telephone) placed in Tenant's name and Tenant shall be responsible for the payment of all utility bills directly to the provider.
 - c. Landlord's Responsibilities. Notwithstanding Section H.1.b., Tenant will not (unless otherwise required by this Lease) be responsible for the cost of any utility tap fees, cost of meter installation, or any other cost which may be levied by a utility other than those charges specifically related to the Tenant's consumption of such utility. Such cost shall be the sole responsibility of the Landlord.
2. Rubbish Disposal. Tenant shall be responsible for its trash and refuse collection and disposal. Landlord will provide Tenant use of the common trash area designated by Landlord for the location of such trash and refuse collection. In addition, Tenant agrees to:
 - a. Proper Containers. Keep any refuse in proper containers until the same is removed from the Shopping Center and to permit no refuse to accumulate around the exterior of the Premises; and
 - b. Regulations. Handle and dispose of all rubbish, garbage, and waste in accordance with regulations established by Landlord and not permit the accumulation (unless in sealed metal containers) or burning of any trash, rubbish, refuse, garbage, or waste materials in, on, or about any part of the Shopping Center.



In no event shall Landlord be liable for the quality, quantity, failure, or interruption of the foregoing utility or rubbish disposal services to the Premises unless caused by Landlord's negligent or willful acts.

3. Trash Compactor. Tenant reserves the right, at Tenant's sole cost and expense, to install a trash compactor inside the Premises.

I. USE OF PREMISES BY TENANT

1. Use of Premises. Tenant's Use of Premises will be for the Permitted Use as set forth in Section A.3 and for no other use without Landlord's prior written consent which consent may be withheld in Landlord's sole and absolute discretion.
2. Trade Name. Unless otherwise provided for herein, Tenant agrees to conduct its business in the Premises under the name of DOLLAR TREE.
3. Operation of Business. Unless otherwise provided for herein, Tenant agrees to open its store for business, fully fixtured, stocked, and staffed, and to operate in one hundred percent (100%) of the Premises during the hours set by Landlord for all tenants of the Shopping Center, on all business days the Shopping Center is open for business, except where Tenant is prevented from doing so by strikes, casualty, or other causes beyond Tenant's control. Tenant shall be permitted to stock its unit at night.
4. Retail Operations.
 - a. Go Dark. Notwithstanding any provision in this Lease to the contrary, it is expressly acknowledged by Landlord that this Lease contains no implied or express covenant for Tenant to conduct business in the Premises, continuously or otherwise, subject to the Lease terms. In the event Tenant discontinues retail operations in the Premises (excluding, however, an Exempted Discontinuance of retail operations, as defined in Section I.4.b), and such discontinuance of retail operations continues for thirty (30) consecutive days, Landlord may, at any time thereafter during the Lease term, elect to terminate this Lease and regain possession of the Premises by written notice to Tenant (the "Termination Notice"), in which event this Lease shall terminate as to all obligations accruing thirty (30) days after the date of receipt of the Termination Notice. Tenant shall give Landlord advance notice of any intended discontinuance of business from the Premises as soon as would be reasonable for Tenant to do so, considering Tenant's need to keep such decision confidential. However, unless Landlord terminates the Lease and takes possession as provided above, Tenant shall be obligated to pay Base Rent and Additional Rent and any other amounts owing under this Lease until the end of the Lease Term with respect to this Section I.4.
 - b. Exempted Discontinuances. The following discontinuances of retail operations shall be exempted from the applicability of Landlord's right to terminate hereunder ("Exempted Discontinuance"): (i) any good faith discontinuance occasioned by a force majeure event as herein described; (ii) cessation of retail operations not to exceed ninety (90) days in connection with a transfer of possession caused by a permitted assignment or sublet; (iii) any discontinuance not to exceed thirty (30) days in connection with a remodeling; or (iv) a period not to exceed three (3) days per year to conduct inventory.



J. LANDLORD ACCESS

Tenant agrees to permit Landlord free access to the Premises at all reasonable times after notice to Tenant (except in the event of an emergency when no prior notice shall be required) for the purpose of examining the same or making alterations or repairs to the Premises that Landlord may deem necessary for the safety or preservation thereof. Tenant agrees to permit Landlord or its agents, during the last one hundred eighty (180) days of the Lease Term, to show the Premises to potential tenants.

K. REPAIRS AND ALTERATIONS

1. Repairs by Landlord. Landlord shall keep the foundations, roof, floor slab, and structural portions of the outer walls of the Premises in good repair, except for repairs required thereto by reason of the acts of Tenant, Tenant's employees, agents, licensees, or contractors. Tenant shall give Landlord written notice of the necessity for any repairs coming to the attention of Tenant following which Landlord shall commence such necessary repairs within thirty (30) days of receipt of notice as provided in Section Q and shall have a reasonable time to complete such repairs. Notice from Tenant of the need for Landlord to perform a repair to the Premises shall not be a condition to Landlord commencing such repair if Landlord has actual knowledge of the need for repairs. The provisions of this subsection shall not apply in the case of damage or destruction by fire or other casualty or by Eminent Domain, in which events the obligations of Landlord shall be controlled by either Section M or O hereof.
 - a. Emergency Repairs. Notwithstanding the foregoing, in the event of an emergency which materially adversely affects the health, safety, and welfare of Tenant's employees or customers, Tenant may make such emergency repairs to the Premises as Tenant deems reasonably necessary to protect the Tenant's employees and/or customers and property. Tenant will notify Landlord as soon as possible as to what repairs were made and the cost to effect such repairs. Landlord agrees to reimburse Tenant the reasonable cost thereof within thirty (30) days after Landlord's receipt of a breakdown for such costs incurred by Tenant for such repairs.
 - b. Rights of Recovery. If Landlord fails to reimburse Tenant if required pursuant to K.1.a above within the thirty (30) day period allowed therein for reimbursement, Tenant shall have all rights or remedies available to Tenant for recovery which may be available to Tenant at law or in equity in the jurisdiction where the Premises are located.
 - c. HVAC System. Intentionally Omitted.
 - d. Tenant's Portion of Construction. It is expressly understood that Landlord shall not be responsible for any portions of the Premises constructed by Tenant.
2. Repairs by Tenant. Except as provided in Subsection K.1, Tenant shall keep:
 - a. Premises. The Premises and every part thereof and any fixtures, facilities, or equipment contained therein, in good condition and repair, including, but not limited to, exterior and interior portions of all doors, door checks and their operation, windows, plate glass, and showcases surrounding the Premises, the heating, air conditioning, electrical, plumbing (excluding any repair to the sprinkler system) and sewer systems, the exterior doors, window frames, and all portions of the store front area, and shall make any replacements thereof of all broken and/or cracked plate and window glass which may become necessary during the Lease Term, and any Renewal Term(s) thereof, excepting any repairs



to items of Landlord's original construction made necessary by reason of damage due to fire or other casualty covered by standard fire and extended coverage insurance.

- b. HVAC system. In connection with Tenant's obligation to maintain the HVAC system servicing the Premises, Tenant shall, during the Lease Term, and any Renewal Term(s) thereof, at its sole cost and expense, maintain a service contract for the routine performance of standard HVAC system maintenance, including but not limited to, quarterly replacement of filters, oiling of mechanical components and inspection for wear and tear. Within fifteen (15) days of Landlord's written request, Tenant shall provide Landlord with a copy of the foregoing HVAC service contract.
3. Alterations or Improvements by Tenant. Tenant shall be permitted to make any interior, nonstructural alterations to the Premises up to an amount not to exceed Five Dollars (\$5) per square foot, without Landlord's prior written consent. Any alterations exceeding Five Dollars (\$5) per square foot which may be permitted by Landlord shall be based upon plans and specifications submitted by Tenant and approved by Landlord and upon the condition that Tenant shall promptly pay all costs, expenses, and charges thereof, shall make such alterations and improvements in accordance with the applicable laws and building codes and ordinances and in a good workmanlike manner, and shall fully and completely indemnify Landlord, which indemnification shall be in a form acceptable to Landlord against any mechanic's lien or other liens or claims in connection with the making of such alterations, additions, or improvements. Tenant shall promptly repair any damages to the Premises, or to the buildings of which the Premises are a part, caused by any alterations, additions, or improvements to the Premises by Tenant. Landlord's approval of Tenant's plans shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding anything else contained in this Lease, Landlord agrees that such alterations or improvements may require that the business conducted in the Premises discontinue for a period not to exceed thirty (30) days during such construction.
4. Removal of Improvements. All items of Landlord's construction, all heating and air conditioning equipment, and all alterations, additions, wall coverings, and other improvements by Tenant shall become the property of Landlord and shall not be removed from the Premises. All trade fixtures, furniture, furnishings (including, but not limited to, Tenant's removable carpet tiles), and signs installed in the Premises by Tenant and paid for by Tenant shall remain the property of Tenant and shall be removed upon the expiration of the Lease Term; provided (a) that any of such items as are affixed to the Premises and require severance may be removed only if Tenant repairs any damage caused by such removal, and (b) that Tenant shall have fully performed all of the covenants and agreements to be performed by Tenant under the provisions of this Lease. If Tenant fails to remove such items from the Premises within ten (10) days of the expiration or earlier termination of this Lease, this shall be an abandonment of such items and Landlord may retain such items and all rights of Tenant with respect to such items shall cease or, by notice in writing given to Tenant within twenty (20) days after removal was required, Landlord may elect to hold Tenant to its obligation of removal. If Landlord elects to require Tenant to remove such items Landlord may effect a removal and place such items in public storage for Tenant's account. Tenant shall be liable to Landlord for the cost of removal, restoration, transportation to storage, and storage, with interest on all such expenses as provided in Section P.1.

L. INDEMNITY AND INSURANCE

1. Indemnification by Tenant. Except to the extent caused by Landlord's negligence, Tenant will indemnify and hold Landlord harmless from, for and against all loss, cost, claim, expense, and liability (including Landlord's costs of defending against the



foregoing, such cost to include reasonable attorney's fees and costs) resulting or occurring by reason of Tenant's (or its employees, contractors, or subtenants) use of the Shopping Center or construction, use, or occupancy of the Premises or by reason of use of the Premises by Tenant's invitees or by reason of Tenant's breach of any representation and warranties made by Tenant contained in this Lease or Tenant's operation and maintenance of the Premises or failure to perform any of its obligations under this Lease.

2. Indemnification by Landlord. Except to the extent caused by Tenant's negligence, Landlord will indemnify and hold Tenant harmless from, for, and against all loss, cost, expense, and liability (including Tenant's costs of defending against the foregoing, such costs to include reasonable attorney's fees and costs) resulting or occurring by reason of Landlord's breach of any representation and warranties made by Landlord contained in this Lease or Landlord's failure to operate and maintain the Common Areas in accordance with this Lease.
3. Tenant's General Liability Insurance. Tenant agrees to carry commercial general liability insurance covering the Premises and Tenant's use thereof, with a minimum limit of One Million Dollars (\$1,000,000) for each occurrence and a minimum limit of Two Million Dollars (\$2,000,000) general aggregate and an umbrella policy with a minimum additional coverage of One Million Dollars (\$1,000,000). Such policy shall be written to apply to all bodily injury, property damage, personal injury and other covered loss. Tenant shall provide certificates of such coverage to Landlord prior to the date of any use or occupancy of the Premises by Tenant or its contractors, agents or employees; said certificate shall name Landlord and the holder of any mortgage or trust deed on the Shopping Center ("Lender") as additional insureds under such insurance policy, and the insurer agrees to notify Landlord and such other parties designated by Landlord as additional insureds not less than ten (10) days in advance of any substantial modification or cancellation thereof. If Tenant shall fail to procure such insurance or to deliver such certificate, then Landlord may, at its option and in addition to any other remedies provided by this Lease, procure the same for the account of Tenant, and Tenant shall pay the cost thereof to Landlord as Additional Rent.
4. Landlord's Insurance.
 - a. Insurance for Improvements. Landlord agrees to carry policies insuring the building in which the Premises are located against fire and such other perils as are normally covered by an "all risk" policy (but excluding earth movement unless covered by Landlord at Landlord's discretion), in an amount equal to at least one hundred percent (100%) of the replacement cost of such improvements. Tenant shall have no rights in said policy or policies maintained by Landlord and shall not be entitled to be a named additional insured thereunder.
 - b. Tenant's Proportionate Share. During the Original Lease Term, or any Renewal Term(s) thereof, Tenant shall pay to Landlord, Tenant's Proportionate Share of the foregoing Landlord's insurance premium. Tenant's Proportionate Share of Landlord's insurance premium is included in the fixed amount of Operating Charges stated in Section A.12. Tenant shall pay to Landlord the monthly fixed amount of Operating Charges, as set forth in Section A.12, in advance on the first day of each calendar month during the Lease Term in accordance with Section A.12. Tenant reserves the right to audit Landlord's insurance payments in accordance with, and subject to the same limitations on, Tenant's rights to audit Common Area Maintenance Charges under Section G.4.
 - c. Liability Insurance. Landlord agrees to carry commercial general liability insurance covering the Common Areas with a minimum limit of One Million



Dollars (\$1,000,000) for each occurrence and a minimum limit of Two Million Dollars (\$2,000,000) general aggregate.

5. Self-insure. Tenant shall self-insure its leasehold improvements, inventory, fixtures, equipment, and plate glass in the Premises during the Original Lease Term and any Renewal Term(s) or extensions thereof so long as Tenant shall have a net worth of at least Ten Million Dollars (\$10,000,000), and Tenant shall hold Landlord harmless from any and all damage to such property except to the extent caused by willful or negligent acts of Landlord. At Landlord's written request, Tenant shall furnish Landlord with an Annual Report evidencing such net worth if Landlord cannot access the Annual Report and other financial data on Tenant's web site at www.dollartree.com.
6. Mutual Waiver. Except as otherwise provided in Section M.5 with respect to Tenant's liability for the deductible, neither party shall be liable to the other for any loss or damage which (a) would be insured against under the terms of any property insurance required to be carried under this Lease, or (b) is insured against under the terms of any property insurance actually carried, regardless of whether it is required under this Lease. Such waiver shall apply regardless of whether the claim is due to the negligence of a party or that parties' agents, officers, employees or contractors.

M. DAMAGE AND DESTRUCTION

1. Partial Damage. In the event the Premises are damaged to an extent which is less than fifty percent (50%) of the cost of replacement of the Premises, the damage shall, except as hereinafter provided, promptly be repaired by Landlord, at Landlord's expense and Landlord shall, provided Landlord has obtained all necessary governmental permits and approvals (which Landlord shall use good faith efforts to obtain) commence such repairs not later than sixty (60) days after such casualty and substantially complete such repairs within 180 days after commencement of such repairs (subject to Section W.11). In the event the Premises are damaged less than fifty percent (50%) of the cost of replacement of the Premises in the last two (2) years of any Lease term, including any Renewal term(s), Landlord or Tenant shall have the right to terminate the Lease. However, if Landlord can repair the damage and return the Premises to Tenant so that there is a minimum of thirteen and one-half (13½) months remaining on the then current Lease term, then Tenant shall not have the right to terminate the Lease. If the Landlord elects to terminate the Lease as provided above, then Tenant can negate Landlord's election to terminate the Lease by exercising early its upcoming Renewal Term, provided there is at least one additional Renewal Term remaining under the Lease.
2. Total Damage. In the event (a) the Premises are damaged to the extent of fifty percent (50%) or more of the cost of replacement of the Premises, then Landlord or Tenant may elect to terminate this Lease upon giving notice of such election in writing to the other within thirty (30) days after the event causing the damage. If this Lease is not terminated as provided for above, the Landlord will, provided Landlord has obtained all necessary governmental permits and approvals (which Landlord shall use good faith efforts to obtain), commence the repairs or rebuilding not later than sixty (60) days after the casualty and substantially complete such repairs within one hundred and eighty (180) days after commencement of such repairs (subject to Section W.11).
3. Repair. If Landlord is required under Section M.1, or elects to repair under Section M.2, (a) Landlord need not incur expenses for restoration in excess of the net insurance proceeds available to Landlord after payment of all reasonable costs, expenses and attorneys' fees incurred by Landlord in connection therewith, and (b) Tenant shall repair or replace its stock-in-trade, trade fixtures, furniture, furnishings, equipment, and personal property in a manner and to at least a condition equal to that prior to its damage or destruction. If the Premises is not fully restored and the rental value of the Premises is



thereby reduced, Tenant shall be entitled to a rent abatement to the extent of the reduction in such rental value, or if the Premises is no longer usable for the purposes for which it was let, Tenant shall have the right to terminate this Lease by written notice to Landlord given within thirty (30) days after notice that the Premises will not be fully restored.

4. Abatement of Rent. If the casualty, repairing, or rebuilding shall render the Premises untenable, in whole or in part, a proportionate abatement of the Base Rent and Additional Rent shall be allowed until the date Landlord completes the repairs or rebuilding and Tenant has a reasonable time, not to exceed ninety (90) days from Delivery by Landlord to complete Tenant's required build out and opens for business.
5. Damage by Tenant. Notwithstanding any terms of this Section M, if the damage was caused by Tenant or by Tenant's agents, employees, officers or representatives, Base Rent and Additional Rent shall not abate and Tenant shall reimburse Landlord the amount of any commercially reasonable deductible in Landlord's insurance coverage.

N. ASSIGNING AND SUBLETTING

1. Tenant's Rights. Tenant shall have the right, without Landlord's consent, to assign this Lease or to sublet the whole or any part of the Premises at any time provided that notice is given within ten (10) days after such assignment or sublet, and provided:
 - a. Tenant will remain liable hereunder;
 - b. Tenant's assignee or sub-tenant will assume all obligations under the Lease;
 - c. The Premises will continue to be used only for retail sales consistent with the Permitted Use clause;
 - d. Tenant transfers at least five percent (5%) of its stores to the assignee/sublessee in connection with such assignment; AND
 - e. The assignee/sublessee has a net worth of at least \$5,000,000.
2. Tenant's Stock. A portion of Tenant's stock is publicly traded and any change in ownership of capital stock shall not constitute an Assignment for the purposes of this Lease.
3. Consent of Landlord. Except as provided above, Tenant shall not assign this Lease or sublet the Premises, in whole or in part or mortgage, pledge or otherwise transfer any interest in the Premises or Tenant's leasehold estate, without the prior written consent of Landlord; however, such consent shall not be unreasonably withheld, delayed, or conditioned. The use of such sublet or assignment shall be for the Permitted Use which does not violate any recorded restriction or any existing exclusives of other tenants at the time of such assignment or sublet and for no other use without Landlord's prior written consent (which consent may be withheld in Landlord's sole and absolute discretion). Notwithstanding any provision in this Lease, it shall not be a Permitted Use to operate the Premises as, and the Premises shall not be operated as, a Goodwill, Value Village, or other comparable store without Landlord's prior written consent, which consent may be withheld in Landlord's sole and absolute discretion. In the event of such assignment or sublet, Tenant will remain primarily liable for the performance of the covenants herein contained binding upon Tenant. Landlord's consent to the assignment or subletting shall not waive the requirements that Landlord's consent be obtained for further assignment or sublets.



O. EMINENT DOMAIN

1. Condemnation Award. In the event the Shopping Center or any part thereof (including the Premises) shall be taken or condemned either permanently or temporarily for any public or quasi-public use or purpose by any authority in appropriate proceedings or by any right of eminent domain, the entire compensation award thereof, shall belong to Landlord, without any deduction therefrom, for any present or future estate of Tenant, and Tenant hereby assigns to Landlord all its right, title, and interest to any such award. Tenant shall have the right to recover such compensation as may be awarded on account of the cost of leasehold improvements made by Tenant that remains unamortized on a straight line basis for the remainder of the Lease Term and nothing herein shall limit Tenant's claim against the agency exercising such power for Tenant's moving and relocating expenses.
2. Rights of Termination. In the event of a taking under the power of eminent domain of more than twenty-five percent (25%) of the Premises, or more than fifty percent (50%) of the Shopping Center GLA (as constituted immediately prior to such taking), either Landlord or Tenant shall have the right to terminate this Lease by notice in writing given within thirty (30) days after the condemning authority takes possession, in which event all Base Rent and Additional Rent shall be pro-rated as of the date of such termination.
3. Restoration. In the event of a taking of any portion of the Premises not resulting in a termination of this Lease, Landlord shall use as much of the proceeds of Landlord's award for the Premises as is required therefore to restore the Premises to a complete architectural unit and this Lease shall continue in effect with respect to the balance of the Premises, with a reduction of Base Rent and Additional Rent in proportion to that portion of the Premises taken. Landlord need not incur expenses for restoration in excess of the amount of condemnation proceeds received by Landlord after payment of all reasonable costs, expenses and attorneys' fees incurred by Landlord in connection therewith.

P. DEFAULT AND REMEDIES

1. Default by Tenant.
 - a. Financial Default. The Tenant shall be in financial default if it fails to pay when due each installment of Base Rent or Additional Rent.
 - b. Notice. In the event Tenant is in financial default, it shall have a grace period of ten (10) days to cure such default after Tenant shall have received notice of such default by certified mail, return receipt requested or by a nationally recognized overnight courier that provides verification of receipt to the address stated in Section A.4 of this Lease, provided, however, Tenant shall not be entitled to (and Landlord shall not be required to give) more than one (1) such notice in any twelve (12) month period, after which Tenant shall have a grace period of ten (10) days after the due date to cure such default.
 - c. General Default. Tenant shall be in general default if it shall fail to keep or shall violate any other conditions, stipulations, or agreements contained herein on the part of the Tenant to be kept and performed.
 - d. Notice. In the event Tenant is in general default, it shall have a grace period of thirty (30) days to cure such default after Tenant shall have received notice of such default by certified mail, return receipt requested or by a nationally recognized overnight courier that provides verification of receipt to the address stated in Section A.4 of this Lease. Tenant must be given written notice of every event of default and shall be permitted thirty (30) days within which to cure that



default. Notwithstanding the foregoing the default hereunder shall be deemed cured if Tenant in good faith commences performance requisite to cure same within thirty (30) days after receipt of notice and thereafter continuously and with reasonable diligence proceeds to complete the performance required to cure such default. Notwithstanding the foregoing, Landlord shall not be obligated to give written notice for the same type of general default more than twice during a calendar year (and Tenant shall not be entitled to the grace period afforded under this Section P.1.d for curing a general default if the same type of general default has occurred twice during a calendar year).

- e. Insolvency Default. Tenant shall be in insolvency default in the event of dissolution, termination of existence, insolvency on a balance sheet basis or business failure of Tenant; the commencement by Tenant of a voluntary case under the federal bankruptcy laws or under any other federal or state law relating to insolvency or debtor's relief; the entry of a decree or order for relief against Tenant in an involuntary case under the federal bankruptcy laws or under any other applicable federal or state law relating to insolvency or debtor's relief; the appointment of or the consent by Tenant to the appointment of a receiver, trustee, or custodian of Tenant or of any of Tenant's property; an assignment for the benefit of creditors by Tenant; Tenant's failure generally to pay its debts as such debts become due; the making or suffering by Tenant of a fraudulent transfer under applicable federal or state law; concealment by Tenant of any of its property in fraud of creditors; the making or suffering by Tenant of a preference within the meaning of the federal bankruptcy law; or the imposition of a lien through legal proceedings or distraint upon any of the property of Tenant which is not discharged or bonded.
- f. Landlord's Options. In the event Tenant is in either financial or general default beyond any applicable cure period afforded Tenant under Section P.1 or in insolvency default, Landlord, may exercise any one or more of the following remedies, or any other remedy available under applicable law:
- 1) Termination. Landlord may terminate Tenant's right to possession of the Premises and Tenant's rights under this Lease by giving written notice to Tenant of Landlord's election to terminate Tenant's right to possession of the Premises, and this Lease will terminate as of the date stated in such notice. In the event of such termination, Landlord may recover damages from Tenant as provided in Section P.1.e.3 below;
 - 2) Retake Possession. Landlord may re-enter and retake possession of the Premises, without notice, either by summary proceedings, force, any other applicable action or proceeding, or otherwise. Landlord may use the Premises for Landlord's own purposes or relet it upon any reasonable terms without prejudice to any other remedies that Landlord may have by reason of Tenant's default. None of these actions will be deemed an acceptance of surrender by Tenant;
 - 3) Damages for Default. Whether or not Landlord retakes possession or relets the Premises, Landlord may recover all damages caused by the default (including but not limited to unpaid rent, attorneys' fees relating to the default, broker's commissions and costs to return the Premises to the condition as when delivered). Landlord may sue periodically to recover damages as they accrue during the remainder of the Lease Term without barring a later action for further damages. Landlord may at any time bring an action for accrued damages, together with interest thereon at the rate of 12 percent per annum, plus damages for the remaining lease



term equal to the difference between the rent specified in this Lease and the reasonable rental value of the Premises for the remainder of the Lease Term, discounted to the time of judgment at the rate of 1 percent per annum over the discount rate of the Federal Reserve Bank of San Francisco as of the date of such judgment; and

- 4) Cure of Tenant's Default. Without prejudice to any other remedy for default, Landlord may perform any obligation or make any payment required to cure a default by Tenant. The cost of performance, including attorneys' fees and all disbursements, shall immediately be repaid by Tenant upon demand, together with interest from the date of expenditure until fully paid at the rate of 12 percent per annum, but not in any event at a rate greater than the maximum rate of interest permitted by law.
- g. Failure to Exercise Rights. No delay or omission by Landlord to exercise any right or power accruing upon any noncompliance or default by Tenant with respect to any of the terms hereof, shall impair any such right or power or be construed to be a waiver thereof. Every such right or power may be exercised at any time during the continuation of this Lease. It is further agreed that a waiver by Landlord of any of the covenants and agreements hereof to be performed by Tenant shall not be construed to be a waiver of any subsequent breach thereof or of any covenant or agreement herein contained.
- h. Re-entry. In addition to all other rights granted to Landlord under this Lease, or under prevailing law, or if Tenant shall be in default, Landlord or its agents or employees may immediately or any time hereafter re-enter the Premises and remove Tenant's agents, any subtenants, any licensees, any concessionaires and any invitees, and any of its or their property from the Premises. Re-entry and removal may be effectuated by summary dispossession proceedings, by any suitable action or proceeding at law, by force, or otherwise. Landlord shall be entitled to the benefits of all provisions of law respecting the speedy recovery of lands and tenements held over by Tenant or proceedings in forcible entry and detainer. Tenant's liability under the terms of this Lease shall survive Landlord's re-entry, the institution of summary proceedings, and the issuance of any warrants with respect thereto.
2. Default by Landlord. Landlord shall not be in default under this Lease unless Landlord fails to perform its obligations within 30 days after written notice by Tenant to Landlord specifying the nature of Landlord's failure to perform; provided, however, that if the nature of Landlord's obligation is such that more than 30 days are reasonably required for performance, then Landlord shall not be in default if Landlord commences performance within such 30 day period and, thereafter diligently prosecutes the same to completion. In the event Landlord shall fail to perform any obligations specified in this Lease, then Tenant may, after the continuance of any such default and failure to cure such default for thirty (30) days after written notice thereof to Landlord, cure such default, all on behalf of and at the expense of Landlord, and do all necessary work in connection therewith, and Landlord shall on demand, pay Tenant forthwith the reasonable amount so paid by Tenant. A default hereunder shall be deemed cured if Landlord in good faith commences performance requisite to cure same within thirty (30) days after receipt of notice and thereafter continuously and diligently proceeds to complete the performance required to cure such default. In the event of default under this provision by Landlord, Tenant shall have all remedies accorded to it under the laws of the state in which the Premises is located.



Q. NOTICES

1. Proper Notice. Any notice or consent required to be given by or on behalf of either party to the other shall be in writing and shall be deemed given when received or rejected after such notice shall have been mailed by certified mail, return receipt requested, postage prepaid, or by a nationally recognized overnight courier that provides verification of receipt to the address stated in Section A.4 of this Lease. Landlord shall not mail or deliver any notice or consent required to be given by or on behalf of Landlord to the Premises.
2. Change of Address. Either party's address may be changed from time to time by such party giving written notice to the other party of the new address.

R. MORTGAGE SUBORDINATION/ATTORNMENMENT.

Landlord is the fee simple owner of the Shopping Center. This Lease is and shall at all times, unless Landlord shall otherwise elect, be subject and subordinate to all easements and encumbrances now or hereafter affecting the fee title of the Shopping Center and to all mortgages, deeds of trust, financing or refinancing in any amounts which may now or hereafter be placed against or affect any or all of the land or any or all of the building and improvements now or at any time hereafter constituting part of or adjoining the Shopping Center. Notwithstanding the foregoing, any successor to Landlord's interest in the Premises, including any ground lessor or holder of any mortgage or deed of trust, or to any purchaser at foreclosure (or by deed in lieu of foreclosure) shall, so long as Tenant is not in default of the terms and conditions of this Lease (beyond any applicable cure periods), recognize and accept this Lease and all terms, conditions, and obligations of the Landlord contained herein. Tenant also agrees that any mortgagee or trustee may elect to have this Lease deemed prior to the lien of its mortgage or deed of trust, and upon notification by such mortgagee or trustee to Tenant to that effect, this Lease shall be deemed prior in lien to the said mortgage or deed of trust, whether this Lease is dated prior to or subsequent to the date of said mortgage or deed of trust. Tenant agrees that if Landlord's mortgagee or trustee requests confirmation of such subordination, within twenty (20) days after receipt of written request therefor, Tenant shall execute and deliver whatever instruments (including but not limited to a Memorandum of Lease and/or a Subordination, Non-Disturbance and Attornment Agreement in recordable form) may be required for such purposes to carry out the intent of this section.

In the event any proceedings are brought for foreclosure, or in the event of the exercise of the power of sale under any mortgage or trust deed made by Landlord covering the Premises, upon request Tenant shall attorn to the purchase upon any such foreclosure or sale and recognize such purchaser as Landlord under this Lease.

S. ESTOPPEL CERTIFICATES

At any time and from time to time, Tenant agrees, within twenty (20) days after receipt of written request from Landlord, to execute and deliver to Landlord, for the benefit of such persons as Landlord names in such request, a statement in writing and in form and substance provided by Landlord certifying to such of the following information as Landlord shall request: (a) that this Lease constitutes the entire agreement between Landlord and Tenant and is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications); (b) the dates to which the Base Rent, Additional Rent, and other charges hereunder have been paid; (c) that the Premises have been completed on or before the date of such letter and that all conditions precedent to the Lease taking effect have been carried out; (d) that Tenant has accepted possession, that the Lease Term has commenced, that Tenant is occupying the Premises, that Tenant knows of no default under the Lease by Landlord and that there are no defaults or offsets which Tenant has against enforcement of this Lease by Landlord; (e) the actual Rent Commencement Date of the Lease



and the Lease Termination Date of the Lease; and (f) that Tenant's store is open for business and (g) such other matters as may be reasonably requested by a lender or potential purchaser; provided such facts are true and ascertainable. Failure to deliver the certificate within the specified time shall be conclusive upon Tenant that the Lease is in full force and effect and the certificate is true and correct in every respect.

T. COVENANT OF QUIET ENJOYMENT

Landlord hereby covenants that if Tenant shall perform all the covenants and agreements herein stipulated to be performed on Tenant's part, Tenant shall at all times during the continuance hereof have quiet enjoyment of the Premises without hindrance from any person claiming by, through or under Landlord.

U. LIABILITY OF LANDLORD

1. Judgments. Notwithstanding anything to the contrary provided in this Lease, it is specifically understood and agreed, such agreement being a primary consideration for the execution of this Lease by Landlord, that if Landlord shall fail to perform any covenant, term, condition, or warranty contained in this Lease upon Landlord's part to be performed and, as a consequence of such default, Tenant shall recover a money judgment against Landlord, such judgment shall be satisfied only out of the proceeds of sale received upon execution of such judgment and levied thereon against the right, title, and interest of Landlord in the Shopping Center, as the same may then be encumbered, and neither Landlord, nor, if Landlord be a partnership, any of the partners comprising such partnership shall be liable for any deficiency. It is understood that in no event shall Tenant have any right to levy execution against any property of Landlord other than its interest in the Shopping Center as herein before expressly provided.
2. Transfer of Title. In the event of the sale or other transfer of Landlord's right, title, and interest in the Premises or the Shopping Center, Landlord shall be released from all liability and obligations hereunder only to the extent its transferee shall assume in writing the obligations of Landlord herein set forth.

V. ENVIRONMENTAL MATTERS – NO HAZARDOUS SUBSTANCES

1. Acts. For the purposes of this Lease, the term "Hazardous Materials" shall include, without limitation, those substances, materials, or waste described in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (CERCLA), (42 U.S.C. 9601, et seq.); The Resource Conservation and Recovery Act, as amended (RCRA), (42 U.S.C. 6901, et seq.); Emergency Planning & Community Right-to-Know Act, as amended (EPCRA), (42 U.S.C. 11991, et seq.); Clean Water Act, as amended (CWA), (33 U.S.C. 1251, et seq.); Clean Air Act, as amended (CAA), (42 U.S.C. 7401, et seq.); Toxic Substances Control Act, as amended (TSCA), (15 U.S.C. 2601, et seq.); Safe Drinking Water Act, implementing regulations for such Acts, and as amended (SDWA), (42 U.S.C. 300(f) et seq.); and any other applicable federal, state, local laws or ordinances, and the regulations adopted thereunder, or any other substance, material or waste which has been determined by the United States Environmental Protection Agency, the Federal Occupational Health and Safety Administration, or any other federal or state agency, to be capable of posing significant risk of injury to human health or safety. Hazardous Substances shall not include ordinary household cleaning and maintenance products or those which are part of Tenant's inventory of items for retail sale, provided that such products and items are used with due care, and are used, stored and maintained in compliance with Environmental, Health and Safety Requirements.



2. Asbestos and Other Hazardous Materials. Landlord represents, to the best of Landlord's current actual knowledge, without any independent investigation, that the Premises is free of asbestos and there are no material concentrations of Hazardous Materials in the Premises.
3. Tenant's Operations. Tenant shall not engage in operations at the Premises which involve the generation, manufacture, refining, transportation, treatment, storage, handling, or disposal of "Hazardous Materials," without the prior written consent of Landlord, which consent shall be at Landlord's sole and absolute discretion.
4. Indemnification of Landlord. Tenant will defend, protect, indemnify, and hold Landlord harmless from, for and against any and all claims, causes of action, liabilities, damages, costs, and expenses, including, without limitation, attorneys' fees arising from or in any way connected with Hazardous Materials (as defined in Section V.1) introduced to the Shopping Center (including the Common Areas and Premises) by Tenant (or its employees, contractors or subtenants) and/or introduced to the Premises by the invitees of Tenant.
5. Indemnification of Tenant. Landlord will defend, protect, indemnify, and hold Tenant harmless from and against any and all claims, causes of action, liabilities, damages, costs, and expenses, including, without limitation, attorneys' fees arising from or in any way connected with Hazardous Materials (as defined in Section V.1) introduced to the Shopping Center, Common Areas or Premises by Landlord.
6. Limitation of Liability. Notwithstanding the provisions of this Section V, Landlord's and Tenant's liability hereunder will be limited to compliance with all federal and state environmental regulations dealing with release of Hazardous Materials by Landlord or Tenant and each party's rights under this Section V shall not extend to requiring either party to perform any duties in excess thereof.

W. MISCELLANEOUS PROVISIONS

1. Brokers Commissions. Landlord and Tenant hereby warrant to the other that there are no claims for brokers' commissions or finders' fees in connection with the execution of this Lease, and Landlord and Tenant agree to indemnify and save the other harmless from any liability that may arise from such claims, including reasonable attorneys' fees.
2. Surrender and Holding Over.
 - a. Surrender. Subject to the provisions of Section K.4, Tenant shall deliver up and surrender to Landlord possession of the Premises upon the expiration of the Lease term, or its prior termination for any reason, in as good condition and repair as the same shall be at the commencement of said term (damage by fire and other perils covered by standard fire and extended coverage insurance and ordinary wear and tear excepted).
 - b. Holdover. If Tenant fails to surrender the Premises on the date that the Lease term expires or terminates, Landlord shall have the option to treat Tenant's continued occupancy as a tenancy from month-to-month, subject to all of the provisions of this Lease in effect at the time of holdover, or to eject Tenant from the Premises and recover damages caused by wrongful holdover.
3. Mechanic's Liens. Tenant shall pay as due all claims for work done on or for services rendered or material furnished to the Premises by or on behalf of Tenant. Should any mechanic's liens or other liens or affidavits claiming liens be filed against the Premises or any portion thereof or interest therein for any reason whatsoever incident to the acts or



omissions of Tenant, its agents or contractors, Tenant shall cause the same to be canceled and discharged of record by payment, bonding, or otherwise, within thirty (30) days after notice by Landlord. If Tenant fails to pay such claim or discharge any such lien, Landlord may do so and collect such amount as Additional Rent. Such payment by Landlord shall not constitute a waiver of any right or remedy Landlord may have because of Tenant's default.

4. Mortgagee Consent. Landlord represents that it has obtained the existing mortgagee's consent to this Lease Agreement, or that such consent is not necessary.
5. Landlord Title Report. Landlord agrees to furnish Tenant with a current Title Report which will be made a part of this Lease and attached as Exhibit E.
6. Recording. This Lease shall not be recorded. However, upon the request of either Landlord or Tenant, the other party agrees to execute a Memorandum of Lease setting forth such terms and provisions as may be acceptable to both Landlord and Tenant that may be recorded at the cost of the party desiring recording.
7. Severability. In the event that any provision or section of this Lease is rendered invalid by the decision of any court or by the enactment of any law, ordinance or regulation, such provision of this Lease shall be deemed to have never been included therein, and the balance of this Lease shall continue in effect in accordance with its terms.
8. Attorneys' Fees. In the event of any legal proceeding arising out of a dispute among the parties with regard to enforcement of any provision of this Lease, the prevailing party will be entitled to an award of its reasonable attorneys' fees and costs (at trial, on appeal and in any bankruptcy proceedings) from the non-prevailing party.
9. Jury Trial. In the event of a dispute, Landlord and Tenant agree to waive the right to jury trial.
10. Waiver. No waiver of any condition or legal right or remedy shall be implied by the failure of Landlord or Tenant to declare a forfeiture, or for any other reason, and no waiver of any condition or covenant shall be valid unless it is in writing and signed by Landlord or Tenant. The acceptance of Base Rent or Additional Rent by Landlord shall never be construed to be a waiver of any term of this Lease.
11. Force Majeure. In addition to the provisions of Section D.2, Force Majeure, with respect to the Lease in general, shall mean strikes, delays caused by the other party or any governmental or quasi-governmental entity, shortages of materials, natural resources or labor, or any and all causes beyond the reasonable control of the performing party. Neither party shall be in default under this Lease for failure to perform due to Force Majeure. The time period for such performance shall be extended for each day performance is delayed by Force Majeure. The provisions of this Section shall not operate to excuse Tenant from prompt payment of Base Rent, Additional Rent or any other payment required by the terms of this Lease.
12. No Partnership. Landlord and Tenant do not, in any way or for any purpose, become a partner with the other in the conduct of either's business.
13. Section Headings. The section headings are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope or intent of this Lease nor in any way affect this Lease.
14. Lease Inures to the Benefit of Assignees. This Lease and all of the covenants, provisions, and conditions herein contained shall inure to the benefit of and be binding



upon the heirs, personal representatives, successors, and assigns respectively, of the parties hereto, provided, however, that no assignment by, from, through, or under Tenant in violation of the provisions hereof shall vest in the assigns any right, title, or interest whatsoever.

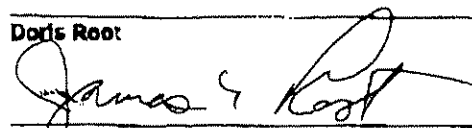
15. No Presumption Against Drafter. Both parties have freely negotiated this Lease. In any controversy, dispute, or contest over the meaning, interpretation, validity, or enforceability of this Lease or any of its terms or conditions, there shall be no inference, presumption, or conclusion drawn whatsoever against either party by virtue of that party having drafted this Lease or any portion thereof.
16. Authority to Sign Lease. Each of the persons who has signed this Lease represents and warrants that he has been duly authorized to sign this Lease by all necessary action on the part of the entity on whose behalf he has signed this Lease.
17. Cancellation of Existing Lease. Intentionally Omitted.
18. Entire Agreement. This Lease and the exhibits attached hereto set forth all the covenants, promises, agreements, conditions, and understandings between Landlord and Tenant concerning the Premises, and there are no covenants, promises, agreements, conditions, or understandings, either oral or written, between them other than are herein set forth. No subsequent alteration, amendment, change, or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them.
19. Nondisclosure of Lease Terms. Landlord and Tenant agree that the terms of this Lease are confidential and constitute proprietary information of the parties hereto. Disclosure of the terms hereof could adversely affect the ability of Tenant to negotiate with other Landlords. Each of the parties hereto agrees that such party, and its respective partners, officers, directors, employees, agents and attorneys, shall not disclose the terms and conditions of this Lease to any other person without the prior written consent of the other party hereto except pursuant to an order of a court of competent jurisdiction; provided, however, that Landlord may disclose the terms hereof to any lender now or hereafter having a lien on Landlord's interest in the Shopping Center, or any portion thereof, and either party may disclose the terms hereof to its respective independent accountants who review its respective financial statements or prepare its respective tax returns, to any prospective transferee of all or any portions of their respective interests hereunder (including a prospective sublessee or assignee of Tenant), to any lender or prospective lender to such party, to any governmental entity, agency or person to whom disclosure is required by applicable law, regulation or duty of diligent inquiry and in connection with any action brought to enforce the terms of this Lease, on account of the breach or alleged breach hereof or to seek a judicial determination of the rights and obligations of the parties hereunder.
20. Counterparts. This Lease may be executed simultaneously or in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.



IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be signed as of the date and year first above written.

LANDLORD

Doris Root


James M. Root, as Trustee of the Donald G. Root
Creek Shelter Trust

John Batzer

The Hunter Three Family Limited Partnership, an
Oregon limited partnership

By: _____
Name: _____
Title: _____

Date: _____

TENANT

DOLLAR TREE STORES, INC.,
a Virginia corporation

By: 
Robert G. Gurnee, Vice President
Real Estate Department

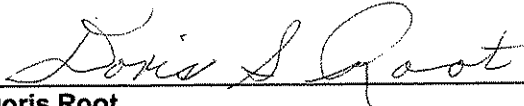
FEIN # 54-1387385

Date: 2-9-04




IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be signed as of the date and year first above written.

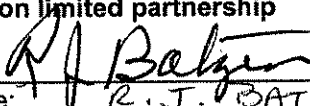
LANDLORD


Doris Root

James M. Root, as Trustee of the Donald G. Root
Credit Shelter Trust


John Batzer AGENT FOR SITARA L.L.C.

The Hunter Three Family Limited Partnership, an
Oregon limited partnership

By: 
Name: R. J. BATZER
Title: AGENT

Date: 2.12.04

TENANT

DOLLAR TREE STORES, INC.,
a Virginia corporation

By: 
Robert G. Gurnee, Vice President
Real Estate Department

FEIN # 54-1387365

Date: 2-9-04



EXHIBIT A

SITE PLAN



EXHIBIT A
HIGHWAY 140 (LAKE OF THE WOODS HIGHWAY)

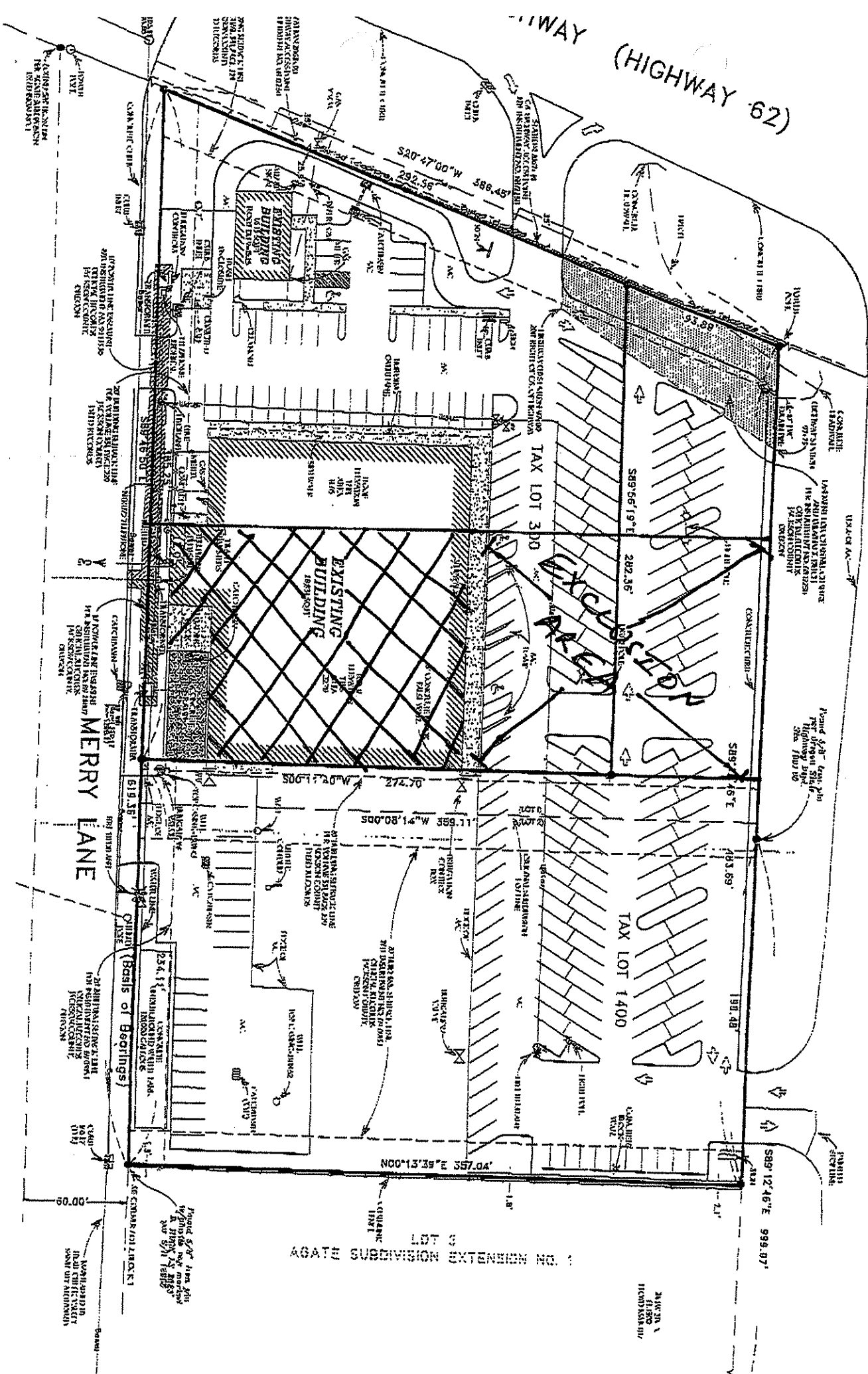


EXHIBIT B

LEGAL DESCRIPTION OF SHOPPING CENTER

PARCEL 1:

Commencing at the Southeast corner of Lot 2, Block 3 of AGATE SUBDIVISION EXTENSION NO. 1, according to the Official Plat thereof, now of record in Jackson County, Oregon; thence along the South line of said Block 3, North 89° 46' 50" West 234.11 feet to a 5/8 inch iron rebar for the point of beginning; thence continue North 89° 46' 50" West 385.25 feet to the Easterly right-of-way line of Crater Lake Highway (Highway 62); thence along said right-of-way line, North 20° 47' 00" East 292.56 feet to a 5/8 inch iron rebar; thence South 89° 46' 19" East 282.36 feet to a 5/8 inch iron rebar; thence South 00° 11' 40" West 274.70 feet to the point of beginning.

PARCEL 2:

Beginning at the Southeast corner of Lot 2, Block 3 of AGATE SUBDIVISION EXTENSION NO. 1, according to the Official Plat thereof, now of record in Jackson County, Oregon; thence along the South line of said Block 3, North 89° 46' 50" West, 234.11 feet to a 5/8-inch iron rebar; thence North 00° 11' 40" East 274.70 feet to a 5/8-inch iron rebar; thence North 89° 56' 19" West, 282.36 feet to a 5/8-inch iron rebar situated on the Easterly right-of-way line of Crater Lake Highway (Highway 62); thence along said right-of-way line, North 20° 47' 00" East, 93.89 feet to the Southerly right-of-way line of Highway 140 (Lake of the Woods Highway); thence along said right-of-way line, South 89° 12' 46" East, 483.69 feet to the East line of said Lot 2, Block 3 of AGATE SUBDIVISION EXTENSION NO. 1; thence along said East line, South 00° 13' 39" West 357.04 feet to the Point of Beginning.



EXHIBIT C

LANDLORD'S WORK and TENANT'S WORK

Landlord's Work

In addition to any work required of Landlord pursuant to Section D.7 of the Lease, Landlord shall deliver the Premises to Tenant in accordance with this Lease with (a) telephone line(s) to the D-mark in the Premises, (b) the plumbing and electrical lines and fixtures in the Premises in good working order, (c) all doors and plate glass in the Premises in good working order, and (d) all signs of previous tenants removed from the Premises and the sign band patched and painted. Landlord will not be required to perform any other work to ready the Premises for Tenant's occupancy.

Tenant's Work

Upon the Turnover Date, Tenant shall, at its expense, perform all tenant improvements required to ready the Premises for Tenant's use as a Dollar Tree store in accordance with the plans and specifications attached as Exhibit C-1. Tenant will obtain any permits required for such work and will diligently pursue Tenant improvements to the Premises to completion in a good and workmanlike manner. Such work shall be performed in accordance with all Applicable Laws. Prior to any entry onto the Premises or any commencement of construction, Tenant shall deliver to Landlord certificates of insurance evidencing that all insurance required by the Lease has been obtained by Tenant. Landlord shall be entitled to post upon the Premises a Notice of Nonresponsibility and maintain the same upon the Premises throughout the construction period.



EXHIBIT C-1

PLANS AND SPECIFICATIONS FOR TENANT'S PLAN



EXHIBIT D


TENANT'S SIGN PACKAGE



Sign Criteria

Shopping Center Name _____

Deal # _____

- A. Dollar Tree's primary means of advertising is our National Sign Package. Attached are examples of acceptable sign packages for our stores, to include our Storefront Decal Program.
- B. Dollar Tree holds federal registered trademarks on our name and Logo,  **Everything's \$1.00**, as well as the color of *Cyro Green*. In order to maintain national consistency these trademarks must be used. It is illegal for any municipality to require any modification to any registered trademark. Please see our SEC filings for specific language regarding our trademarked items and refer to the Lanham Act for specific language regarding trademark protection.
- C. **The actual size, color and configuration will be determined by local code and the physical dimensions of the sign band only.**
- D. Dollar Tree will field survey each location, and determine based on the above criteria the exact sign package for the store. A color rendering will be attached to the Lease as Exhibit D. Landlord is responsible for removing previous tenants signs or reimburse Dollar Tree for the cost of said removal. Sign band is to be in new or like new condition. Landlord, at Landlord's expense will complete all patching and painting.
- E. Prior to installation, a Dollar Tree approved sign vendor will forward shop drawings to the Landlord, or Landlord's representative, for final approval of method of installation.
- F. Dollar Tree will take advantage of space available on pylons/monuments, undercanopy and side or rear building signs. These will conform to the above criteria and be addressed on a case-by-case basis. See attached for examples.

Landlord Accepts Dollar Tree Criteria

PLEASE RETURN WITH YOUR SIGNED LEASE PROPOSAL

Name: _____

Title: _____

Date: _____





DOLLAR TREE

Everything's \$1.00

SIGN LAYOUT

DOLLAR TREE

DOLLAR TREE

DOLLAR TREE

DOLLAR TREE

DOLLAR TREE
Everything's \$1.00

Everything's \$1.00 **DOLLAR TREE** Everything's \$1.00

Everything's \$1.00 **DOLLAR TREE** Everything's \$1.00

COLORS

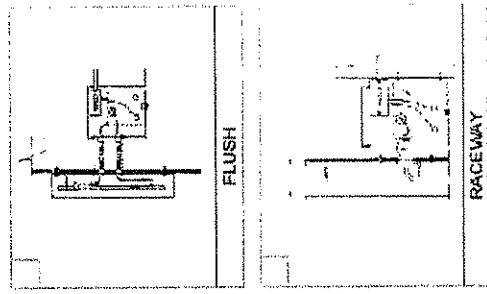
Letters

Faces - 5121-0 Cyro Green
Cans - Duranodic Bronze/White
Trim - Duranodic Bronze/White

Logo

Faces - Lt Green, Dk Green, Black
Cans - Duranodic Bronze/White
Trim - Duranodic Bronze/White

Mounting



DOLLAR TREE

500 Volvo Parkway, Chesapeake, VA 23320

Deal #

Store #

Location

DOLLAR TREE
LEASE REPRESENTATIVE

LANDLORD
LEASE REPRESENTATIVE

DATE

**FREESTANDER PROTOTYPE
LEASE PACKAGE**

SIGN CRITERIA

DATE

SHEET NO

SIGN-1

NOTE:
GENERIC PLANS. DO NOT USE FOR
CONSTRUCTION. JOB SPECIFIC PLANS
SHALL BE CREATED FOR EACH STORE
TO ENSURE THAT ALL FEDERAL, STATE,
LOCAL CODES, AND ADA LAWS ARE
INCORPORATED.

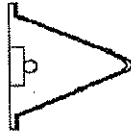
FOR SAMPLE PURPOSE ONLY



UNDERCANOPY FACE LAYOUT

End View

DOLLAR TREE



PYLON FACE LAYOUT

DOLLAR TREE

DOLLAR TREE

Colors

Undercanopy Faces

Background - White
Dollar Tree copy - Kelly Green

Pylon Faces

Background - 3m Vivid Green
Dollar Tree copy - White

Pan-formed acrylic face with first surface vinyl graphics

PAN FORMED

Flat acrylic face with first surface vinyl graphics

FLAT

DOLLAR TREE

500 Volvo Parkway, Chesapeake, VA 23320

Store # _____
Location _____

Deal # _____

**FREESTANDER PROTOTYPE
LEASE PACKAGE**

SIGN CRITERIA

DOLLAR TREE
LEASE REPRESENTATIVE

LANDLORD
LEASE REPRESENTATIVE

DATE

DATE

SHEET NO

SIGN-2

NOTE:
GENERIC PLANS. DO NOT USE FOR
CONSTRUCTION. JOB SPECIFIC PLANS
SHALL BE CREATED FOR EACH STORE
TO ENSURE THAT ALL FEDERAL, STATE,
LOCAL CODES, AND ADA LAWS ARE
INCORPORATED.

**FOR SAMPLE
PURPOSE ONLY**



**THIS SIGN PACKAGE REPRESENTS
DOLLAR TREE'S REGISTERED,
TRADEMARKED
SIGN LETTERING AND COLORING**

Int. Cl.: 35

Prior U.S. Cls.: 100, 101 and 102

Reg. No. 2,195,920

United States Patent and Trademark Office

Registered October 13, 1998

**SERVICE MARK
PRINCIPAL REGISTER**

DOLLAR TREE

**DOLLAR TREE STORES, INC.
(A VIRGINIA CORPORATION)
500 VOLVO PARKWAY
CHESAPEAKE, VA 23320**

**FOR: RETAIL VARIETY STORE SERVICES
IN CLASS 35 (U.S. CLS. 100, 101 AND 102)
FIRST USE 11-0-1991; IN COMMERCE 11-0-1991
OWNER OF U.S. REG. NOS. 1,654,110, 1,760,481
And 1,760,482**

**NO CLAIM IS MADE TO THE
EXCLUSIVE RIGHT TO USE
"DOLLAR", APART FROM
THE MARK AS SHOWN.**

**THE DOLLAR TREE SIGN IS
THE COLOR GREEN.**

**SER. NO. 75-375,010, FILED 10-17-1997
HAE PARK, EXAMINING ATTORNEY**





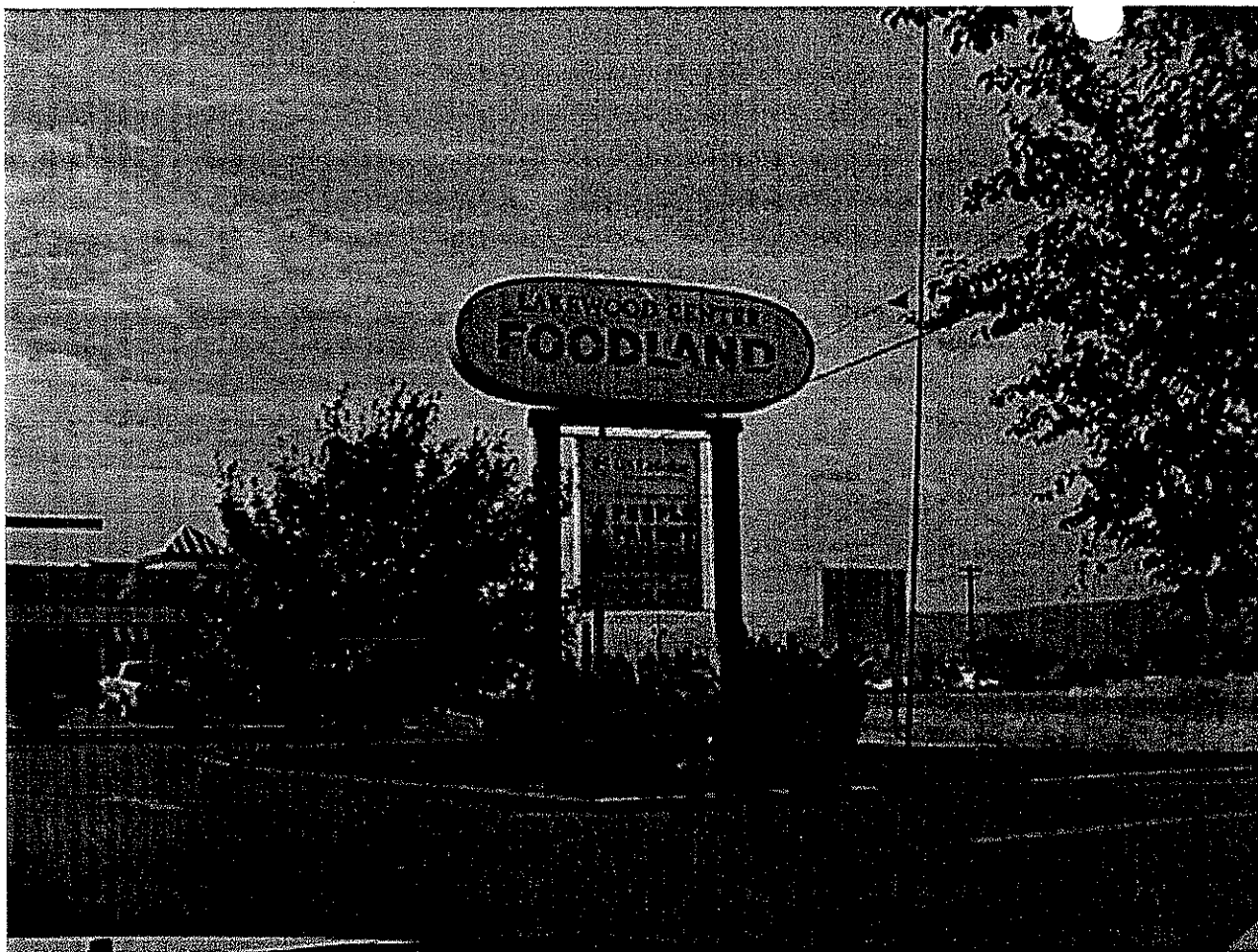


EXHIBIT E
LANDLORD'S TITLE REPORT





1501 EAST MC ANDREWS ROAD
MEDFORD, OREGON 97504
(541)779-7660 FAX: 779-3506
(e-mail: medforddocs@ameri-title.com)

PRELIMINARY TITLE REPORT NO. 1

JANUARY 2, 2004

SABROSO
ATTN: THAD KEAYS

STEVE MOORE
ATTORNEY

Title Number : 761783-TO
Title Officer : Charles D. Lee

RE: TO COME/TO COME
7338 HIGHWAY 62
7303 MERRY LANE
EAGLE POINT, OREGON 97524

OWNER'S POLICY

Liability \$TO COME
Premiums \$TO COME

CANCELLATION FEE - \$200.00
LIEN SEARCH - NONE

We are prepared to issue title insurance policy(ies) in the form and amounts above, insuring the title to the land described as follows:

The Property described in Exhibit 'A' attached hereto and made a part hereof.

and as of DECEMBER 22, 2003 at 8:00 A.M., title is vested in:

Doris Root an undivided 30.20% interest; James M. Root, as Trustee of The Donald G. Root Credit Shelter Trust, an undivided 35.80% interest; John Batzer an undivided 17% interest; and The Hunter Three Family Limited Partnership an undivided 17% interest, as tenants in common



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The policy shall be issued subject to the usual printed conditions, stipulations and exclusions from coverage appearing in such policy form and the following:

General Exceptions:

- G1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public record or proceedings by a public agency which may result in taxes or assessments or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
- G2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
- G3. Easements, or claims of easement, not shown by the public records, reservations or exceptions in patents or in acts authorizing the issuance thereof, water rights, claims or title to water.
- G4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
- G5. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other facts which a correct survey would disclose.

THE FIVE EXCEPTIONS SHOWN ABOVE APPLY TO STANDARD COVERAGE POLICIES ONLY AND WILL NOT APPEAR ON AN ALTA EXTENDED LENDERS POLICY.

Additional Exceptions:

- 1. Regulations, including levies, assessments, water and irrigation rights and easements for ditches and canals of the Rogue River Valley Irrigation District, for which no search has been made.
- 2. Regulations, including levies, liens, assessments, rights of way and easements of the Rogue Valley Sewer Services for which no search has been made.
- 3. The rights of the public in and to that portion of the herein described property lying within the limits of public roads, streets or highways.
- 4. Reservation, easements and rights of way reserved by the United States of America in instrument recorded October 24, 1949, in Volume 325, Page 83, Jackson County, Oregon, Deed Records.



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5. An easement created by instrument, including the terms and provisions thereof,
Recorded : September 21, 1950 Volume: 340 Page: 130
Recorded : December 17, 1954 Volume: 403 Page: 365
Recorded : August 15, 1957 Volume: 445 Page: 457
Recorded : December 7, 1989 Document No. 89-28807
Recorded : May 12, 1992 Document No. 92-13530
In Favor Of : PacifiCorp, an Oregon Corporation, or its predecessor
or successor in interest
For : Transmission and distribution of electricity
(Exact location not given)
6. Covenants, easements and restrictions, but omitting restrictions,
if any, based on race, color, religion, familial status, national
origin and mental or physical handicap, imposed by instrument,
including the terms and provisions thereof.
Recorded : August 12, 1963 Volume: 551 Page: 229
7. Limited access in deed to State of Oregon, by and through its
Department of Transportation, Highway Department, which provides
that no right or easement of right of access to, from or across
the State Highway other than expressly therein provided for shall
attach to the abutting property,
Recorded : June 3, 1965 Volume: 588 Page: 362
Amended : December 20, 1968 Document No. 68-12250
8. An easement created by instrument, including the terms and
provisions thereof,
Recorded : December 20, 1968 Document No. 68-12250
In Favor Of : State of Oregon, Department of Transportation
For : Channel change of unnamed creek
9. Covenants, easements and restrictions, but omitting restrictions,
if any, based on race, color, religion, familial status, national
origin and mental or physical handicap, imposed by instrument,
including the terms and provisions thereof,
Recorded : September 26, 1969 Document No. 69-09153
(Affects Parcel II)
10. Limited access in deed to State of Oregon, by and through its
Department of Transportation, Highway Department which provides that
no right or easement of right of access to, from or across the State
Highway other than expressly therein provided for shall attach tot he
abutting property,
Recorded : September 26, 1969 Document No. 69-08737
(Affects Parcel II)
11. Unrecorded Lease, including the terms and provisions thereof, was
disclosed by Instrument,
Dated : September 6, 1989
Recorded : September 7, 1989 Document No. 89-19939
Lessor : White City Development Co., a General Partnership
Lessee : United Grocers, Inc.



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12. Restrictive covenants, including the terms and provisions thereof, to waive right of remonstrance for improvement and/or construction of curb and gutter improvements, storm drain, utility installation,
Recorded : June 16, 1990 Document No. 90-15008
13. Unrecorded Lease, including the terms and provisions thereof, was disclosed by Memorandum of Lease,
Dated : April 10, 1990
Recorded : July 16, 1990 Document No. 90-17672
Lessor : White City Development, dba Lakewood Shopping Center
Lessee : Cascade Pizza Development Corp.
14. Any adverse claim based on the assertion that:
- (a) Some portion of said land has been created by artificial means or has accreted to such portion so created.
- (b) Some portion of said land has been brought within the boundaries thereof by a change in the location of unnamed creek.
15. Rights of the public, riparian owners and of governmental bodies in that portion of the above described property lying below the high water mark of an unnamed creek, as disclosed in instrument recorded December 30, 1968, as Document No. 68-12250.
16. Trust Deed, including the terms and provisions thereof with interest thereon and such future advances as may be provided therein, given to secure the payment of \$1,481,197.00,
Dated : September 27, 1994
Recorded : September 30, 1994 Document No. 94-34907
Trustor : White City Development, an Oregon General Partnership
Trustee : American Pacific Title & Escrow Company
Beneficiary : Colonial Banking Company
- The above Trust Deed was modified by instrument recorded September 28, 1999 by Document No. 99-49846.
17. Assignment of Rents,
Dated : September 27, 1994
Recorded : September 29, 1994 Document No. 94-34908
From : White City Development, an Oregon General Partnership
To : Colonial Banking Company
Amount : \$1,481,197.00
given as additional security to the Trust Deed shown as Exception No. 16 above.
18. Assignment of Rents
Dated : September 27, 1999
Recorded : September 28, 1999 Document No. 99-49847
From : White City Development, an Oregon General Partnership
To : Valley of the Rogue Bank
Amount : \$1,335,454.37
given as additional security to the Trust Deed shown as Exception No. 16 above.



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19. Trust Deed, including the terms and provisions thereof with interest thereon and such future advances as may be provided therein, given to secure the payment of \$359,000.00,
Dated : November 12, 1996
Recorded : November 25, 1996 Document No. 96-39420
Trustor : Lariot Corporation, a Nevada Corporation
Trustee : Chicago Title Insurance Company, a Missouri Corporation
Beneficiary : Franchise Mortgage Acceptance Company, LLC,
a California Limited Liability Company
(Includes Assignment of Rents and Fixture Filing)
20. Unrecorded Lease, including the terms and provisions thereof, was disclosed by Instrument,
Recorded : November 25, 1996 Document No. 96-39419
Lessor : White City Development
Lessee : Barry Thiriot
- NOTE: The document indicates that the current Lessors are:
John E. Batzer, The Hunter Three Family Limited Partnership,
Doris Root and James M. Root, as Trustee for the Donald G. Root Credit Shelter Trust.
21. Financing Statement,
Recorded : November 27, 1996 Document No. 96-40014
Recorded : October 3, 2001 Document No. 01-47318
From : Lariot Corporation, a Nevada Corporation
To : Franchise Mortgage Acceptance Company, LLC,
a California Limited Liability Company
(This being an unrecorded Leasehold interest)
22. Unrecorded Lease, including the terms and provisions thereof, was disclosed by Instrument,
Recorded : November 27, 1996 Document No. 96-40014
Lessor : Unnamed
Lessee : Lariot Corporation
23. Financing Statement,
Recorded : August 19, 1997 Document No. 97-30836
Recorded : April 9, 2002 Document No. 02-19428
Assignment : June 12, 2002 Document No. 02-31756
From : Pacpizza, LLC and Pacpizza Leasing Co., LLC
To : Texas Commerce Bank National Association, as Agent
(An unrecorded Leasehold interest)
24. Unrecorded Lease, including the terms and provisions thereof, was disclosed by Instrument,
Recorded : August 19, 1997 Document No. 97-30836
Lessor : Unnamed
Lessee : Pacpizza, LLC and Pacpizza Leasing Co., LLC
25. Encroachment of existing building onto 20 foot setback as shown on Alta Survey dated August 19, 1998 by Darrell L. Huck, Surveyor.



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26. An easement created by instrument, including the terms and provisions thereof,
Recorded : September 17, 1999 Document No. 99-48036
For : Easement, shared well and shared parking agreement
27. Terms, provisions and conditions, including but not limited to maintenance provisions contained in easement, shared well and shared parking agreement
Dated : August 26, 1999
Recorded : September 17, 1999 Document No. 99-48036
28. Lien for assessment in favor of Bear Creek Valley Sanitary Authority
Recorded : April 27, 2000 Document No. 00-17529
Account No. : 85008065000
Amount : \$4,707.15
Against : Lakewood Group
29. Lien for assessment in favor of Bear Creek Valley Sanitary Authority
Recorded : April 27, 2000 Document No. 00-17530
Account No. : 85008064000
Amount : \$8,294.02
Against : Lakewood Group

CHAIN OF TITLE NOTE: The following deed(s) affecting said land were recorded within twenty-four (24) months of the date of this report: NONE

NOTE: This policy does not include a search for financing statements filed in the office of the Secretary of State, or in a county other than the county wherein the premises are situated, and no liability is assumed if a financing statement is filed in the office of the County Clerk (Recorder) covering crops/fixtures on the premises wherein the lands are described other than by metes and bounds or under the rectangular survey system.

NOTE: Personal property taxes, if any.

NOTE: Leases and tenancies, if any.

NOTE: Real Property taxes for the year 2003-2004 in the original amount of \$28,302.97, PAID IN FULL.

Map No. 361W20C, Tax Lot 300, Account No. 1-026258-3, Code 9-03.

NOTE: Real Property taxes for the year 2003-2004 in the original amount of \$2,818.67, PAID IN FULL.

Map No. 361W20CA, Tax Lot 1400, Account No. 1-026256-7, Code 9-03.

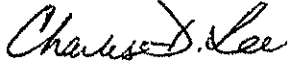


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NOTE: When preparing Trust Deeds, please use AmeriTitle as the named trustee. Effective March 1, 1996, American Pacific Title & Escrow Company, by merger, became AmeriTitle.

Yours truly,

AmeriTitle

Charles D. Lee *gycs*
Title Examiner
chuckd@ameri-title.com



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Exhibit 'A'

PARCEL 1:

Commencing at the Southeast corner of Lot 2, Block 3 of AGATE SUBDIVISION EXTENSION NO. 1, according to the Official Plat thereof, now of record in Jackson County, Oregon; thence along the South line of said Block 3, North 89°46'50" West 234.11 feet to a 5/8 inch iron rebar for the point of beginning; thence continue North 89°46'50" West 385.25 feet to the Easterly right-of-way line of Crater Lake Highway (Highway 62); thence along said right-of-way line, North 20°47'00" East 292.56 feet to a 5/8 inch iron rebar; thence South 89°46'19" East 282.36 feet to a 5/8 inch iron rebar; thence South 00°11'40" West 274.70 feet to the point of beginning.

PARCEL 2:

Beginning at the Southeast corner of Lot 2, Block 3 of AGATE SUBDIVISION EXTENSION NO. 1, according to the Official Plat thereof, now of record in Jackson County, Oregon; thence along the South line of said Block 3, North 89°46'50" West, 234.11 feet to a 5/8-inch iron rebar; thence North 00°11'40" East, 274.70 feet to a 5/8-inch iron rebar; thence North 89°56'19" West, 282.36 feet to a 5/8-inch iron rebar situated on the Easterly right-of-way line of Crater Lake Highway (Highway 62); thence along said right-of-way line, North 20°47'00" East, 93.89 feet to the Southerly right-of-way line of Highway 140 (Lake of the Woods Highway); thence along said right-of-way line, South 89°12'46" East, 483.69 feet to the East line of said Lot 2, Block 3 of AGATE SUBDIVISION EXTENSION NO. 1; thence along said East line, South 00°13'39" West, 357.04 feet to the Point of Beginning.

(Map No. 361W20C, Tax Lot 300, Account No. 1-026258-3, Code 9-03)

(Map No. 361W20CA, Tax Lot 1400, Account No. 1-026256-7, Code 9-03)



HWY 52 STA 2085+43.90 P.O.T. =
HWY 410 STA 58+08.83 P.O.T.

CS 13507

AGATE

AmenTitle

1501 E. McAndrews
Medford, OR 97504

THIS MAP IS PROVIDED ONLY FOR THE PURPOSE OF ASSISTING IN THE LOCATION OF THE PROPERTY. THE COMPANY ASSUMES NO LIABILITY FOR VARIATIONS, IF ANY, IN DIMENSIONS OR LOCATIONS ASCERTAINED BY AN ACTUAL SURVEY.

T R S

LAKE OF THE WOODS
 (HWY 140)

1400
2.45 Ac

CS 12865
CS 15856

1500
2.61 Ac

GC

9-3

0
Ac

SUBDIVISION

B L O C K 3

1/16 COR.

MERRY

RR-5

