

After recording, mail to:

Mr. Jerry Hannes
4237 Park Road
Charlotte, NC 28209

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STATE OF NORTH CAROLINA

COUNTY OF FORSYTH

MEMORANDUM OF LEASE

This is a memorandum of that certain unrecorded lease dated the 19th day of November, 1986, between HIGHLAND PAVILIONS ASSOCIATES, LTD., a North Carolina Limited Partnership, "LANDLORD", and L&S FASHION SHOPS, INC., a North Carolina corporation, "TENANT", concerning the premises described in Exhibit A attached hereto and made a part hereof by reference.

LANDLORD leases the premises together with all privileges and appurtenances thereunto pertaining to TENANT and TENANT hires the same from LANDLORD for the term and under the provisions contained in the above-mentioned unrecorded lease, which unrecorded lease is incorporated in this memorandum by this reference.

The term of the lease is to commence when the demised premises are completely constructed and ready for occupancy according to the terms of the said unrecorded lease but no later than August 1, 1987 and will continue for a term of three (3) years subject to TENANT's right to extend the term for seven (7) years as stated in the said unrecorded lease.

TENANT will have the right to operate a retail store for the sale of baby, children, boys and young men's clothing, children's athletic shoes, accessories and related items.

IN WITNESS WHEREOF the parties hereto have caused this memorandum of lease to be executed by their respective duly authorized officers on the 2nd day of June, 1987.

WITNESSES:

✓ HIGHLAND PAVILIONS ASSOCIATES, LTD.

Linda Savaglini
Karen M. Delati

✓ BY James F. Sams
James F. Sams, Managing General
Partner

Exhibit A not attached at time of recordation

DRAWN BY:
HIGHLAND PAVILIONS ASSOCIATES, LTD.

DRAWN BY & MAIL TO:
WEINSTEIN & STURGES, P. A.
810 BAXTER STREET
CHARLOTTE, NC 28202
1615P1287

L&S FASHION SHOPS, INC.

ATTEST:

David Hannes
Secretary

BY Jerry Hannes
President

WITNESSES:

Robert M. Hannes
Ann M. McEllen

STATE OF MARYLAND

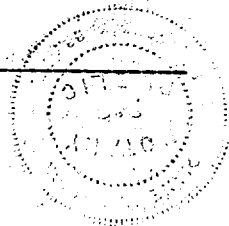
COUNTY OF MONTGOMERY

I, Diane M. Melick, a Notary Public in and for said State and County aforesaid, do hereby certify that the execution of the foregoing instrument was acknowledged before me this day by James F. Sams, Managing General Partner of Highland Pavilions Associates, LTD.

WITNESS my hand and Notarial Seal, this the 2nd day of June, 1987.

My commission expires:
July 1, 1990

Diane M Melick
Notary Public



STATE OF North Carolina

COUNTY OF Mecklenburg

I, Betty C. Koob, a Notary Public of Mecklenburg County, North Carolina, do hereby certify that ~~David Hannes~~ David Hannes personally appeared before me this day and acknowledged that he/she is ~~Secretary~~ Secretary of L&S FASHION SHOPS, INC., a N.C. corporation, the foregoing instrument was signed in its name by its Jerry Hannes President, sealed with its corporate seal and attested by him self as its ~~Secretary~~ Secretary.

WITNESS my hand and Notarial Seal, this the 10 day of June, 1987.

My commission expires:
February 5, 1988

Betty C. Koob
Notary Public

STATE OF North Carolina
COUNTY OF Forsyth

The foregoing certificates of Deane M. Melick
a Notary Public of the County of Montgomery and State of
Maryland, and Beth C. Keak, a Notary Public
of the County of Rockingham and State of North Carolina, is certified
to be correct.

This the 27 day of July, 1987.

L. E. SPEAS, REGISTER OF DEEDS, Register of Deeds

By Jason Golden
Deputy - ~~Assistant~~

Filed for registration on the _____ day of _____,
1987, at _____ O'Clock _____ M., and forthwith registered in
the Office of the Register of Deeds for _____ County,
_____ in Book of Deeds No. _____, at page _____
et seq.

Register of Deeds

PRESENTED FOR
REGISTRATION
AND RECORDED

JUL 27 11 59 AM '87

L.E. SPEAS
REGISTER OF DEEDS
FORSYTH CO., N.C.

\$ 8.00 pd
cc

BOOK 1619 P. 1289