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Cook County Recorder of Deeds
Date: 08/22/2007 02:52 PM Pg: 1 of 13

RETURN RECORDED DOCUMENT TO:

WALGREEN CO.

104 Wilmot Road, MS 1420
Deerfield, Illinois 60015
Attn: Lydia Spitek

This Instrument Prepared by:
Chad Mihevc
104 Wilmot Road
Deerfield, Illinois 60015

MEMORANDUM OF LEASE

By this Memorandum of Lease made the 27th day of June, 2007, between COLES PROPERTY GROUP, L.L.C., an Illinois limited liability company, hereinafter called "Landlord," and WALGREEN CO., an Illinois corporation, hereinafter called "Tenant";

Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord, for the term of seventy-five (75) years commencing and continuing as provided in Article 3 hereof, subject to prior termination as hereinafter provided, the premises located at the northeast corner of West Diversey Avenue and North Pulaski Road, in the City of Chicago, County of Cook, State of Illinois, to include a new one-story building (the "Building") with a single lane drive-through window and related facilities, containing not less than 97 feet of frontage facing West Diversey Avenue and not less than 150 feet of depth, being a rectangular area containing 14,378 square feet of first floor area, and together with all improvements, appurtenances, easements and privileges belonging thereto, all as shown on the plan attached hereto and made a part hereof as Exhibit "A" (the "Site Plan"), and as legally described in Exhibit "B" hereto attached and made a part hereof. The Building, real estate and other improvements to be constructed thereon are hereinafter collectively referred to as the "Leased Premises". The term "Parking Areas," as used herein, shall mean those areas on the Leased Premises, outside of the Building, and improved as parking areas, landscaped areas, curbing, loading and service areas, trash enclosures and containers, light bulbs and light standards, driveways, alleys, sidewalks, parking stalls, paved areas and other similar improvements outside of the Building and on the Leased Premises.

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

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PARKING

Landlord, at Landlord's cost and expense, shall repair and replace (but shall not be obligated to maintain, which shall be Tenant's responsibility) the Parking Areas until the first anniversary of Tenant's acceptance of possession of the Leased Premises. Subject to the immediately preceding sentence, Tenant, at Tenant's cost and expense, shall maintain, repair and replace the Parking Areas, make all necessary capital repairs or replacements of or to, and pay for all capital expenses relating to, the Parking Areas (including, without limitation, all light poles, landscaping and other improvements thereon), illuminate said Parking Areas when necessary during Tenant's business hours (if any), clean said Parking Areas as reasonably required, promptly remove snow, ice and refuse from the Parking Areas as reasonably required, and maintain landscaping in the Parking Areas (in those areas of the Parking Area reserved from time to time for landscaping). However, notwithstanding the foregoing, Tenant shall have no obligation to perform nor pay any costs in connection with the following: (i) any damages caused by the negligent acts or omissions of Landlord; (ii) any latent defects in the construction of the Leased Premises by Landlord; and (iii) any defects (other than latent defects) in the construction of the Leased Premises, provided that, in the case of this item (iii), Landlord is notified of the same on or prior to the first anniversary of Tenant's acceptance of possession of the Leased Premises. The foregoing items (i), (ii) and (iii) shall remain Landlord's responsibility to perform.

The Parking Areas shall be for the exclusive use of Tenant and Tenant's customers, employees, invitees, successors, assigns and sublessees, except as otherwise provided in the items set forth on Exhibit "E" attached hereto and made a part hereof.

Tenant agrees with respect to the driveway which is located immediately west of the Building and which runs in a north-south direction from the north boundary of the Leased Premises to the south boundary of the Leased Premises that, at least once every year for a period of one (1) full day, it will barricade (with a sign which states "PRIVATE PROPERTY – NO PUBLIC ACCESS" or words to such effect) the north entrance to such north-south driveway and otherwise prevent vehicular use of such north entrance.

EXCLUSIVES AND RESTRICTIONS ON USE

(a) (1) Landlord covenants and agrees that, during the continuance of this Lease, no portion of any Adjoining Landlord Property (as defined in Section (j) of this Article 9) shall be used for the operation of a drug store or a so-called prescription pharmacy or prescription ordering, processing or delivery facility, whether or not a pharmacist is present at such facility, or for any other purpose requiring a qualified pharmacist or other person authorized by law to dispense medicinal drugs, directly or indirectly, for a fee or remuneration of any kind. Landlord further covenants and agrees that, during the continuance of this Lease, no portion of any Adjoining Landlord

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Property (as defined in Section (j) of this Article 9) shall be used in violation of or for any one or more of the following: (i) the sale of so-called health and/or beauty aids and/or drug sundries; (ii) the operation of a business in which food or food stuffs are offered for sale for consumption off the premises; (iii) the operation of a business in which greeting cards and/or gift wrap are sold; and/or (iv) the operation of a business in which photofinishing services (including, without limitation, digital photographic processing or printing) or photographic film are offered for sale. Landlord shall not be deemed in default of this Section (a) or Section (c) below, if at the time Landlord acquires any such adjoining additional property, an occupant thereof is then operating or has the right to operate in a manner which would otherwise be in violation of this Section (a) or Section (c) below. In the event that Tenant files suit against any third party to enforce the foregoing restrictions (or those restrictions set forth in Section (c) below), Landlord agrees to cooperate fully with Tenant in the prosecution of any such suit, and reimburse Tenant for the reasonable attorneys' fees and court costs incurred by Tenant in connection with such suit if Tenant shall prevail. In the event Tenant files suit against a third party to enforce the foregoing restrictions (or those restrictions set forth in Section (c) below), and if such suit was a result of any act or omission of Landlord or otherwise due to the negligence of Landlord, then in addition to the foregoing, Landlord agrees to reimburse Tenant for the reasonable attorneys fees and costs incurred by Tenant in connection with such suit, notwithstanding its resolution.

(2) If, after Tenant's initial opening, any one or more of the goods and/or services for which Tenant has been granted an exclusive under subsection (a)(1) of this Article 9 shall be discontinued or no longer sold or offered at the Leased Premises for a continuous period of one (1) year or more (except if due to fire, casualty, governmental restrictions, loss of licenses or permits, war, labor strife, strikes, inability to obtain materials or labor, any cause the fault of Landlord, riot or other causes beyond the control of the occupant of the Leased Premises or due to a governmental requirement or due to remodeling improvements undertaken by Tenant), then after such one (1) year period the exclusive(s) pertaining to the good(s) and/or services(s) discontinued or no longer sold or offered at the Leased Premises shall terminate. The exclusive(s) so terminated under this subsection (a)(2) shall be deemed reinstated upon the recommencement of the sale or offering of the good(s) and/or service(s) at the Leased Premises (subject to the rights of other tenants whose leases were entered into, and the rights of other users whose use commenced, during the period that the exclusive(s) had been terminated).

(b) In the event that any action, claim or suit is brought by any party against Tenant alleging that Tenant's operation on the Leased Premises is in violation of any use restriction contained in any instrument (other than any use restriction by which Tenant is bound as set forth in Section (c) of this Article 9), Landlord shall defend (by counsel reasonably satisfactory to Tenant), indemnify and hold Tenant harmless from any damages, loss, or cost (including, without limitation, reasonable attorneys' fees and costs) suffered by Tenant thereby, or from the enforcement of said restriction against

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Tenant. In addition, in the event that a court of competent jurisdiction shall hold that Tenant's operations in the Leased Premises are in violation of any such restriction (other than any use restriction by which Tenant is bound as set forth in Section (c) of this Article 9), Tenant, at Tenant's option, shall have the right to terminate this Lease upon thirty (30) days written notice thereof to Landlord.

(c) Landlord shall not permit or suffer any other occupant of any Adjoining Landlord Property (as defined in Section (j) of this Article 9) to use such Adjoining Landlord Property or any portion thereof, and Tenant agrees that the Leased Premises or any portion thereof shall in no event be used, for purposes of a cocktail lounge or bar (except in connection with a restaurant), disco, theater, bowling alley, pool hall, billiard parlor, skating rink, roller rink, amusement arcade, adult bookstore, adult theater, adult amusement facility, any facility selling, renting or displaying pornographic materials or having such displays, auction house, children's play or party facility (except that such prohibition shall not prevent the operation of a children's play or party facility as an incidental part of a business whose primary purpose is the operation of a fast food restaurant with a drive through window(s)), rummage store operated similar to Salvation Army or Good Will stores, odd lot, closeout or liquidation store, flea market, educational or training facility (other than as an incidental use), blood bank, banquet, sports or exercise club, health spa or salon, fitness center, diet or weight loss clinic, the sale, display, repair or leasing of automobiles, trucks, trailers or other vehicles, outdoor housing or raising of animals, a funeral establishment, pawn shop, an outdoor circus or other outdoor entertainment, outdoor meetings, a shooting gallery, off track betting establishment, refinery, any residential use, including but not limited to living quarters, sleeping apartments or lodging rooms, for bingo or similar games of chance, car wash, car rental agency, or any use which creates a nuisance.

(d) Landlord and Tenant covenant and agree that, in the event of a violation or threat thereof of any of the provisions of Sections (a) and/or (c) above, Tenant or Landlord, as applicable, shall suffer irreparable harm and Tenant or Landlord, as the case may be, shall have no adequate remedy of law. As a result, Landlord and Tenant further covenant and agree that, in the event of a violation or threat thereof of any of the provisions of Sections (a) and/or (c) above, Tenant or Landlord, as the case may be, in addition to all remedies available to it at law and/or under this Lease, shall be entitled to injunctive or other equitable relief to enjoin a violation or threat thereof of Sections (a) and/or (c) above.

(e) Notwithstanding the foregoing, the restrictions contained in subsection (1)(ii) of Section (a) of this Article 9 pertaining only to "the operation of a business in which food or food stuffs are offered for sale for consumption off the premises," as found in subsection (1)(ii) of Section (a) of this Article 9, shall not apply to the sale of food or food stuffs for consumption off the premises by a video rental or sale business, so long as such video rental or sale business sells food or food stuffs incidental to such

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video rental or sale operation in no more than 100 square feet of building floor area (including related aisle space).

(f) Notwithstanding the foregoing, the restrictions contained in subsection (1)(i) of Section (a) of this Article 9, pertaining only to the sale of "so-called health and/or beauty aids and/or drug sundries," as found in subsection (1)(i) of Section (a) of this Article 9, shall not apply to (i) the sale of hair care items by a barber shop or hair salon, so long as the sale of such hair care items shall in no event exceed 100 square feet of such barber shop's or hair salon's building floor area (including related aisle space) or ten percent (10%) of the building floor area (including related aisle space) of any such barber shop or hair salon business, whichever is less, or (ii) the sale of health and/or beauty aids and/or drug sundries as an incidental part of another primary business and in not in excess of 100 square feet of such business' building floor area (including related aisle space).

(g) Notwithstanding the foregoing, the restrictions contained in subsection (1)(iii) of Section (a) of this Article 9, pertaining only to "the operation of a business in which greeting cards and/or gift wrap are sold," as found in subsection (1)(iii) of Section (a) of this Article 9, shall not apply to the sale of greeting cards and/or gift wrap as an incidental part of another primary business, provided however that in no event shall any one occupant under this Section (g) devote in excess of 100 square feet of such occupant's building floor area (including related aisle space) or ten percent (10%) of such occupant's building floor area (including related aisle space), whichever is less, to the sale and display of greeting cards and/or gift wrap.

(h) Notwithstanding the foregoing, the restrictions contained in subsection (1)(i) of Section (a) of this Article 9, pertaining only to the sale of so-called "health and/or beauty aids and/or drug sundries," and the restrictions contained in subsection (1)(ii) of Section (a) of this Article 9, pertaining only to the "operation of a business in which food or food stuffs are offered for sale for consumption off the premises," as found in such subsections (1)(i) and (1)(ii) of Section (a) of this Article 9, shall not apply to (x) the operation of a restaurant or (y) the sale of so-called health and/or beauty aids and/or drug sundries and/or food or food stuffs offered for sale for consumption off the premises (1) as an incidental part of a business that is neither a convenience store of the nature operated by White Hen Pantry, 7 Eleven and the like nor a drug store or pharmacy of the nature operated by CVS, Osco and the like and (2) in not in excess of 100 square feet of such business' building floor area (including related aisle space).

(i) Notwithstanding the foregoing, the restrictions contained in subsection (1)(iv) of Section (a) of this Article 9, pertaining only to "the operation of a business in which photofinishing services (including, without limitation, digital photographic processing or printing) and/or photographic film are offered for sale", as found in subsection (1)(iv) of Section (a) of this Article 9, shall not apply to the sale of

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photographic film as an incidental part of another primary business and in not in excess of 100 square feet of such business' building floor area (including related aisle space).

(j) As used in this Article 9, property shall be considered to be "Adjoining Landlord Property" only if such property shares a common boundary with the Leased Premises (and is not used as a street, alley or right of way, i.e. property shall not be considered to adjoin the Leased Premises if it is separated from the Leased Premises by a public or private street, alley or right-of-way) and is owned or controlled, directly or indirectly, by Landlord.

(k) As used in this Article 9, references to the "Landlord" shall mean and refer to the then current owner of the Leased Premises, as well as any previous Landlord for a period of one (1) year after said previous Landlord has divested itself of its interest in the Leased Premises.

RIGHT OF FIRST REFUSAL

(a) In the event that Landlord shall receive a Bona Fide Offer to purchase the Leased Premises at any time and from time to time on or after the date hereof and during the Initial Term and Term of this Lease or any extensions thereof from any person or entity, Landlord shall so notify Tenant (Attn: Law Department with a duplicate notice to the Real Estate Department) together with a true and correct copy of said Bona Fide Offer. For purposes hereof, a "Bona Fide Offer" shall be deemed to be one made in writing by a person or entity that is not related or affiliated with Landlord which Landlord intends to accept (subject to this Article). Tenant may, at Tenant's option and within twenty (20) days after receipt of Landlord's notice of said Bona Fide Offer and receipt of a copy thereof, offer to purchase the Leased Premises at the price and upon the terms and conditions as are contained in said Bona Fide Offer, in which event, Landlord shall sell the Leased Premises to Tenant upon said terms and conditions and said price. Notwithstanding the foregoing, the price that Tenant shall pay for the Leased Premises shall be reduced by an amount equal to the amount, if any, of the savings in broker's fees and commissions that are actually realized by Landlord due to Landlord's sale of the Leased Premises to Tenant, rather than to the offeror under the Bona Fide Offer. Landlord shall provide Tenant evidence of the amount of broker's fees or commissions payable in connection with any such Bona Fide Offer. Landlord covenants that it shall accept no such Bona Fide Offer or convey the Leased Premises until it has complied with the terms of this Article. Any conveyance of the Leased Premises made in the absence of full satisfaction of this Article shall be void. Tenant may enforce this Article, without limitation, by injunction, specific performance or other equitable relief.

(b) Tenant's election not to exercise its Right of First Refusal shall not prejudice Tenant's rights hereunder as to any further Bona Fide Offer. The terms and

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conditions contained in this Article shall be binding upon the heirs, successors and assigns of Landlord.

(c) Notwithstanding anything to the contrary contained in this Article 30, the terms of this Article 30 shall not apply to (i) any transaction in which the Leased Premises is sold, together with other property, to a single purchaser, where the value assigned (in good faith and at arm's length, and not for the purpose of avoiding the requirements of this Article 30) to the Leased Premises (and such other properties, if any, included for sale as part of such transaction as to which Tenant or any of its affiliates is the lessee) represents less than fifty percent (50%) of Landlord's total consideration for the transaction (a "Package Transaction"); (ii) a foreclosure sale, or (iii) a deed in lieu of foreclosure, provided, however, that the terms and conditions contained in this Article 30 shall survive the closing of any such Package Transaction, foreclosure sale, or deed in lieu of foreclosure and shall be applicable to any subsequent transaction consistent with the terms of this Article 30.

Provisions for additional rent and the other terms, covenants and conditions of said letting, including the options on the part of Tenant for prior termination, are set forth at length in the Lease, and all of said provisions, terms, covenants and conditions are, by reference hereto, hereby incorporated in and made a part of this Memorandum of Lease.

This instrument shall also bind and benefit, as the case may require, the heirs, legal representatives, assigns and successors of the respective parties, and all covenants, conditions and agreements herein contained shall be construed as covenants running with the land. This instrument shall not become binding upon the parties until it shall have been executed and delivered by both Landlord and Tenant.

This Memorandum of Lease is made and executed by the parties hereto for the purpose of recording the same in the office of the public records of Cook County, Illinois, and is subject in each and every respect, to the rents and other terms, covenants and conditions of the Lease and this Memorandum of Lease is executed and delivered with the understanding and agreement that the same shall not in any manner or form whatsoever, alter, modify or vary the rents and other terms, covenants and conditions of the Lease.

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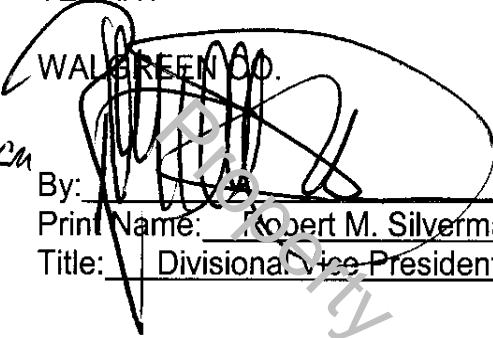
IN WITNESS WHEREOF, Landlord and Tenant have executed this Memorandum of Lease, under seal, as of the day and year first above written.

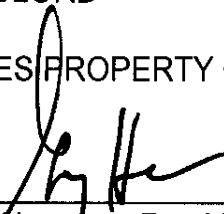
TENANT

LANDLORD

WALGREEN CO.

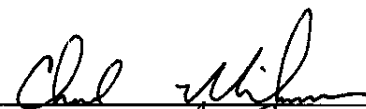
COLES PROPERTY GROUP, L.L.C.

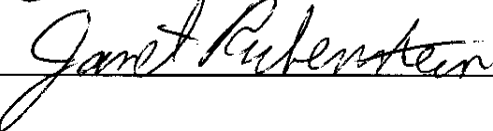
cm

By: _____
Print Name: Robert M. Silverman
Title: Divisional Vice President

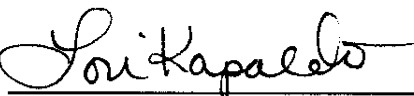

By: _____
Print Name: President
Title: George D. Hanus


WITNESSES:

WITNESSES:









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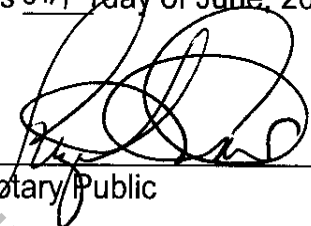
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STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

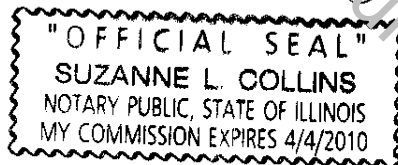
I, the undersigned, a Notary Public, do hereby certify that Robert M. Silverman, personally known to me to be the Divisional Vice President of WALGREEN CO., an Illinois corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that, as such Divisional Vice President, he signed and delivered the said instrument as Divisional Vice President of said corporation, and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation as their free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 27th day of June, 2007.

My commission expires:



Notary Public



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EXHIBIT "A"

SITE PLAN APPROVED BY WALGREENS' ARCHITECT

(See Attached)

Property of Cook County Clerk's Office

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EXHIBIT "B"

LEGAL DESCRIPTION OF LEASED PREMISES

PARCEL 1

LOTS 10 TO 15, BOTH INCLUSIVE, IN THOMAS M. WHITE'S SUBDIVISION OF THE SOUTH ½ OF THE WEST 5 ACRES OF THE SOUTH ½ OF LOT 15, IN DAVLIN, KELLY AND CARROLL'S SUBDIVISION OF THE NORTHWEST ¼ OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2

LOT 1 (EXCEPT THE NORTH 18 FEET THEREOF) IN THOMAS M. WHITE'S SUBDIVISION OF THE SOUTH ½ OF THE WEST 5 ACRES OF THE SOUTH ½ OF LOT 15 OF DAVLIN, KELLY AND CARROLL'S SUBDIVISION OF THE NORTHWEST ¼ OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3

ALL THAT PART OF THE NORTH-SOUTH 16 FOOT PUBLIC ALLEY LYING WEST OF THE WEST LINE OF LOT 1, LYING EAST OF THE EAST LINE OF LOTS 10 AND 15, BOTH INCLUSIVE, LYING SOUTH OF THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 10 AND LYING NORTH OF A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 1 TO THE SOUTHEAST CORNER OF LOT 15, ALL IN THOMAS M. WHITE'S SUBDIVISION OF THE SOUTH ½ OF THE WEST 5 ACRES OF THE SOUTH ½ OF LOT 15 OF DAVLIN, KELLY AND CARROLL'S SUBDIVISION OF THE NORTHWEST ¼ OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address: 2807 N. Pulaski, Chicago, Illinois

P.I.N.: 13-26-123-017
13-26-123-030