

BELL Box

X

STATE OF NORTH CAROLINA
COUNTY OF FORSYTH

140

MEMORANDUM OF LEASE

PINEY GROVE PLAZA LIMITED PARTNERSHIP, a North Carolina limited partnership, whose address is 8307 University Executive Park Drive, Suite 270, Charlotte, North Carolina 28213 (the "Lessor") hereby leases to J & H CORPORATION OF KERNERSVILLE, a North Carolina corporation, whose address is 338 North Main, Kernersville, North Carolina 27284 (the "Lessee"), for a term beginning thirty (30) days after the "Delivery of Possession Date" (as defined in the lease agreement hereinafter referred to), or on the date upon which the Lessee opens for business in the demised premises, and continuing for a maximum period of ten (10) years, including extensions and renewals, those certain premises containing approximately 6,000 feet located within the Piney Grove Plaza Shopping Center, to be constructed upon the real property described on Exhibit "A" attached hereto and incorporated herein by reference. (The approximate location of the demised premises is outlined in red on Exhibit "B" attached hereto and incorporated herein by reference.)

The provisions set forth in a written lease agreement between the parties dated the 16th day of March, 1987, are hereby incorporated in this Memorandum.



(CORPORATE SEAL)

ATTEST:

[Signature]

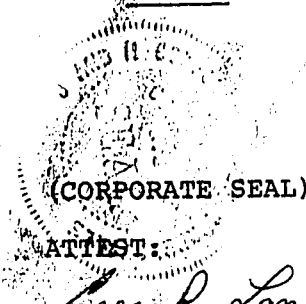
Secretary

"LESSOR"

PINEY GROVE PLAZA LIMITED PARTNERSHIP [SEAL]

By: KERNERSVILLE SHOPPING CENTER, INC.,
general partner

By: *[Signature]* President



(CORPORATE SEAL)

ATTEST:

[Signature]
Secretary

"LESSEE"

J & H CORPORATION OF KERNERSVILLE,
a North Carolina corporation

By: *[Signature]* President

Drawn By and Mail To:

Brian P. Evans, Esq.
Kennedy Covington Lobdell & Hickman
3300 NCNB Plaza
Charlotte, NC 28280

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

I, GAYLE M. RUSHING, a Notary Public of said County and State do hereby certify that Marc Hagle, personally came before me this day and acknowledged that he is Secretary of KERNERSVILLE SHOPPING CENTER, INC., general partner of PINEY GROVE PLAZA LIMITED PARTNERSHIP, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by Marc Hagle as its Secretary.

WITNESS my hand and official seal this 28th day of May, 1987.

Gayle M. Rushing
Notary Public

My Commission Expires:

9.9.91



STATE OF NORTH CAROLINA

COUNTY OF Forsyth

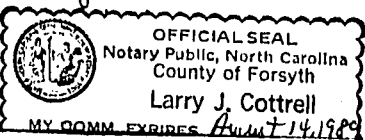
I, Larry J. Cottrell, a Notary Public of said County and State do hereby certify that ~~Gene R. Langdon~~ Gene R. Langdon, personally came before me this day and acknowledged that she is Secretary of J & H CORPORATION OF KERNERSVILLE, a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by Gene R. Langdon as its Secretary.

WITNESS my hand and official seal this 1st day of JUNE, 1987.

Larry J. Cottrell
Notary Public

My Commission Expires:

August 14, 1989



STATE OF NORTH CAROLINA—Forsyth County

The foregoing (or annexed) certificate 5 of Gayle M. Rushing N.P. Mecklenburg Co. N.C. & Larry J. Cottrell N.P. Forsyth Co. N.C. (here give name and official title of the officer signing the certificate) passed upon

is (are) certified to be correct. This the July 19 87 PRESENTED FOR REGISTRATION AND RECORDED

JUL 8 4 59 PM '87

L. E. Speas, Register of Deeds

By Jessie Holden Deputy

Probate and Filing Fee \$ 7.50

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

J.B.

BOOK 1617 P 4380

EXHIBIT "A"

[Security Property]

BEING located in Kernersville Township, Forsyth County, State of North Carolina, and being more particularly described as follows: To locate the point of BEGINNING, commence at the point of intersection of the easterly margin of the right-of-way of Piney Grove Road (N.C. State Road No. 1969) with the northerly margin of the right-of-way of Nelson Street; and run thence with the easterly margin of the right-of-way of Piney Grove Road (N.C. State Road No. 1969) N. 14-26-31 E. 213.04 feet to an existing iron pin marking the point or place of BEGINNING; thence following the easterly margin of the right-of-way of Piney Grove Road with the arc of a circular curve to the left having a radius of 858.95 feet (which curve is subtended by a chord bearing N. 07-47-50 E. for a distance of 197.12 feet) an arc distance of 197.56 feet to a concrete monument "TEX", which concrete monument bears N.C. Grid Coordinates Y=1,683,989.57 and X=867,146.23, which concrete monument is located in a southerly boundary of the property of Textilease Corporation (now or formerly); running thence with a southerly boundary of the property of Textilease Corporation (now or formerly) N. 68-33-50 E. 627.64 feet to an existing iron pin; thence S. 22-58-26 E. 169.95 feet to an existing iron pin; thence N. 66-45-43 E. 30.00 feet to a new iron pin; thence S. 22-58-26 E. 112.26 feet to a new iron pin located in the northerly margin of the right-of-way of Nelson Street; thence with the northerly margin of the right-of-way of Nelson Street S. 60-34-21 W. 653.29 feet to an existing iron pin; thence N. 29-25-39 W. 185.00 feet to a point; thence S. 79-15-35 W. 90.37 feet to the point or place of BEGINNING.

Containing 5.035 acres, as shown on Boundary Survey for Piney Grove Plaza Limited Partnership prepared by Henley Surveying & Mapping Co., dated May 22, 1987 (Job No. S-545).

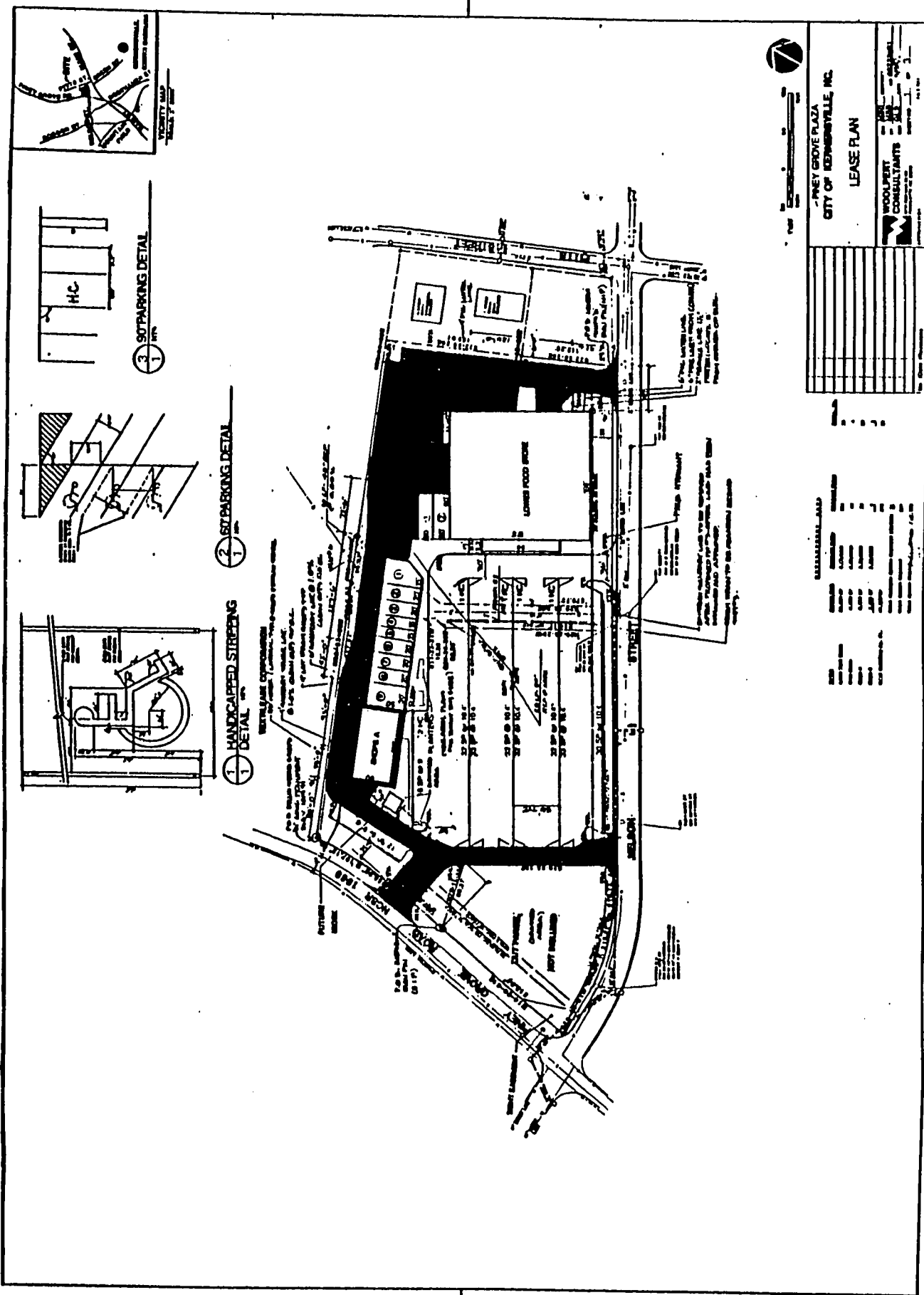


EXHIBIT B