

LEASE AGREEMENT

1. PARTIES. THIS LEASE AGREEMENT, herein referred to as this Lease, is between Valley Distributors, Inc. herein referred to as LESSOR, and THE SOUTHLAND CORPORATION, a Texas corporation, herein referred to as LESSEE.

2. LEASED PREMISES. LESSOR hereby leases to LESSEE and LESSEE leases from LESSOR, for the term and upon the terms and conditions hereinafter set forth, that certain parcel of real estate, together with the improvements thereon, appurtenances (including any easements for ingress, egress, rights of way and trackage rights which are or may be appurtenant thereto) and all fixtures and items of personal property permanently affixed to the improvements and necessary for the operation thereof (including without limitation, heating equipment, electrical wiring and related equipment, pipes, ducts, bathroom fixtures and equipment and walk-in refrigeration units which are permanently affixed to the realty, but excluding air conditioning compressors and trade fixtures and portable vaults and vault doors, all of which shall remain the property of LESSEE), all of which is located at the street address set forth in Exhibit A attached hereto and made a part hereof, and is more particularly described in Exhibit B attached hereto and made a part hereof, herein collectively referred to as the Leased Premises.

3. PRIMARY TERM AND OPTIONS TO EXTEND. The primary term of this Lease shall commence on the Commencement Date set forth in Exhibit A and shall continue for a period of 20 years thereafter, unless sooner terminated or extended as hereafter provided. LESSEE shall have and hereby is granted a total of two (2) option(s) to extend the primary term of this Lease for a period of five (5) years each upon the same restrictions, covenants and conditions as are herein provided. If LESSEE shall elect to exercise any such option it shall do so by giving LESSOR written notice at least 90 days prior to the expiration of the primary term or of the then current extension.

4. RENT. LESSEE agrees to pay to LESSOR or his designee during the primary term and each extension of the primary term the annual rent set forth in Exhibit A, such rent to be paid monthly in advance on or before the fifth (5th) day of each month (unless such rent shall be abated or diminished as provided hereinafter).

5. USE. The Leased Premises may be used for the retail sale of merchandise customarily sold at stores operated by or under franchise from LESSEE or at grocery stores of the type commonly called supermarkets, including but not limited to groceries, produce, meat, dairy products, beer, wine and alcoholic beverages, gasoline and petroleum products and sundries, and for any other lawful purpose.

6. UTILITIES. LESSEE agrees to pay, before delinquency, all charges for gas, electricity, water and any other public utility services used by it on the Leased Premises.

EXHIBIT B