

140624

COMMUNITY TITLE CO.
421 W. 81st Avenue
Merrillville, IN 46410

L-3212
ORIGINAL

Recording requested by, and
after recording return to:

Ms. Bonnie L. Vestal
Stewart Title Guaranty Company
1200 Main St., Ste #230
Kansas City, MO 64105

FILED

DEC 26 1990

Ann R. Carter
AUDITOR LAKE COUNTY

MEMORANDUM OF LEASE

This Memorandum of Lease is made between R.I.C. 26, LTD., a California Limited Partnership ("Lessor"), and Kinder-Care Learning Centers, Inc., a Delaware corporation, ("Lessee") who agree as follows:

1. Terms and Premises. Lessor leases to Lessee and Lessee leases from Lessor that certain real property (the "Premises"), which legal description is attached hereto and incorporated herein as Exhibit "A", and is commonly known as:

~~Kinder-Care Learning Center #1339
9735 Prairie Avenue
Highland, IN 46322~~

for a term of 15 years commencing on the date of the recording of the deed transferring the ownership of the Premises from Lessee to Lessor.

2. Purpose of Memorandum of Lease. This Memorandum of Lease is prepared for the purpose of recordation and does not modify the provisions of the Lease. If there are any conflicts between the Lease and this Memorandum of Lease, the provisions of the Lease shall prevail.

LESSOR:

R.I.C. 26, Ltd.,
a California limited partnership,
By Realty Income Corporation,
a general partner

LESSEE:

Kinder-Care Learning Centers, Inc.,
a Delaware corporation

By: *L.E. Stephenson*
L.E. STEPHENSON
SENIOR DIRECTOR/PROPERTY ACQUISITIONS
AND PROPERTY MANAGEMENT

By: *Eddie O. Nabors*
Eddie O. Nabors
Executive Vice President/CFO

By: *Debra L. Loard*
DEBRA L. LOARD
ASSISTANT CORPORATE SECRETARY, PROPERTY ACQUISITIONS

By: *Debra L. Loard*
Debra L. Loard
Senior Vice President/Secretary

Attach a notary acknowledgment for all signatures.

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STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) SS.

On December 14, 1990, before me, the undersigned, a Notary Public in and for said County and State, personally appeared L. E. STEPHENSON and PATRICIA C. MILLER, known to me to be the persons who executed the within instrument as Senior Director, Property Acquisitions and Property Management and Assistant Corporate Secretary of REALTY INCOME CORPORATION, the corporation therein named that executed the within instrument, and acknowledged to me that said corporation executed the within instrument pursuant to its By-laws or a resolution of its Board of Directors, said corporation being known to me to be a general partner of R.I.C. 26, LTD., a California limited partnership, the partnership that executed the within instrument and acknowledged to me that said corporation executed the same as said general partner.

Document is NOT OFFICIAL!

WITNESS my hand and official seal. This document is the property of the Lake County Recorder!


Signature of Kathy Curran

Commission expires: 9-24-93



STATE OF ALABAMA)
) SS
COUNTY OF MONTGOMERY)

On this the 18th day of December, 1990, before me, the undersigned officer, a Notary Public in and for said state, personally appeared Eddie O. Nabors and Debra L. Loard, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons who executed the within instrument as Executive Vice President and Secretary, respectively, of Kinder-Care Learning Centers, Inc., a Delaware corporation, the corporation herein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.


Signature of Mary H. McLemore

Notary Public
State of Alabama-at-Large

My commission expires: 8/18/91

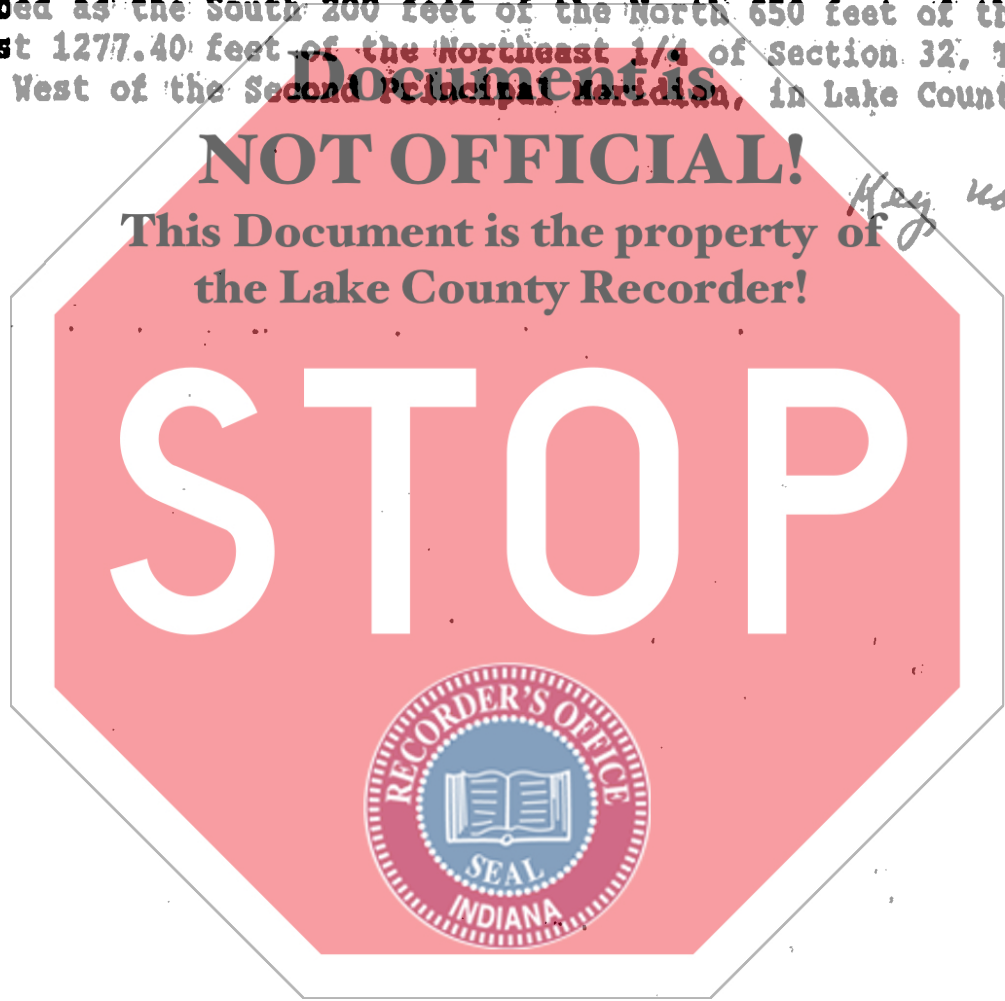
LAND AND BUILDING LEASE AGREEMENT

EXHIBIT "A"

LEGAL DESCRIPTION OF REAL PROPERTY

LOCATION: Kinder-Care Learning Center #1339
9735 Prairie Avenue, Highland, IN 46322

Lot 1 in Kinder Addition to the Town of Highland, as per plat thereof, recorded January 12, 1989 in Plat Book 65 page 38 in the Office of the Recorder of Lake County, Indiana,
as also described as the South 200 feet of the North 650 feet of the West 162.40 feet of the East 1277.40 feet of the Northeast 1/4 of Section 32, Township 36 North, Range 9 West of the Second Principal Meridian, in Lake County, Indiana.



May 40 - 27-539-1