

When recorded mail to:
LandAmerica Financial Group, Inc.
attn: Sonia Delgado
3636 N. Central Ave, Suite 350
Phoenix, AZ 85012
Escrow No. 20-21120

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

Recording requested by and
when recorded return to: **2000 059620**

2000 AUG 17 PM 12:52

LandAmerica Financial Group
3636 North Central Avenue, Suite 350
Phoenix, Arizona 85012

MORRIS W. CARTER
RECORDER

4078

MEMORANDUM OF MASTER LEASE

THIS MEMORANDUM OF MASTER LEASE (this "Memorandum") is executed effective as of July 31, 2000 (the "Effective Date"), by and between COUNTRY STORES PROPERTY III, LLC, a Delaware limited liability company ("Lessor"), whose address is c/o U.S. Realty Advisors, LLC, 1370 Avenue of the Americas, New York, New York 10019, and CRACKER BARREL OLD COUNTRY STORE, INC., a Tennessee corporation ("Lessee"), whose address is 305 Hartmann Drive, P.O. Box 787, Lebanon, Tennessee 37088-0787.

PRELIMINARY STATEMENT:

Lessor and Lessee entered into that certain master lease (the "Master Lease") dated as of the Effective Date, the terms, provisions and conditions of which are incorporated herein by this reference to the same extent as if recited in their entirety herein. Pursuant to the terms, provisions and conditions of the Master Lease, Lessor has leased to Lessee, and Lessee has rented and leased from Lessor, the properties described by address, Lessor Number and Unit Number on Exhibit A-1 attached hereto (collectively, the "Properties"), including, without limitation, the real property or properties, together with all buildings, structures, fixtures (but not trade fixtures) and improvements (excluding Personalty) now or hereafter located thereon, described more particularly in the legal description or descriptions attached hereto as Exhibit A and incorporated herein by this reference. FFCA Funding Corporation, a Delaware corporation ("Lender"), is providing loans to Lessor which are secured by mortgages, deeds of trust or deeds to secure debt, assignments of rents and leases, security agreements and fixture filings encumbering the Properties (collectively, the "Mortgages"), which have been recorded prior to the recording of this Memorandum. Unless otherwise expressly provided herein, all defined terms used in this Memorandum shall have the same meanings as are ascribed to such terms in the Master Lease.

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NOW, THEREFORE, Lessor and Lessee hereby make specific reference to the following terms, provisions and conditions of the Master Lease:

1. In consideration of the rentals and other sums to be paid by Lessee and of the other terms, covenants and conditions on Lessee's part to be kept and performed pursuant to the Master Lease, Lessor leases to Lessee, and Lessee takes and hires, the Properties. The Master Lease term commences as of the Effective Date and expires on July 31, 2021, unless extended as provided below or terminated sooner as provided in the Master Lease. The time

01-273989.01
FFCA No. 8001-1399
Contract No. 5869
Unit No. 369
Hammond, IN

*2700
E.P.
2/21/23*

period during which the Master Lease shall actually be in effect is referred to herein as the "Lease Term."

2. Lessee, provided it is not in default under the Master Lease at the time of exercise or at the expiration of the Lease Term or, if applicable, the preceding extension of the Lease Term, shall have the option to continue the Master Lease in effect for one initial term of ten years and two successive periods of five years each. Lessee may only exercise the first extension option by giving notice to Lessor of Lessee's intention to do so not later than July 31, 2019. If the first extension option is exercised by Lessee, Lessee may only exercise the second extension option by giving notice to Lessor of Lessee's intention to do so not later than October 31, 2030. If the first two extension options are exercised, Lessee may only exercise the third extension option by giving notice to Lessor of Lessee's intention to do so not later than October 31, 2035.

3. NOTICE IS HEREBY GIVEN THAT, EXCEPT AS OTHERWISE CONSENTED TO BY LESSOR PURSUANT TO THE MASTER LEASE, OR OTHERWISE PERMITTED BY THE TERMS OF THE MASTER LEASE, LESSEE IS NOT AUTHORIZED TO PLACE OR ALLOW TO BE PLACED ANY LIEN, MORTGAGE, DEED OF TRUST, DEED TO SECURE DEBT, TRUST DEED, SECURITY INTEREST OR ENCUMBRANCE OF ANY KIND UPON ALL OR ANY PART OF ANY OF THE PROPERTIES OR LESSEE'S LEASEHOLD INTEREST THEREIN, AND ANY SUCH PURPORTED TRANSACTION WHICH IS NOT APPROVED BY LESSOR, OR OTHERWISE PERMITTED BY THE TERMS OF THE MASTER LEASE SHALL BE VOID. FURTHERMORE, ANY SUCH PURPORTED TRANSACTION SHALL BE DEEMED A TORTIOUS INTERFERENCE WITH LESSOR'S RELATIONSHIP WITH LESSEE AND LESSOR'S OWNERSHIP OF THE PROPERTIES.

4. Without the prior written consent of Lessor (except as expressly provided in the Master Lease): (i) Lessee shall not assign, transfer, convey, pledge or mortgage the Master Lease or any interest therein, whether by operation of law or otherwise; (ii) no interest in Lessee shall be assigned, transferred, conveyed, pledged or mortgaged, whether by operation of law or otherwise, including, without limitation, a dissolution of Lessee or a transfer of any of the voting stock of Lessee; and (iii) Lessee shall not sublet all or any part of any of the Properties. ANY SUCH PURPORTED TRANSACTION WHICH IS NOT OTHERWISE PERMITTED BY THE MASTER LEASE OR OTHERWISE APPROVED BY LESSOR SHALL BE VOIDABLE AT THE SOLE OPTION OF LESSOR.

5. The Master Lease grants to Lessee, subject to Lessor approval, an option to purchase the Properties as more particularly set forth in the Master Lease.

6. Any addition to or alteration of any of the Properties shall automatically be deemed part of such Property and belong to Lessor.

7. Unless the landlord, mortgagee or trustee under any mortgage, deed of trust, deed to secure debt or trust deed, as applicable, now or hereafter placed upon any of the

Properties by Lessor (including the Mortgages) elects otherwise by notice given to Lessee, the Master Lease at all times shall automatically be subordinate to any and all liens of any and all mortgages, deeds of trust, deeds to secure debt or trust deeds now or hereafter placed upon any of the Properties by Lessor (including the Mortgages), upon the condition that Lessee shall have the right to remain in possession of the Properties under the terms of the Master Lease, notwithstanding any default in any or all such mortgages, deeds of trust, deeds to secure debt or trust deeds (including the Mortgages) or after foreclosure of any or all such mortgages, deeds of trust, deeds to secure debt or trust deeds (including the Mortgages), so long as an Event of Default shall not have occurred and be continuing, and any such landlord, mortgagee or trustee shall execute, deliver and record a "Non-Disturbance and Attornment Agreement" as contemplated by the Master Lease.

8. A. Lessor and Lessee intend that:

(i) the Master Lease constitutes a single master lease of all, but not less than all, of the Properties and that Lessor and Lessee have executed and delivered the Master Lease with the understanding that the Master Lease constitutes a unitary, unseverable instrument pertaining to all, but not less than all, of the Properties, and that neither the Master Lease nor the duties, obligations or rights of Lessee may be allocated or otherwise divided among the Properties by Lessee;

(ii) the Master Lease is a "true lease" and not a financing lease, capital lease, mortgage, equitable mortgage, deed of trust, trust agreement, security agreement or other financing or trust arrangement, and the economic realities of the Master Lease are those of a true lease; and

(iii) the business relationship created by the Master Lease and any related documents is solely that of a long-term commercial lease between landlord and tenant and has been entered into by both parties in reliance upon the economic and legal bargains contained therein.

B. Lessor and Lessee acknowledge and agree that the Lease Term, including any term extensions provided for in the Master Lease, is less than 90% of the expected remaining economic life of each of the Properties.

C. Lessee and Lessor each waive any claim or defense based upon the characterization of the Master Lease as anything other than a true lease and irrevocably waive any claim or defense which asserts that the Master Lease is anything other than a true lease. Lessee and Lessor each covenant and agree that they will not assert that the Master Lease is anything but a true lease. Lessee and Lessor each stipulate and agree not to challenge the validity, enforceability or characterization of the lease of the Properties as a true lease and further stipulate and agree that nothing contained in the Master Lease creates or is intended to create a joint venture, partnership (either de jure or de facto), equitable mortgage, trust, financing device or arrangement, security interest or the like. Lessee and Lessor each shall support the intent of the parties that the lease of the Properties pursuant to the Master Lease is a true lease and does not create a joint venture, partnership (either de

jure or de facto), equitable mortgage, trust, financing device or arrangement, security interest or the like, if, and to the extent that, any challenge occurs.

D. Lessee and Lessor each waive any claim or defense based upon the characterization of the Master Lease as anything other than a master lease of all of the Properties and irrevocably waive any claim or defense which asserts that the Master Lease is anything other than a master lease. Lessee and Lessor each covenant and agree that it will not assert that the Master Lease is anything but a unitary, unseverable instrument pertaining to the lease of all, but not less than all, of the Properties. Lessee and Lessor each stipulate and agree not to challenge the validity, enforceability or characterization of the lease of the Properties as a unitary, unseverable instrument pertaining to the lease of all, but not less than all, of the Properties. Lessee and Lessor each shall support the intent of the parties that the Master Lease is a unitary, unseverable instrument pertaining to the lease of all, but not less than all, of the Properties, if, and to the extent that, any challenge occurs.

E. Lessee represents and warrants to Lessor that (i) the Base Annual Rental is the fair market value for the use of the Properties and was agreed to by Lessor and Lessee on that basis, and (ii) the execution, delivery and performance by Lessee of the Master Lease does not constitute a transfer of all or any part of the Properties except for the leasehold interest and rights in and to the Properties created by the Master Lease.

F. The expressions of intent, the waivers, the representations and warranties, the covenants, the agreements and the stipulations set forth in this Section 8 are a material inducement to Lessor's entering into the Master Lease.

9. Original copies of the Master Lease are in the possession of Lessor and Lessee. The Master Lease contains other terms not herein set forth but which are incorporated by reference herein for all purposes, and this Memorandum is executed for the purpose of placing parties dealing with the Properties on notice of the existence of the Master Lease and, where appropriate, its contents, and shall ratify and confirm all other terms of the Master Lease as fully as if the same had been set forth herein. Additional information concerning the terms of the Master Lease can be obtained from Lessor or Lessee at the addresses set forth above.

10. This Memorandum is intended for recording purposes only, and does not modify, supersede, diminish, add to or change all or any of the terms of the Master Lease in any respect. The terms and conditions of the Master Lease shall control notwithstanding that the terms and conditions of the Master Lease may be inconsistent or vary from those set forth in this Memorandum.

11. This Memorandum may be executed in one or more counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be duly executed as of the Effective Date.

LESSOR:

COUNTRY STORES PROPERTY III, LLC,
a Delaware limited liability company

By: Country Stores Equity III, LLC, a Delaware
limited liability company, its member

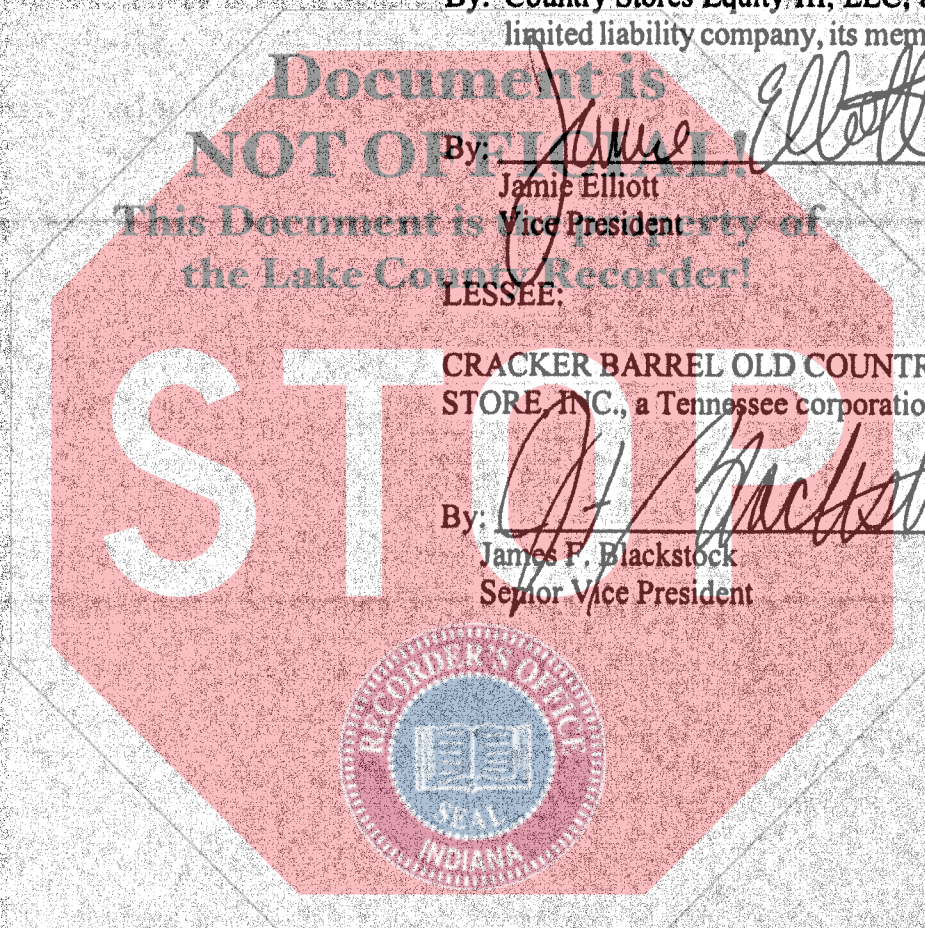
By: 
Jamie Elliott

Vice President

LESSEE:

CRACKER BARREL OLD COUNTRY
STORE, INC., a Tennessee corporation

By: 
James F. Blackstock
Senior Vice President



STATE OF ARIZONA]
] SS.
COUNTY OF MARICOPA]

Before me, a Notary Public in and for the said County and State, personally appeared Jamie Elliott, Vice President of Country Stores Equity III, LLC, a Delaware limited liability company, member of Country Stores Property III, LLC, a Delaware limited liability company, who acknowledged execution of the foregoing instrument as such managing member acting for and on behalf of said limited liability company, and who, having been duly sworn, stated that any representations therein contained are true and correct.

Witness my hand and Notarial Seal this 21 day of July, 2000

Mary E. Lorenz
(Signature of Notary Public)
Mary E. Lorenz
(Printed name of Notary Public)

Resident of Maricopa County.



STATE OF ARIZONA]
] SS.
COUNTY OF MARICOPA]

Before me, a Notary Public in and for the said County and State, personally appeared James F. Blackstock, Senior Vice President of Cracker Barrel Old Country Store, Inc., a Tennessee corporation, who acknowledged execution of the foregoing instrument as such managing member acting for and on behalf of said corporation, and who, having been duly sworn, stated that any representations therein contained are true and correct.

Witness my hand and Notarial Seal this 9th day of July, 2000.

NOT OFFICIAL

(Signature of Notary Public)

This Document is the property of
the Lake County Recorder's Office

(Printed name of Notary Public)

Resident of Maricopa County.

STOP

OFFICIAL SEAL
MARY E. LORENZ
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Dec. 9, 2000

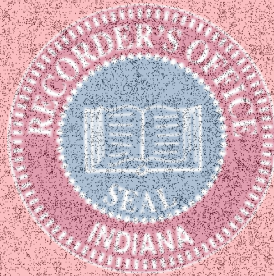


EXHIBIT A

LEGAL DESCRIPTION

Lot 4, Whiteco First Addition, to the City of Hammond, as shown in Plat Book 82, page 95, in Lake County, Indiana.



EXHIBIT A-1

PROPERTIES



01-273989.01
FFCA No. 8001-1399
Contract No. 5869
Unit No. 369
Hammond, IN

<u>FFCA No.</u>	<u>Contract</u>	<u>Store</u>	<u>City</u>	<u>Address</u>	<u>ST</u>
8001-1390	5819	368	Trussville	4710 Norrell Drive	AL
8001-1399	5818	369	Hammond	7750 Corinne Drive	IN
8001-1401	5790	303	Sellersburg	350 Triangle Drive	IN
8001-1404	5822	394	Cadiz	74 Hospitality Lane	KY
8001-1406	5783	355	Mount Sterling	110 Stone Trace Dr	KY
8001-1409	5813	320	Sulphur	1100 Pintail Street	LA
8001-1410	5821	294	Holyoke	1227 Whiting Farms Road	MA
8001-1429	5824	17	Clarksville	200 Cracker Barrell Drive	TN
8001-1433	5823	430	Tyler	13821 U.S. Hwy. 69 North	TX
8001-1436	5782	348	Beckley	2112 Harper Road	WV
8001-1619	6203	193	Cross Lanes	11 Goff Xing	WV
8001-1628	6206	356	Gaffney	8 Factory Shops Blvd.	SC

