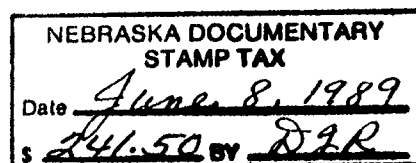


When Recorded, Please Return to:

Robin Eden Rash, Esq.  
Development Resources, Inc.  
7650 E. Broadway, Suite 208  
Tucson, Arizona 85710



**GENERAL WARRANTY DEED**  
(Including Restrictive Covenants)

For and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration received, THE NEBRASKA CITY INDUSTRIAL DEVELOPMENT FOUNDATION, INC., a Nebraska non-profit corporation, hereinafter referred to as "Foundation," hereby grants, sells and conveys unto VF FACTORY OUTLET, INC., a Delaware corporation, hereinafter referred to as "VF," all that real property located in Otoe County, State of Nebraska described in Exhibit "1" attached hereto and incorporated herein by reference (the "VF Property").

The VF Property will be subject to the following deed restrictions, which will run with the VF Property and which shall be for the sole benefit of Foundation:

1. **Prohibited Uses.** The following operations and uses shall not be permitted within the VF Property:

- (a) Labor camps.
- (b) Junk yards.
- (c) Drilling for and/or the removal of oil, gas, or other hydrocarbon substances (except that this provision shall not be deemed to prohibit the entry of the VF Property below a depth of 500 feet for such purposes).
- (d) Commercial excavation of building or construction materials.
- (e) Dumping, disposal, incineration, or reduction of garbage, sewage, offal, dead animals or refuse.
- (f) Fat rendering or distillation of bones.
- (g) Stock yard or slaughter of animals.
- (h) Refining of petroleum or of its products.
- (i) Smelting of iron, tin, zinc, or other ores.
- (j) Hog raising.

- (k) Cemeteries or mortuaries.
- (l) Jail or other penal rehabilitation facilities.
- (m) Manufacture, storage, distribution or sale of explosives.
- (n) Conducting of any circus or carnival.
- (o) Drive In movie theaters.
- (p) Race track or drag strip.

## 2. Construction Obligations.

### 2.1 VF agrees:

- (a) to commence construction of a building of not less than approximately 70,000 sq.ft. (the "VF Building") within 18 months of the date of this General Warranty Deed; and
- (b) to diligently pursue such construction until it is complete and ready for occupancy.

Construction will be deemed "commenced" on the day VF begins site work for the VF Building. VF's obligations will be extended in the event of a "force majeure." "Force Majeure" shall be defined as broadly as possible to include (but not be limited to) Acts of God, unavailability of material, war, civil disorders, lockouts, strikes, general contractor or subcontractor default and all other similar causes without the fault or beyond the control of VF, VF's financial inability excepted.

If VF fails to commence or pursue construction as required, Foundation can give VF notice to cure; VF will have 60 days to cure by either commencing construction or diligently pursuing construction. If VF fails to cure within 60 days, Foundation will have a period of 60 days in which to declare VF to be in default (a "Default Notice"). If the Default Notice is due to VF's failure to commence construction, then within 30 days of the Default Notice, VF will reconvey the VF Property to Foundation ("Foundation's Reacquisition Rights") and VF will pay to Foundation a liquidated damages penalty equal to all of Foundation's actual out of pocket expenses to acquire the VF Property for VF (not including the purchase price) up to a maximum of \$25,000. If the Default Notice is due to VF's failure to diligently pursue construction after construction has commenced, then within 30 days of the Default Notice, VF will pay to Foundation a liquidated damages penalty equal to \$167,000 (representing the purchase price paid by Foundation to acquire the VF Property for VF) plus the actual out of pocket expenses of Foundation to acquire the VF Property for VF, up to a maximum of \$25,000.

The parties intend that Foundation's Reacquisition Rights and right to receive liquidated damages are Foundation's sole remedies for any failure by VF to commence or diligently pursue construction; the parties expressly agree that actual damages are difficult, if not impossible to obtain. Foundation expressly waives any right to specific performance, money damages or any other legal or equitable remedies otherwise available.

Any person is entitled to rely on the existence of the Foundation's Reacquisition Rights until a Release of Reacquisition Rights, specifically referring to the recording information for this General Warranty Deed is recorded in the Official Records of Otoe County, Nebraska.

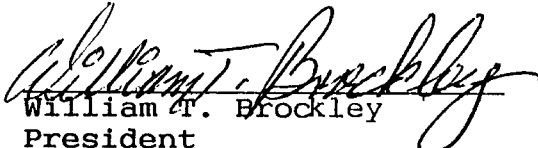
TO HAVE AND TO HOLD THE SAME, together with all and singular the rights and appurtenances thereunto belonging, unto VF, its successors and assigns forever.

Foundation warrants title to the VF Property against all persons whomsoever.


By executing this General Warranty Deed, VF agrees to acquire the VF Property subject to the matters set forth above.

Dated: June 8, 1989.

NEBRASKA CITY INDUSTRIAL  
DEVELOPMENT FOUNDATION, INC.,  
a Nebraska non-profit  
corporation

By:   
William T. Brockley  
President

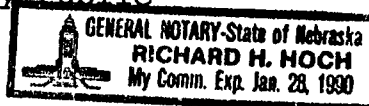
VF FACTORY OUTLET, INC., a  
Delaware corporation

By:   
Its: PRESIDENT

STATE OF NEBRASKA     )  
                                  ) ss:  
County of Otoe         )

SUBSCRIBED AND SWORN TO before me this 8th day of  
June, 1989 by William T. Brockley, President of the Nebraska  
City Industrial Development Foundation, Inc.

Richard H. Hoch  
Notary Public



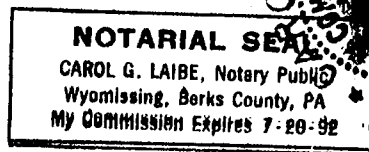
My commission expires:

1-28-90

COMMONWEALTH OF PENNSYLVANIA     )  
  ) ss:  
County of Berks                     )

SUBSCRIBED AND SWORN TO before me this 6th day of  
June, 1989 by Jay R. Pitsworth the  
president of VF Factory Outlet, Inc.

Carol G. Laibe  
Notary Public



My commission expires:

#1035

State of Nebraska, Otoe County: ss Filed for record in the Register of Deeds Office on  
June 8, 1989, at 11:32 AM, recorded in Book 169 of Deeds  
page 68 John Thayer Register of Deeds  
Fee: \$25.50 Delron J. Riege Deputy

ENTERED ✓  
INDEXED ✓  
PAGED ✓  
COMPARED ✓

LEGAL DESCRIPTION OF  
VF PROPERTY

LEGAL DESCRIPTION:

Part of the West Half of the Northwest Quarter of Section 21, Township 8 North, Range 14 East of the Sixth P.M., Otoe County, Nebraska, described as follows: Commencing at the Northwest Quarter Corner Section 21, Township 8 North, Range 14 East; thence on the north line of the West Half of the Northwest Quarter Section 21, N90°00'00"E 1166.53 feet to the point of beginning; thence on the north line of the West Half Northwest Quarter Section 21 N90°00'00"E 45.16 feet to the west line of the Nebraska City Township Board of Education school grounds as recorded in Book M Deeds, pg. 422; thence on the west line of the school grounds S00°01'40"E 209.0 feet; thence on the south line of the schools grounds N90°00'00"E 107.0 feet to the east line of the West Half Northwest Quarter, Section 21; thence on the east line of the West Half Northwest Quarter, Section 21 S00°01'40"E 150.0 feet; thence N90°00'00"W 230.0 feet; thence S00°01'40"E 664.77 feet; thence N90°00'00"W 959.70 feet to the east line of Highway 75 Right-of-Way; thence on the east line of Highway 75 Right-of-Way as recorded in Miscellaneous Book 49, Page 73, N04°17'05"E 73.40 feet; thence on the east line of Highway 75 Right-of-Way, N05°43'34"W 441.67 feet; thence on the east line of Highway 75 Right-of-Way N00°13'32"E 200.0 feet; thence on the east line of Highway 75 Right-of-Way N05°49'33"E 163.32 feet to the south line of Highway 2 Right-of-Way; thence on the south line of Highway 2 Right-of-Way, as recored in Miscellaneous Book 49, Page 73, S81°58'30"E 262.50 feet; thence on the south line of Highway 2 Right-of-Way N81°18'23"E 564.12 feet; thence on the south line of Highway 2 Right-of-Way N67°26'11"E 260.65 feet to the north line of the West Half Northwest Quarter, Section 21 and the point of beginning. Said tract contains 21.35 acres. The north line of the Northwest Quarter Section 21 is assumed to bear N90°00'00"E. This Tract is referred to as part of Lot A, H & E Subdivision, recorded in Plat Book 3, Page 9, Register of Deeds, Otoe County, Nebraska.