

LEASE EXTENSION AGREEMENT

This Lease Extension Agreement (this "Agreement") made as of this 4th day of May, 2010, by and between **Salisbury Mall Associates, LLC**, a North Carolina limited liability company (hereinafter called "Landlord") and **Payless ShoeSource, Inc** (hereafter called "Tenant").

WITNESSETH

WHEREAS, by the Lease bearing the date of May 5, 1986, as the same may have been modified, amended, renewed or extended from time to time (the "Lease") made between Landlord (or Landlord's predecessor-in-interest) and Tenant (or Tenant's predecessor-in-interest) leased to the Tenant approximately 2,700 square feet located at Space B-6, Salisbury Mall, 1935 Jake Alexander Blvd., West, Salisbury, NC 28147 (the "Premises".)

WHEREAS, the parties hereto desire to modify the Lease as hereinafter set forth.

NOW, THEREFORE, it is mutually understood and agreed as follows:

1. That anything in the aforesaid Lease to the contrary notwithstanding, the term of said Lease is hereby extended for a term of **two (2) years**, from **September 1, 2010 through August 31, 2012** (the "Extended Period"), upon the same terms and conditions as provided in the Lease except as the same are amended, modified and changed by this Lease Extension Agreement.

2. During this Extended Period, Tenant shall pay **six percent (6%)** of monthly Gross Sales in lieu of the monthly Guaranteed Minimum Rent, Common Facilities Charge, Common Facilities Utilities Charge, Real Estate Tax, Insurance and Merchant Dues.

3. All other terms with respect to the Lease shall continue to apply.

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease Extension Agreement as of the day and year first above written.

LANDLORD: Salisbury Mall Associates, LLC, a North Carolina limited liability company

By: Salisbury Associates Manager, Inc., a Florida Corporation, its Manager

Witness:

[Signature]
Witness Name: Caroline K. Sturges

By: [Signature]
Print Name: Sam Spiegel
Title: President

Witness:

TENANT: Payless ShoeSource, Inc.

[Signature]
Witness Name: Karen Madison

By: [Signature]
Print Name: Darren P. Haddock
Title: Vice President

