

## Settlement Agreement

This Settlement Agreement (“Agreement”) is made as of the 18th day of May, 2010 between United Natural Foods, Inc. (“Tenant”) and Caroline Street Corridor and Bahama Village Community Redevelopment Agency (“Landlord”).

### Background

Tenant, as assignee from Southard Markets, Inc., and Landlord are parties to a Lease dated July 4, 2007 (the “Lease”) for property located at 201 William Street, Key West Florida (the “Leased Property”). Tenant had previously leased other property from the Landlord located at Lazy Way, Unit I, Key West, Florida, but this lease has been terminated. Tenant wishes to terminate the Lease and Landlord is prepared to allow Tenant to terminate the Lease, all upon the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is thereby acknowledged, and intending to be legally bound, the parties hereby agree as follows:

1. Tenant will cease all commercial operations on the Leased Property on June 15, 2010 and shall return possession of the Leased Property to Landlord on June 30, 2010. The Leased Property shall be provided to Landlord AS IS and WHERE IS (except that Tenant shall remove all furniture, fixtures, signage and/or inventory) and Tenant shall have no further obligations under the Lease or otherwise to the Landlord except as set forth in Section 2 below.
2. On June 30, 2010, Tenant shall pay Landlord Nine Hundred Thousand Dollars (\$900,000) in full settlement of all obligations which Tenant may have under the Lease, including without limitation all repair obligations. Upon payment of this amount, without any further action: (a) the Lease shall be terminated and of no further force and effect and (b) each party hereby releases the other party and its shareholders, officers, directors, employees, agents, successors and assigns from any and all liabilities, causes of action, debts, claims and demands both in law and in equity, known or unknown, fixed or contingent, of any type which either party may have against the other under the Lease or otherwise. In the event Tenant fails to pay Landlord within the time frame provided for herein, Landlord specifically reserves its rights and remedies to proceed against Tenant for breach as provided for in the Lease. In addition to the foregoing, Tenant herein specifically releases Landlord from all future claims, including causes of action based Landlord’s reletting of the Leased Property, irrespective of when reletting occurs. Each party if requested by the other party shall confirm such termination and release in writing, provided that lack of confirmation shall not affect the validity of such termination and release as set forth herein.
3. The release set forth in Section 2 above does not extend to any claims which may arise as a result of: (a) any breach of Section 2, (b) Landlord’s reasonable cost of removing any of Tenant’s furniture, fixtures, signage and/or inventory or (c) Landlord’s reasonable cost to repair material damage to the Property caused by Tenant subsequent to the ceasing of all commercial operations. Landlord acknowledges, however, that there will be holes and/or other non-material damage arising from the removal of Tenant’s furniture, fixtures, signage and inventory, and it shall not be Tenant’s obligation to repair or pay for the repair of such holes and/or other non-material damage.

4. The Tenant's execution of this Settlement Agreement shall constitute the grant of an irrevocable option on the part of the Landlord to accept the terms contained herein through the period ending May 18, 2010.

IN WITNESS WHEREOF, the parties have by their duly authorized representatives executed this Agreement as of the date first written above.

United Natural Foods, Inc.

Caroline Street Corridor and Bahama Village  
Community Redevelopment Agency

By  \_\_\_\_\_  
Thomas A. Dziki  
SVP Sustainable Development

By \_\_\_\_\_