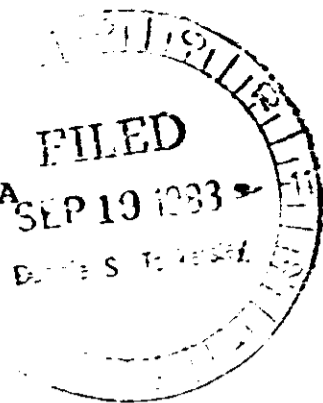


STATE OF SOUTH CAROLINA
COUNTY OF GREENVILLE



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MEMORANDUM OF LEASE

STANLEY G. TATE and EDWARD L. DENISON, d/b/a INVESTMENTS
DIVERSIFIED, LIMITED, hereby leases to THE CATO CORPORATION, Post
Office Box 34216, Charlotte, North Carolina 28234, for a term
beginning August 13, 1983 and ending January 31, 1989, certain
property more particularly described as follows:

Certain premises on plat as prepared by LESSOR
consisting of approximately 5000 square feet, measuring
approximately 50 feet by 100 feet, erected or to be erected
in the GREER PLAZA SHOPPING CENTER, on a tract of land
situated in the State of SOUTH CAROLINA, County of
GREENVILLE, City of GREER, and as outlined in red on
Exhibit A-2 and A-3, attached hereto and made part hereof.

LESSEE has the option to extend the term of this Lease to
January 31, 1999.

The provisions set forth in a written Lease Agreement
between the parties dated as of the 1st day of August, 1983 are
hereby incorporated in this Memorandum of Lease.

IN WITNESS WHEREOF, the parties hereto have hereunto
executed this Agreement, and affixed their respective seals thereto as
of the 1st day of August, 1983.

LESSOR: INVESTMENTS DIVERSIFIED LIMITED

S. L. Steiner
Witness for Stanley G. Tate

Eddie Harris
Witness for Stanley G. Tate

Stanley G. Tate
Stanley G. Tate, Partner

S. L. Steiner
Witness for Edward L. Denison

Eddie Harris
Witness for Edward L. Denison

Edward L. Denison
Edward L. Denison, Partner

LESSEE: THE CATO CORPORATION

Bon Blackman
Witness for W. H. Cato, Jr.

Carl M. Snow
Witness for W. H. Cato, Jr.

ATTEST:
H. H. Thorason
H. H. Thorason, Secretary

W. H. Cato, Jr.
W. H. Cato, Jr., President

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