

S.C.
11/81
LEASE AGREEMENT

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

1. Parties. This Lease Agreement is made and entered into as of the 19 day of May, 1981, by and between Joseph J. Pazdan of Greenville County, South Carolina (herein referred to as "Lessor"), and VOLUNTEER CAPITAL CORPORATION, a corporation organized and existing under the laws of the State of Tennessee (herein referred to as "Lessee").

2. Premises. Lessor hereby leases to Lessee and Lessee leases from Lessor, for the term and upon the terms and conditions hereinafter set forth, that certain property of Lessor described in Exhibit A, together with any and all buildings and improvements thereon, and together with the right to use all adjoining parking areas, driveways, sidewalks, roads, alleys and means of ingress and egress, insofar as Lessor has the power to lease or license the use thereof (all of which shall hereinafter be termed "Premises").

3. Term. The term of this Lease shall commence as of the date Lessee shall occupy the building to be constructed thereon or on September 1, 1981, whichever first occurs. Unless sooner terminated, the term shall continue for a period of twenty (20) years thereafter. Lessee shall have and is hereby granted a total of two (2) successive options to extend the term of this lease for a period of five (5) years for each such option upon the same covenants and conditions as herein provided. If Lessee shall elect to exercise one or more such options, it shall do so by giving Lessor written notice at least ninety (90) days prior to the expiration of the primary term or of the then current extension.

4. Construction and Occupation. Tenant will construct a restaurant to be named and operated as a "Wendy's" restaurant, using building, landscaping, and signage plans substantially identical to the other "Wendy's" restaurant in the Greenville, South Carolina area. Any deviations from those basic plans must be approved by Landlord, whose consent shall not be unreasonably withheld.

J.P.
LESSEE
Lessor agrees that all site improvements and the construction of the restaurant building will comply with all applicable laws, regulations, and requirements of the building codes and zoning ordinances of the State of South Carolina and the City of Greenville and street regulations of the Highway Department of the State of South Carolina, and all federal and state environmental protection laws and regulations.

5. Rentals. The Lessee agrees hereby to pay the Lessor, as annual rent for the Premises, \$ 18,000.00 for the first 5 years of the lease term; \$ 20,700.00 for the next succeeding 5 years; \$ 23,805.00 for the next succeeding 5 years; \$ 27,375.00 for the next 5 years. The Lessee further agrees hereby to pay to the Lessor, as annual rent of \$ 31,482.00 for the 1st option period of 5 years and \$ 36,204.00 for the 2nd and final option period of 5 years.

Rental payments shall be paid to Lessor at his address, in equal monthly installments in advance, on or before the 10th day of each and every month during the term of the lease or any extension thereof. The payment of such rent shall commence immediately upon the beginning of the lease term hereinabove described.

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