

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

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LEASE OPTION AGREEMENT

THIS AGREEMENT made and entered into by and between McBirts of Greer, a General Partnership, hereinafter called "Landowner", and Huddle House, Inc., hereinafter called "HHI".

WITNESSETH:

WHEREAS, Landowner has leased the real property described on Exhibit "A" attached hereto and made a part hereof by reference for its terms and conditions and hereinafter called "Premises", to Jewell Owens Helmsly, as assignee of Dozier H. Helmsly, hereinafter called "Lessee"; and

WHEREAS, a copy of the lease is attached hereto as Exhibit "B", said lease being hereinafter referred to as "LEASE"; and

WHEREAS, Lessee wishes to use the Premises as a Huddle House Restaurant Unit pursuant to the terms of a Huddle House franchise; and

WHEREAS, HHI is unwilling to enter into a franchise agreement with Lessee unless and until Landowner enters into an agreement with HHI which will give HHI the option to continue the operation of a Huddle House Restaurant Unit on the Premises in the event Lessee should, for any reason, cease to be the tenant on the Premises, or in the event the franchise agreement between Lessee and HHI should ever, and for any reason, be terminated;

NOW THEREFORE, for and in consideration of the promises herein expressed, the covenants herein contained and for the purpose of inducing HHI to enter into a franchise agreement with Lessee, Landowner does hereby agree as follows:

- A. 1. In the event Lessee should for any reason cease to be the tenant on the Premises, Landowner shall, immediately upon such an occurrence, give notice of same to HHI.
2. HHI shall have for thirty (30) days after receipt of notice the option to become the tenant on the Premises under the same terms and conditions as contained in the LEASE between Landowner and Lessee with the sole exception of the change in lease terms as stated in Paragraph D hereof.
3. If HHI should elect to exercise this option it shall give notice of said election to Landowner, in writing at the following address: