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SIGN LEASE AGREEMENT

THIS AGREEMENT, made and entered into this 20th day of October, 1978, by and between: LESSOR: G. J. TOLAN, 220 Lynwood Boulevard, Nashville, Tennessee, 37205, (hereinafter referred to as "LESSOR") and LESSEE: TREETOP ENTERPRISES, INC., a Tennessee corporation, 5040 Linbar Drive, Suite 115, Nashville, Tennessee, 37211, (hereinafter referred to as "LESSEE");

W I T N E S S E T H:

FOR AND IN CONSIDERATION of the sum of One & No/100 ($1.00) Dollar in hand paid to each of the parties hereto, at and before the sealing and delivery of these presents, receipt and sufficiency whereof are hereby acknowledged, and in consideration of the rents herein reserved and agreed to be paid and of the covenants herein contained and provided, LESSOR hereby leases to LESSEE, and LESSEE hereby rents and hires from LESSOR subject to the terms hereof that certain property (hereinafter referred to as "demised premises"), described below together with the lighted sign to be constructed thereon:

> Being Lot 9 of Block A, Nickerson's Addition to Alabaster, Map 3, Page 69, said Lot 9 being the same as Site 9 shown on the Development Plan of the Tolan property as prepared by Ragan Smith & Associates, Inc., and dated September 7, 1977.

To have and to hold said demised premises, rights, and appurtenances unto LESSEE for an original term of fifteen (15) years commencing when the sign to be built on the premises has been completed and electric power is installed and functioning for said sign. At the time of commencement, LESSOR and LESSEE shall execute an addendum hereto stating the actual date of commencement and date payment of rent shall commence. For any partial first or last lease period, as hereinafter defined, rent shall be prorated. This leasing and hiring is made upon the covenants and agreements herein set forth on the part of the

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respective parties, all of which the parties respectively agree to keep, abide by, and perform during the term hereof:

1. Rent: LESSEE shall pay to LESSOR, by lease period (twenty-eight (28) days) in advance, a period (twenty-eight (28) days) base rental of One Thousand One Hundred Seven & 69/100 ($1,107.69) Dollars during the original term of this lease agreement, which payments of rental shall begin as specified hereinabove.

In addition to the minimum guaranteed or base rent, LESSEE shall pay to LESSOR as percentage rent the amount, if any, by which four (4%) percent of gross sales, as defined hereinafter, in each lease period (twenty-eight (28) days) exceeds the minimum guaranteed rent for the same lease period. Said percentage rent shall be paid on or before the fifteenth (15th) day of the following period. LESSOR reserves the right to review, or to have its accountant review, LESSEE'S accounting and arriving at the percentage rent due.

2. Option to Extend or Renew: LESSOR hereby grants to LESSEE the option to renew or extend this lease for three (3) consecutive periods of five (5) years each from the expiration of the original term of this lease in accordance with all the terms and conditions set out hereinabove and hereinbelow, and said options to renew or extend shall be deemed to be exercised by LESSEE unless LESSEE provides LESSOR with written notice of LESSEE'S intention not to exercise said options at least one hundred-eighty (180) days before the expiration of the original term hereof or the then current extension period, as the case may be. All references in this lease agreement to "renewals" hereof shall include both "renewal" and "extension" terms hereof: No option to extend or renew shall be valid unless the lease is in full force and effect and LESSEE has not given written notice of its intention not to exercise any preceding option.

3. Termination on Default: It is mutually agreed that in the event LESSEE shall default in the payment of rent

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herein reserved when due, and shall fail to cure such default within thirty (30) days after written notice thereof from LESSOR; or if LESSEE has been adjudicated bankrupt; or if a permanent receiver is appointed for LESSEE'S property and such receiver is not removed within sixty (60) days after written notice from LESSOR to LESSEE to obtain such removal; or if whether voluntarily or involuntarily, LESSEE takes advantage of any debtor relief proceedings under any present or future law whereby the rent or any part thereof is, or is proposed to be, reduced or payment thereof deferred; or if LESSEE makes an assignment for benefit of creditors; or if LESSEE'S effects should be levied upon or attached under process against LESSEE, not satisfied or dissolved or stayed by bond within thirty (30) days after written notice from LESSOR to LESSEE to obtain satisfaction thereof; or if LESSEE is in default in the payment of rent reserved in the lease between LESSOR and LESSEE wherein LESSEE has leased Site No. 8 on the Development Plan for the Tolan Property from LESSOR (hereinafter referred to as "main lease"); then, and in any of said events, LESSOR, at its option, may at once or within six (6) months thereafter (but only during continuance of such default or condition), terminate this lease by written notice to LESSEE, whereupon this lease shall end. LESSOR may enter upon and take possession of the leased premises and expel tenant and any other person who may be occupying said premises or any part thereof without being liable for prosecution or any claim for damages therefor and re-let the premises and receive the rent therefor; and LESSEE agrees to pay the LESSOR on demand any deficiency that may arise by reason of such re-letting; or, LESSOR may enter upon the leased premises without being liable for prosecution or any claim for damages therefor, and do whatever LESSEE is obligated to do under the terms of this lease unless he agrees to reimburse LESSOR on demand for any expenses which LESSOR may incur and thus effect compliance with LESSEE'S obligations under this lease, and LESSEE further agrees that LESSOR shall not be liable for any damages resulting

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to LESSEE from such action, whether caused by the negligence of LESSOR or otherwise.

Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or other remedies provided by law, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to LESSOR hereunder, or of any damages accruing to LESSOR by reason of the violation of any of the terms, provisions, and covenants herein contained.

4. Sign: LESSOR agrees to construct on the southeast corner of the hereinabove described demised premises a display sign visible to north bound traffic on Interstate 65 and to south bound traffic on Interstate 65 bearing the name "Waffle House" on the top two lines of copy on said sign in letters at least six (6) feet by six (6) feet. The words "Waffle House" shall be a minimum of sixty (60) feet above ground level. LESSOR shall have the right to add additional copy below the words "Waffle House", such other copy to be appropriate and tasteful.

LESSOR acknowledges and agrees that at the termination of this lease that LESSOR shall have no interest in the Waffle House identification or said sign; and LESSOR warrants that upon the termination of this lease for any reason whatsoever, LESSEE, at its own expense, may take such action as shall be necessary to remove said identification so as to eliminate any possible confusion by the public; provided, however, that in all events LESSEE shall not damage the leased premises nor the sign structure and shall leave the premises in good condition and having substantially the same value after said alterations as before said alterations. LESSOR further acknowledges that this lease agreement in no manner conveys any rights to or interest in any trademark, servicemark, copyright, or patent rights existing or applied for or which may be applied for in the future in connection with said sign.

If LESSEE shall be in default under any provisions

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of this lease and LESSOR shall desire to terminate the same, or if LESSEE is in default in any of the provisions of its franchise agreement with Waffle House, Inc., and Waffle House, Inc., desires to terminate said agreement, LESSOR and LESSEE agree that Waffle House, Inc., shall have the right to assume said lease from LESSEE upon the same terms and conditions.

5. Use and Condition of Demised Premises: LESSEE warrants that it will use the demised premises solely for the purpose of containing the sign to be constructed thereon and for joint use parking as hereinafter defined and agrees that upon the expiration or other termination herein provided of this lease agreement that it will surrender to LESSOR the possession of the demised premises and any improvements thereon immediately.

6. Maintenance and Expenses: LESSOR shall pay all expenses incurred in connection with the construction, maintenance, and operation of the sign to be constructed on the demised premises, including, but not limited to, property and other taxes levied by any governmental entity or political subdivision, electricity, insurance, if any, and repairs of whatsoever kind.

As part of the cost of operation, LESSOR agrees to grade but not pave Site 9 to Waffle House floor grade as soon as possible, such grade to have vertical slope to the south line of said Site 9.

7. Insurance: LESSOR shall, at his own cost and expense, obtain and maintain throughout the term of this lease, together with any extensions or renewals thereof, public liability insurance for the benefit of the LESSOR and LESSEE in an amount of not less than Two Hundred Fifty Thousand & No/100 ($250,000.00) Dollars for any one injury and Five Hundred Thousand & No/100 ($500,000.00) Dollars for any one casualty. The insurance referred to above shall be in the name of LESSOR and LESSEE, and LESSOR shall furnish LESSEE with certificates thereof issued by LESSOR'S insurance company.

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LESSOR shall likewise at his own cost and expense, obtain and maintain during the entire term and renewals or extensions thereof, at his own cost and expense, windstorm, or other appropriate casualty insurance in an amount equal to the maximum insurable value of the sign and sign structure. The insurance shall be in the name of LESSOR and LESSEE and LESSOR shall furnish LESSEE with a certificate thereof issued by LESSOR'S insurance company.

8. Maintenance of Demised Premises: Subject to the provisions of Articles 9 and 10 hereof, LESSOR shall at LESSOR'S expense repair and maintain the sign structure and sign copy on the demised premises and shall permit no waste or injury thereto, and LESSOR shall at LESSOR'S expense maintain the planted and parking areas of the demised premises in a clean and orderly manner. LESSEE agrees to make no alterations to the sign or the sign structure during the term of this lease or any renewal or extension thereof without the written consent of LESSOR, which consent shall not be unreasonably withheld.

9. Casualty to Sign: In the event the sign or sign structure located on the demised premises are partially or totally damaged by windstorm or other peril covered under the insurance policy described above in Article 7 hereof, the resulting proceeds of said policy of insurance must be held by LESSOR for payment toward restoration and/or repair of the sign or sign structure. LESSOR shall promptly commence to restore the said improvements to a condition at least as good as that existing immediately prior to such casualty. If, however, such casualty occurs during the last two years of the original or any renewal or extension term of this lease and results in damage to said improvements to the extent of sixty (60%) percent or more of the replacement costs of said improvements, then, in such event, LESSEE shall have the option to cancel this lease within thirty (30) days following the date of such casualty. LESSEE shall continue to pay rent on the premises until and unless LESSEE makes a valid election to cancel on the terms and conditions of this provision.

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10. Condemnation: Should the demised premises, or any portion thereof, be taken or condemned by a competent authority for public or quasi-public use, or be sold under threat of condemnation, which condemnation or taking materially interferes with LESSEE'S operation, then the lease and LESSEE'S obligation to pay rent shall, at the LESSEE'S option, terminate effective from the date when possession of the demised premises, or the parts so taken, shall be required for the use and purpose for which it has been taken. Should, however, only a portion of said demised premises be so condemned or taken and the consequent reduction of the area of said demised premises be not such as to render the remainder unsuitable for the purposes for which they are leased, this lease shall continue in full force and effect as to the remaining portion of the demised premises.

LESSOR, with reasonable promptness, shall make necessary repairs and alterations to the demised premises for the purpose of restoring same as nearly as possible to the level of use for which it was originally designed. Should such restoration be impossible or impracticable, then LESSOR will make every reasonable effort to provide additional premises on the same terms and conditions as contained herein for the purpose of sign use. The compensation awarded for any condemnation shall be the property of the LESSOR except the portion of the award, paid to the LESSEE for loss of business and its leasehold interest.

11. Assignment and Subletting: LESSEE may, with the written consent of LESSOR, such consent not to be unreasonably withheld, assign or sublet this lease or its rights hereunder. In such event, LESSEE shall remain liable for the payment of rent and the performance of all terms, covenants, and conditions herein undertaken by LESSEE.

12. Covenant by Parties: LESSOR covenants, warrants, and agrees that during the original term and any renewal or extension thereof, LESSOR will not construct,lease, or cause

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or permit to be constructed or leased, any structure, whether sign or otherwise, that interferes with the visibility of the Waffle House copy on said sign to the traffic approaching the exit ramps at the intersection of Interstate 65 and U. S. Highway 31. LESSOR further covenants, warrants, and agrees that he will maintain line of sight clearance to the hereinbefore mentioned points by keeping vegetation of all kinds trimmed below said line of sight.

13. Warranty: LESSOR represents and warrants that he is the owner in fee simple of the demised premises, that on the date hereof the demised premises are free and clear of any liens, encumbrances, tenancies and leases (other than this lease) thereon, including without limitation, any deeds to secure debt. LESSOR has the power and authority to execute and deliver this indenture and to incur all obligations provided herein, and performance and compliance with the terms, provisions, and conditions of this lease agreement do not and will not conflict with or result in any violation of any of the terms, conditions, or provisions of any agreement, obligation, judgment, decree, order, statute, rule, or regulation applicable to LESSOR.

14. Holding Over: If LESSEE remains in possession of premises after expiration of the term hereof with LESSOR'S acquiescence and without any express agreement of the parties, LESSEE shall be a tenant at will at a rental rate equal to the rate in effect at the end of this lease. LESSEE shall not have the right to exercise any option to extend or renew unless the original term and the immediately preceding option term shall have been completed without default by LESSEE.

15. Short Form Lease: LESSOR and LESSEE hereby agree to enter into a short form memorandum of lease setting out at least (a) the names of the parties hereto, (b) the description of the demised premises as the same appears on the first page hereof, (c) the dates of this lease agreement and

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the dates of the original and any renewal term hereof. Such memorandum of lease shall be in writing, shall be duly executed by all the parties hereto on the date of this lease agreement, and shall be properly witnessed and acknowledged for recording in the State of Alabama.

16. Notices: All rentals payable to LESSOR and notices required to be given to LESSOR under this lease shall be sent to LESSOR at 220 Lynwood Boulevard, Nashville, Tennessee, 37205, and all notices required to be given to LESSEE shall be sent to Treetop Enterprises, Inc., 5040 Linbar Drive, Suite 115, Nashville, Tennessee, 37211, unless either party notifies the other in writing of a change of address.

17. Subordination: Lessee agrees and understands that Lessor plans to lease the demised premises to third parties who would expect to construct buildings and other improvements for the operation of a retail business. Lessee agrees that upon the request of Lessor, in writing, Lessee will subordinate this lease to the lien of any lender who lends money for the construction of the sign described herein and/or to the lien of any lender who lends money for the construction of other improvements, or any lender who requires the completed improvements as security for permanent financing on said improvements; provided, however, that Lessee shall not subordinate until and unless any such lender shall enter into an agreement with Lessee in recordable form, providing that in the event of foreclosure, the rights of Lessee hereunder insofar as the use and enjoyment of the sign described herein is concerned shall not be terminated or disturbed except in accordance with the provisions of this lease.

18. Gross Sales: The term "gross sales" as used in this lease shall mean the total of: (1) all sales made in, or orders placed at, or completed by delivery in, through, or from the Waffle House operation on Site 8 of the Development Plan of Tolan property referred to herein, (2) all charges made for services rendered in or from or upon orders placed in said Site

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8. Gross sales shall exclude: (1) all receipt from non-food vending machines, (2) transfers of merchandise from said Site 8 to any other store or stores of LESSEE where such transfers are made for the convenient operation of LESSEE'S business, (3) merchandise returned to vendors, (4) sales, excise, and any other taxes which are added to the selling price of merchandise and paid for by the customer, and (5) sales of fixtures after substantial use thereof in the conduct of LESSEE'S business on said Site 8.

19. Joint Use Parking: Lessor and Lessee acknowledge and agree that the owners and/or tenants of Sites 7, 8 and 9 on the Development Plan of the Tolan property referred to herein shall have reciprocal joint use parking privileges with each other as to Sites 7, 8 and 9; provided, however, that said joint use parking privileges shall extend only to the parking areas designated by the owner and/or tenant of each site on his particular site.

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20. Miscellaneous: (a) LESSOR and LESSEE agree to execute an addendum to the lease covering Site 8 which shall provide that should LESSEE default on its obligations and agreements under this sign lease, that such default shall constitute a default under the terms of the lease on Site 8.

(b) LESSOR shall make every reasonable effort to insure that repairs are promptly made in the event of damage or casualty affecting the sign, the sign structure, or the electrical system providing lighting to said sign.

This lease contains the entire agreement of the parties hereto and no modification of this lease shall be binding unless in writing, duly executed by all of the parties hereto and properly witnessed for recording in the State of Alabama. If any provision hereof should be declared invalid as offending any applicable law, the remaining provisions of this lease shall continue in full force and effect.

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IN WITNESS WHEREOF, G. J. TOLAN, as LESSOR, and TREETOP ENTERPRISES, INC., as LESSEE, have set their hands and seals hereunto and have caused this instrument to be executed and their corporate seals to be affixed hereunto by duly authorized officials thereof, the date and year above written.

Signed, sealed, and delivered in the presence of:

_____

G. J. TOLAN

Signed, sealed, and delivered in the presence of:

TREETOP ENTERPRISES, INC.

BY: _____
NATHANIEL P. HARRIS, JR.
President

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ADDENDUM TO LEASE

THIS ADDENDUM, executed this 20th day of October, 1978, to that certain lease agreement by and between G. J. TOLAN as LESSOR and TREETOP ENTERPRISES, INC., as LESSEE, with NATHANIEL P. HARRIS, JR., and WILLIAM E. EZELL, III, as GUARANTORS of LESSEE'S obligation, said lease covering certain property known as Site No. 8 on the Development Plan for the Tolan Property located at the intersection of Interstate 65 and U. S. Highway 31 in Alabaster, Alabama;

WITNESSETH:

The parties hereto having entered into a Sign Lease Agreement on the day and date this addendum is executed, in partial consideration of the execution by LESSOR of said Sign Lease Agreement, LESSEE agrees that a default by LESSEE in its obligations under the Sign Lease Agreement shall constitute a default under the terms of this agreement, to be treated as such at LESSOR'S election.

In all other respects, said lease shall remain in full force and effect.

G. J. TOLAN, LESSOR

TREETOP ENTERPRISES, INC.

BY: Nathaniel P. Harris, Jr.
NATHANIEL P. HARRIS, JR.
President

Nathaniel P. Harris, Jr.
NATHANIEL P. HARRIS, JR.
GUARANTOR

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GUARANTY AGREEMENT

FOR AND IN CONSIDERATION of the benefits to be derived by the corporation of which he is the principal stockholder, TREETOP ENTERPRISES, INC., LESSEE herein, NATHANIEL P. HARRIS, JR., hereby guarantees the performance of all terms and conditions, including the payment of rent of TREETOP ENTERPRISES, INC., under this lease dated this 20th day of October, 1978, between G. J. TOLAN, as LESSOR, and TREETOP ENTERPRISES, INC., as LESSEE.

DATED: October 20th, 1978.

Nathaniel P. Harris, Jr.
NATHANIEL P. HARRIS, JR.

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"THIS INSTRUMENT PREPARED [redacted]
ATTORNEY, 21st FLOOR - FIRST AMERICAN CENTER,
NASHVILLE, TENNESSEE 37238"

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SECOND ADDENDUM TO SIGN LEASE AGREEMENT

WHEREAS, G. J. TOLAN as Lessor and TREETOP ENTERPRISES, INC. as Lessee entered into a certain Sign Lease Agreement dated October 20, 1978, covering a certain sign located along Interstate 65 south of Alabaster, Alabama; and

WHEREAS, the sign described therein has been completed and electric power thereto has been connected; and

WHEREAS, on page 1 of said Sign Lease Agreement it is provided that upon completion of said sign, the parties shall execute an addendum setting forth the exact date of commencement of the term of said Sign Lease Agreement.

NOW, THEREFORE, in compliance with the said Sign Lease Agreement, the Lessor and Lessee do hereby stipulate that the commencement date of the term of said Sign Lease Agreement is April ~~1~~ 18th, 1979.

IN WITNESS WHEREOF, the parties hereto have caused this Second Addendum to Sign Lease Agreement to be executed this 18th ~~1~~ day of April, 1979.

G. J. TOLAN, LESSOR

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
WAS FILED
1979 AUG -1 AM 9:09
Thomas A. Thomas, Jr.
JUDGE OF PROBATE

TREETOP ENTERPRISES, INC., LESSEE

BY: N. P. Harris, President

Nathaniel P. Harris, Jr.
NATHANIEL P. HARRIS, JR., GUARANTOR

Deed 140.00
Rec. 21.00
Filed 1.00
162.00

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