

STATE OF SOUTH CAROLINA  
COUNTY OF GREENVILLE

DUPLICATE ORIGINAL

BOOK 1116 PAGE 582

MEMORANDUM OF LEASE

For Terms Consideration See Article 2  
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DOUGLAS O. TAYLOR and wife, DOROTHEA BRUCE TAYLOR, hereinafter called "Lessor", hereby leases to GOLDEN CORRAL CORPORATION, a North Carolina corporation with its principal office in Raleigh, North Carolina, hereinafter called "Lessee", for a term as follows:

TERM: The term of this Lease shall be for twenty (20) years. Term of the Lease shall commence on the happening of the later of the two following events: (1) the restaurant has been open for business for seven (7) days, (2) receipt of all payments due to G C Development Corp. under the terms of a separate contract for the construction of all improvements.

In the event said commencement date falls on other than the first day of a month, then Lessee shall pay a prorated minimum rent for said partial month and the twenty (20) year term of the Lease shall be adjusted to run from the first day of the following month.

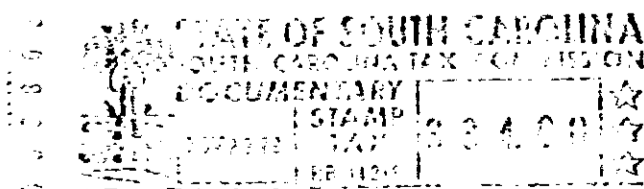
OPTIONS TO EXTEND PRIMARY LEASE: Lessor hereby grants to Lessee the right to extend the primary term of this Lease for four (4) five-year periods, subject to the same rent conditions and covenants herein contained, upon Lessee giving Lessor written notice of its intention to renew the Lease for the next extended term one hundred and eighty (180) days in advance of the expiration of the then current term.

This Lease covers the following described property:

(See EXHIBIT "A" - Copy as attached to Lease)

The provisions set forth in a written Lease Agreement between the parties hereto dated the 15 day of August, 1979, are hereby incorporated in this Memorandum.

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