

Term and
Rental

1. (a) The term hereof shall begin on the first day of the month next succeeding the date of execution of this lease agreement and shall expire on a date twenty-five (25) years thereafter unless renewed or extended. During the first fifteen (15) years of the term, Krystal shall pay for the premises a rental of Four Hundred and no/100 Dollars (\$400.00) per month. During the last ten (10) years of the term, Krystal shall pay for the premises a rental of Five Hundred and no/100 Dollars (\$500.00) per month. All rentals shall be payable in advance on the first day of each month during the term of this lease. Payments to Owner shall be by check payable to and sent to 31 E. Hillcrest Dr. Greenville, S. C. or to such other place or places as Owner or his successors or assigns, respectively, may from time to time designate in writing.

(b) Krystal shall pay any and all rentals when due without demand.

Zoning and
Permits

2. It is a condition to Krystal's obligations hereunder that there will be no zoning laws, deed restrictions, ordinances, regulations, easements, rights or other legal requirements, or any deficiencies in or lack of access, ingress or egress, necessary utilities, curb cuts, sewers, drainage, nor other difficulties, which prohibit or in any way would impair the full use of the premises by Krystal for restaurant purposes, including the construction of all improvements and parking facilities therefor, and that Krystal is able to obtain, within a reasonable time after the execution hereof, all rights and privileges necessary or reasonably desirable for the construction of all contemplated improvements on the premises according to standard plans and specifications of Krystal, and for Krystal's proposed use of the premises for its said business, including but not limited to all needed licenses, zoning or zoning changes,

(Continued on next page)