



# Stanley Jones Properties

P.O. Box 5260

• South Fulton, Tennessee 38257

• Phone: (901) 479-2311

• Fax: (901) 479-2378

## LEASE

**THIS LEASE** made and entered into by and between **JOHN C. JONES** and **GORDON JONES**, d/b/a **G & J RENTAL** of South Fulton, Tennessee, hereinafter referred to as Lessors, and **LEAN-TO RESTAURANT, INC.**, hereinafter referred to as Lessee;

### **WITNESSETH:**

In consideration of the rents and covenants herein reserved and retained on the part of the Lessee to be paid, performed, and observed, the Lessors hereby lease to the Lessee the northwest portion of a certain store building, approximately two-thirds (2/3) thereof, which building is located on the south side of Village Plaza Shopping Center, Broadway Street, 16th Civil District, South Fulton, Obion County, Tennessee; said place being approximately 7,012 square feet, with all rights, easements and appurtenances to the same belonging and usually had and enjoyed therewith, including parking space for itself and its customers and rights-of-way instant thereto.

1. It is agreed and understood by the parties hereto that there will be a common parking area for the customers of the Lessee as well as those of the occupants of the other buildings which are situated in the Village Plaza Shopping Center on the parcel of land contiguous and adjacent to the building wherein is situated the property leased by the Lessors to the Lessee.

2. The terms of this lease shall commence on the 1st day of May, 1994, and end on the 30th day of April, 1999, being a term of (5) years. It is understood and agreed that the Lessee shall have the right to extend the term of this lease for three (3) additional periods of three (3) years each, beginning on the 1st day of May, 1999, and on the 1st day of May for two (2) additional periods of three (3) years each, provided the Lessee notifies, in writing, the Lessors of its intention to extend same; said notice to be given at

least sixty (60) days prior to the 30th day of April of each period; and further, that beginning with the first option period, the Lessee shall pay any increase in city and county taxes, together with any increase in casualty insurance premiums should such increase; and further, that beginning with the first three (3) year period, the rent shall be such sum as agreed upon between the parties in writing at least ninety (90) days prior to the end of such rental period, but in no event shall such increase in rent be more than an increase of five percent (5%) per year calculated from the beginning of the lease; and in addition thereto, the Lessee shall agree to pay any increase in city and county taxes, together with any increase in casualty insurance premiums should such occur.

3. The Lessee agrees to pay to the Lessors the sum of One Thousand Five Hundred Forty-Two and 47/100 Dollars (\$1,542.47) per month as rental for said premises, payable in advance, during the term of this lease.

4. The Lessors covenant that they have lawful title and right to make this lease for the term aforesaid, that they will put the Lessee into complete and exclusive possession of the premises free from all orders, restrictions and/or notices of any public or quasi-public authority, and that if the Lessee shall pay the rental and perform all the covenants and provisions of this lease to be performed by the Lessee, the Lessee shall, during the term demised, freely, peacefully, and quietly occupy and enjoy the full possession of the premises hereby demised and the tenements, hereditaments, and appurtenances thereto belonging and the rights and privileges herein granted without molestation or hindrance, lawful or otherwise, and if at any time during the term hereby demised, the title of the Lessors shall fail or be discovered not to enable them to grant the term hereby demised, the Lessee shall have the option to annul and void this lease.

5. The Lessors agree to do the following: Continue to renovate the front (Broadway side) of the building to simulate the design of the building directly to the north of the **Lean-To** building which has been renovated previously and is also a part of the Village Plaza Shopping Center.

6. The Lessee agrees to continue to furnish the fire extinguisher in connection with the kitchen hood and to maintain same; and further, the Lessee agrees to maintain and be responsible for the proper operation of the heating and the air conditioning equipment and the maintenance of operation of the exterior front doors.

7. The Lessee shall comply with the lawful requirements of the local Board of

Health, police and fire departments, and governmental authorities with respect to the manner in which it uses the leased premises.

8. The Lessee herein agrees to maintain all of the heating and an air conditioning equipment and shall be responsible for the proper and efficient operation of the same. Should the heating and air conditioning equipment become non-repairable, same shall be replaced at the expense of the Lessors.

9. The Lessors agree to be responsible for the lights on the parking area adjacent to the property leased to the Lessee.

10. The Lessors agree to keep the exterior of the said premises, including the roof, walls, windows, doors, gutters, and downspouts, and supply pipes to the premises, and the drainage pipes leading therefrom, in good repair.

11. The Lessors covenant and warrant that the leased premises are well built, properly constructed and suitable and fit, and that they will be so maintained during the term of this lease in accordance with the provisions of the said lease. Any fixtures which may be placed in or on the premises by the Lessee are to remain the property of the Lessee, and it is to have the right to remove same except as hereinafter noted. At the expiration of this lease, or any extensions or renewals thereof, the Lessee shall surrender the leased premises to the Lessors in the same condition and state of repair as at the commencement of the original term of the lease, normal wear, tear, depreciation, and unavoidable casualty expected.

12. If said premises shall be damaged by fire, casualty, or other causes, they shall be restored promptly by the Lessors, and an abatement of rent shall be made. But if said premises shall be partially or wholly destroyed by fire or other unavoidable casualty so as to render them untenable, this lease shall cease and the Lessee shall have the option to enter into a new lease with the Lessors for said premises. If and when restored, the rental conditions and terms of the new lease are to be the same as the within lease. In either event, a pro rata refund shall be made for advance rents paid. If the street or sidewalk is obstructed or blocked for repairs, reconstruction, or otherwise as a result of such fire, casualty or other causes, an abatement of rent shall be made.

13. In the event the premises hereby leased are taken in condemnation proceedings, the Lessee may cancel this lease. Should part of said premises so taken,

the Lessee may cancel this lease, or, at its option, retain the remainder of the premises which shall be restored to tenable condition by the Lessors as soon as possible. If the Lessee considers it inadvisable to conduct business until the said premises are entirely restored to tenable condition, then the rent shall entirely abate during said repairs. Otherwise, rent shall be apportioned. The rental thereafter shall be reduced in proportion to the amount of space lost as a result of condemnation proceedings.

14. All notices required under this lease shall be deemed to be properly served if delivered in writing, personally, or sent by registered mail, to the Lessors at the last address where rent was paid; or to the Lessee at its place of business in South Fulton, Tennessee, or at any subsequent address which the Lessee may designate for such purpose. Date of service of the notice served by mail shall be the date on which such notice is deposited in the post office of the United States Post Office Department.

15. Should the Lessee remain in possession of the leased premises after termination of the term where there are no renewal privileges, or after the expiration of the last renewal term where there are renewal privileges, or give notice of its intention to terminate the lease at the expiration of the original term or any renewal term and remain in possession of said premises. After such termination, it shall be a tenant from month to month at the same rental and on the same conditions except as to the term as herein provided.

16. The Lessee shall have the right to erect its customary signs used in connection with its business and such other signs as it may desire as approved by Lessors.

17. It is understood and agreed that if any rent shall be in default, or if default shall be made of any of the covenants herein contained by the Lessee, then the Lessors shall give the Lessee 10 day's written notice thereof, and if any default, other than rent is not remedied within 30 days, or if the Lessee shall become bankrupt or have a receiver appointed for it or its business, or make an assignment for the benefit of its creditors, it shall be lawful for the Lessors to re-enter said premises and to again have and enjoy the same.

~~18. To insure faithful performance of the monetary obligation relative to the interior renovation cost, a promissory note is to be executed in the cost amount.~~

No Promissory - not required. J. Jones  
559 B

J. Jones

19. The provisions of this lease shall be binding upon and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors, and assigns.

20. Lessor will allow Lessee to sublet the **Lean-To** premises, but only with the personal guarantee of Larry Wade and the approval of Lessor.

IN WITNESS WHEREOF, the parties have executed this indenture of lease and agreement as of the 20 day of April, 1997.

John C. Jones  
John C. Jones, Lessor

Gordon Jones  
Gordon Jones, Lessor

Lean-To Restaurant, Inc.

BY Jerry Wade  
Lessee

State of Tennessee  
County of Obion

Personally appeared before me, the undersigned Notary Public in and for the State and County aforesaid, duly commissioned and qualified, **JOHN C. JONES** and **GORDON JONES**, the within named Lessors, with whom I am personally acquainted, and who acknowledged that they executed the foregoing instrument for the purposes therein contained.

GIVEN under my hand and seal of office, this the 20 day of April, 1997.

Jan Parker  
Notary Public

My commission expires:  
9-24-97

State of Tennessee  
County of Obion

Personally appeared before me, the undersigned Notary Public in and for the State and County aforesaid, duly commissioned and qualified, LARRY WADE, with whom I am personally acquainted, and who, upon oath, acknowledged himself to be the President of **LEAN-TO RESTAURANT, INC.**, the within named Lessee, a corporation, and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

**GIVEN** under my hand and seal of office, this the 20 day of April, 1994.

Jan Parker  
Notary Public

My commission expires:

9-24-97

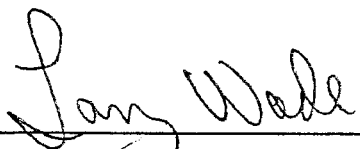
**Addendum to G & J Rental/Lean-To Lease**  
**(Start Date: May 1, 1994)**

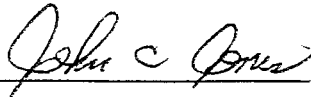
This addendum is constructed as a matter of record to specifically stipulate the adjustments to rent effected by the renovation of the **Lean-To** interior by Lessee, Larry Wade, d/b/a **Lean-To Restaurant, Inc.**

The adjustment reflected in the new five-year lease to take effect on May 1, 1994 is as follows:

Old rent	\$1,200.00 monthly
New 5-year term adjustments	<u>342.47</u> monthly
Subtotal:	\$1,542.47 monthly
Plus:	
Larry Wade's interior renovation (approximate) plus additional insurance coverage. \$28,710.00 total cost Amortized over 5 years @ 8% interest	<u>582.33</u>
Rent per month upon completion of interior renovation:	<u><b>\$2,124.80</b></u>

**Note:** After the five (5) year interior renovation amortization period is completed, the monthly rent resumes at the original figure of \$1,542.47 per month (subject to the future terms of the lease).

Lessee   
Larry Wade

Lessor   
John C. Jones