

**SITE APPROVAL CHECKLIST**

**AD / DDM MARKET:** DDM - Jackson  
**REAL ESTATE CONTACT:** Mann, Joseph  
**STORE #:** 05989  
**FRANCHISEE:** Patel, Manhar D  
**PROJECT/STORE NAME:** Byram Business Center  
**STORE ADDRESS:** 102-106 Byram Business Center Byram, MS 39272  
**STORE TYPE:** Trad Shopping Center

**FRANCHISE AGREEMENT EXECUTED**

Amount Paid: \$25,000.00 Date: 10/20/2003

**SITE EVENTS**

Site Package Received: By: Wagner, Dina Date: 12/21/2005  
LOI Received: By: \_\_\_\_\_ Date: \_\_\_\_\_  
Maps and Demos Received: By: Wagner, Dina Date: 12/21/2005  
A&R: By: Meakim, Jasmine Date: 12/21/2005  
AD Evaluation: By: Meakim, Jasmine Date: 12/21/2005  
FO Evaluation: By: Meakim, Jasmine Date: 12/21/2005  
Lead Sheet: By: Meakim, Jasmine Date: 12/21/2005  
Quizno's Shell: By: \_\_\_\_\_ Date: \_\_\_\_\_  
Site Plans (Exhibit A): By: Meakim, Jasmine Date: 12/21/2005  
Site Approved: By: Meakim, Jasmine Date: 12/21/2005

**LEASE EVENTS**

Lease Received: By: Dale, Ken Date: 12/27/2005  
Lease Paid: By: \_\_\_\_\_ Date: \_\_\_\_\_  
Equipment Deposit Received: By: \_\_\_\_\_ Date: \_\_\_\_\_  
Lease Letter Sent: By: Meakim, Jasmine Date: 12/28/2005  
Lease Letter / Green: By: \_\_\_\_\_ Date: \_\_\_\_\_  
Cursory App. Letter Mailed: By: \_\_\_\_\_ Date: \_\_\_\_\_  
Addendum: By: \_\_\_\_\_ Date: \_\_\_\_\_

**APPROVAL REQUIRED**

- Proximity (w/i 1.5 miles)     Project Costs (>250K)     Low Demos     Rent/Debt (>550K)  
 Multi Unit     Ops     D&C     Zone Signature  
 Concentric Circle

Mgmt. Approval: \_\_\_\_\_ Date: \_\_\_\_\_

**AUDIT STEPS**

Greenfield Verification: \_\_\_\_\_ Date: NO  
Scoring Sheet Updated in Access: By: \_\_\_\_\_ Date: 12-29-05

- This is a replacement site for one which is now dead.  
 This is a reopen of prior store. Prior store number: \_\_\_\_\_  
 This site was previously approved as store number: \_\_\_\_\_  
Associated Stores: 06447

Comments:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**TRADE AREA:**

TRADE AREA TYPE: Suburban  
 SOURCE - BUSINESS LUNCH: residential and commercial traffic  
 SOURCE - BUSINESS LUNCH: same  
 POSITIVE FEATURES OF SITE: New center in growth community  
 NEGATIVE FEATURES OF SITE: \_\_\_\_\_

TRAFFIC COUNTS: 102 thru 106 Bryam Business Center, Suite 20,000 30  
Main Street Name # cars/avg. weekday speed limit  
0  
Cross Street Name # cars/avg. weekday speed limit

ACCESS: RATING: Fair  
 LEFT TURN IN: Yes  
 LEFT TURN OUT: Yes  
 MEDIANS: No

VISIBILITY: Distance in total linear feet storefront is visible from:  
 NORTH: 0 EAST: 1000  
 SOUTH: 1000 WEST: 1000

PARKING: Quiznos spaces available: none Shared parking sufficient: Yes

DEMOGRAPHICS:  
 Attach copy of full demographic report to site package.

	1-mile	2-mile	3-mile
<b>Primarily a drive-to site</b>			
Residential Population	1,798	8,015	11,765
Median Household Income	\$ 58,274	\$ 56,458	\$ 53,492
Daytime Population	2,140	3,897	4,652
<b>Primarily a CBD walk-to site</b>			
Daytime Population	1/4 mile	1/2 mile	1-mile

**OTHER QUIZNOS LOCATIONS/SITES:**

Location _____	Distance: <u>NA</u> miles
Location _____	Distance: <u>0</u> miles
Location _____	Distance: <u>0</u> miles
Location _____	Distance: <u>0</u> miles

The undersigned hereby requests approval of the above site. The undersigned acknowledges and agrees that:  
 a. His/Her approval of such site is not a result of any representations regarding projected sales volumes, market potential revenues, or Profits made by Franchisor's employees, agents, consultants, Area Directors, or representatives.  
 b. He/She has had the opportunity to obtain legal, financial, and other expert advice prior to the approval of such site.

The undersigned makes the following independent estimates relating to the subject site:

1. Leasehold Improvements:	\$ <u>80,000</u>	(Leashold improvements less LL contribution)
<small>(Note: All costs including, but not limited to, franchise fee, leasehold improvements, furniture, fixtures, equipment, signage, deposits, working capital, training, legal, architecture, attorneys, etc.)</small>		
2. Total Project Costs:	\$ <u>210,000</u>	
3. Total Financing:	\$ <u>130,000</u>	Term: <u>10 Yrs.</u> Int. Rate: <u>7.00%</u>
Lender's Name:	<u>TBD</u>	Payment: <u>\$ 1,509.41</u>

The undersigned also understands that an acceptance of the site and Site Submittal Package by Franchisor, its Area Director, employees, or representative does not mean that Franchiser agrees with and/or approves any or all of the undersigned's cost estimates, construction estimates, or terms and conditions of the lease or contract to buy the location. Nor does it constitute a recommendation, endorsement, warranty, or guaranty of the suitability of the location, and the undersigned has taken all steps necessary to ascertain that such location is acceptable to the undersigned.

Submitted on this 15 day of December by:

Rujul Patel  
Franchisee's Signature

RUJUL PATEL  
Print Name Site Evaluation

## ACKNOWLEDGEMENT AND RELEASE FORM

The undersigned, individually and as Franchisee, under a Franchise Agreement dated, 10-20, 2003 (the "Franchise Agreement") by and between the undersigned and Quizno's Franchising II LLC or its successors, assigns or affiliates ("Franchisor") hereby states as follows:

1. All capitalized terms used herein shall have the same meaning as ascribed thereto in the Franchise Agreement.

2. The undersigned acknowledges that the Franchisor or its agents or employees, including Franchisor's Area Director, may have entered into preliminary discussions or negotiations concerning the economic or other material terms of a possible lease for property or space on or in which the Franchised Business facilities may be located, and may have prepared or provided the information in a Site Submittal Package or other form of information relating to the subject site, which premises are located at Broom Bus CTR. Franchisee further acknowledges that no lease or binding agreement to enter into a lease has been executed or agreed to by Franchisor and that, pursuant to the Franchise Agreement, Franchisee will undertake negotiation of any such lease and is not bound by any preliminary discussions or negotiations engaged in by Franchisor or its agents and employees. The undersigned acknowledges that the final lease may contain certain provisions that create additional risks to the Franchisee, including but not limited to the following:

- Risks associated with high rental amounts, and the corresponding minimum monthly sales volume necessary to fulfill the undersigned's initial expenses and ongoing expenses. Please refer to the Real Estate/Design and Construction Workbook (the "Workbook").
- Risks associated with a lease term that is less than the term of the Franchise Agreement. The lease may expire before the Franchise Agreement. The undersigned acknowledges that it may have to relocate the store to another location at its sole cost and expense, and subject to Franchisor's prior approval of the new location. As a result thereof, the undersigned would likely incur significant expense, including build out of another store.
- Risks associated with a site location in an area containing population that is below Quiznos corporate standards, causing an adverse effect on the monthly sales volumes needed to fulfill initial expenses and ongoing expenses. Please refer to the Workbook.

The undersigned acknowledges that there may be other risks not mentioned herein, and that despite such risks, the undersigned would like to proceed with the operation of a Quiznos Sub restaurant at the above-referenced location.

3. The undersigned acknowledges and agrees that when the undersigned's proposed Lease is submitted to Quizno's for approval it must be accompanied by an equipment deposit check made payable to Source One Distribution LLC ("SOD") (currently in the amount of \$35,000). If the Lease is not accompanied by the SOD check, Franchisor must receive the check no later than 28 days from the date Franchisor receives the Lease. The undersigned further acknowledges and agrees that if the SOD check is not received within the 28 days, undersigned will be in default under the Franchise Agreement and Franchisor will be entitled to transfer the undersigned's site to another franchisee without notice to the undersigned. In the event the Lease relates to a new construction site, Franchisor will verify that the site is new construction and the SOD deposit check must be received by Franchisor prior to the undersigned being scheduled for training (QU 102). Also in the case of new construction sites, if the SOD deposit check is not received prior to the date the undersigned would otherwise be able to be scheduled for training, the undersigned will be in default under the Franchise Agreement and Franchisor will be entitled to transfer the undersigned's site to another franchisee without notice to the undersigned.

4. The undersigned further acknowledges that although Franchisor or its agents or employees, including its Area Director, may have been involved in approving site(s) for the location of the Franchised Business facilities, Franchisee has assumed sole and full responsibility for final site selection and approval. Franchisee understands that each possible site is unique and provides different risks and benefits, which may affect the success of the Franchised Business. Franchisee further understands that as part of analyzing the location, it is Franchisee's responsibility to meet with the local city planner to determine that there are no street, highway, interchange, city, or other planned changes that would negatively affect the location. Franchisee hereby releases and forever discharges Franchisor, its affiliates, and its Area Director and the officers, directors, shareholders, members, partners, employees, counsel and agents of each, from any loss, cost, claim, liability or expense arising out of or relating to the selection of or Franchisor's approval of the location and/or lease for the Franchised Business or the suitability of such location for the successful operation of the Franchised Business.

5. THIS PROVISION APPLIES ONLY IF THE FRANCHISEE INTENDS TO SUBLEASE PURSUANT TO, OR ACCEPT AN ASSIGNMENT OF, AN EXISTING LEASE NEGOTIATED BY OR ON BEHALF OF FRANCHISOR OR ITS AFFILIATES(S): In the event the undersigned intends to sublease the Franchised Business facilities from Franchisor or its affiliate or Area Director or accept an assignment of the tenant's interest in a lease entered into by Franchisor or its affiliate or Area Director, the undersigned acknowledges that although Franchisor or one of its agents negotiated the terms and provisions of the existing lease, Franchisee has independently investigated the suitability of the location of the premises in questions for location of the Franchised Business facilities and determined that such premises are suitable. In addition, Franchisee has been afforded the opportunity to review the existing Lease (and, if applicable, sublease) and, if so desired, to have Franchisee's attorney or other consultants review it and has found all of the terms and provisions thereof to be acceptable. Franchisee has been notified that it is in Franchisee's best interest to fully and independently review the proposed location with advisors or consultants of its choosing and Franchisee is not relying on any representation, warranties or information provided by Franchisor (other than the Lease) in determining to proceed as assignee or subtenant. Accordingly, Franchisee hereby releases and forever discharges Franchisor, its affiliates, and its Area Director and the officers, directors, shareholders, members, partners, employees, counsel and agents of each from any loss, cost, claim, liability or expense arising out of or relating to the selection of the location for the Franchised Business, the suitability of such location for the successful operation of the Franchised Business and the negotiation of or including of any provision in the existing lease.

6. The undersigned acknowledges and agrees that the success, if any, of a given location of a Quiznos Sub restaurant is the responsibility of the Franchisee and no representations or statements of actual, average, projected or forecasted sales, profits or earnings for a particular demographic area are provided to prospective franchisees by the Franchisor or its representatives. Neither officers, agents, consultants, Area Directors, or employees of the Franchisor are authorized to make any claims or statements as to the prospect or chances of success that any prospective Franchisee can expect at a particular Quiznos Sub restaurant location nor will information be given on past or recent achievements of franchisees, other than summary sales reports routinely provided to all franchisees. The Franchisor specifically instructs its personnel, agents, consultants, Area Directors, or employees, that they are not permitted to make such statements as to the prospects or chances of success at a particular location, nor are they authorized to represent or estimate dollar figures as to a given store's operation. The Franchisor recommends that prospective Franchisees make their own survey of existing Quiznos Sub stores (other than those owned by the Franchisor or one of its employees or agents) and judge their general operation procedure. The information supplied by existing franchise holders should allow the prospective Franchisee to determine whether or not they are profitable.

The undersigned hereby represents and warrants that it has freely and voluntarily executed this Acknowledgement and Release as of the 15 day of December, 2005.

By: Rujul Patel  
Franchisee Signature

Print Name: RUJUL PATEL



# SITE EVALUATION FORM FOR AREA DIRECTORS

LOCATION: Byram Business Center STORE #: 5989  
106 Bryam Business Center, Suite 11 Byram, MS 39272 Hinds 0  
Street Address Suite City, State Zip County Cross Street

Franchisee: Manhar Patel Corporate Name: TBD  
 Franchise agreement effective date: 10/20/2003

AD has performed the Pre-Opening Orientation?  Franchisee completed & signed Site Evaluation  
 AD has verified that there are no territorial commitments from other franchisees?  The site has been registered?  
 AD has confirmed that there is no radius clause in the lease?  Acknowledgement & Release?  
 There are Quizno's approved Yes LOI Yes Addendum Yes Sign Crit.

DISTANCE FROM OTHER QUIZNO'S LOCATIONS:  
 Location - Distance: NA miles Location - Distance: 0 miles  
 Location - Distance: 0 miles Location - Distance: 0 miles

COMMENTS: Bedroom community for Jackson... High residential growth rate


Positive features of location: On main Thoroughfare... across from future Wal-Mart Supercenter

Negative features of location: Fair access

Estimated Total Project Cost	<u>\$210,000.00</u>	Rent abatement	<u>\$0.00</u>
Estimated Landlord Contribution	<u>NONE</u>		
Estimated Net Project Cost	<u>#VALUE!</u>		
Lender's Name	<u>TBD</u>		
Amount Financed	<u>\$130,000</u>		
Rate	<u>7.00%</u>	Term:	<u>120</u> months
Monthly Debt Payment	<u>\$ 1,509.41</u>		
Annual Debt Service	<u>\$ 18,112.92</u>		

Square Footage	<u>2,000</u>	Options: #	<u>1</u> periods	<u>5</u> Years each
Initial Term	<u>10</u> Years			
Minimum Rent (Year 1)	<u>\$19,200</u>		Annual	
Taxes/Insurance/CAM	<u>\$0</u>		Annual	
Additional Rent	<u>\$19,200</u>		Annual	
Total Occupancy Cost	<u>\$19,200</u>		Annual	
Annual Sales required to cover Annual Debt & Total Occupancy per 15% formula				<u>\$ 248,752.82</u>

*This form is solely for the purpose of assisting in the evaluation of the relative merits of the available locations as judged by the person examining the site. It is not to be construed as a prediction of the future success of the unit. This form is CONFIDENTIAL AND FOR INTERNAL USE ONLY.*

Area Director Signature:  Date: 15-Dec-05



## Lead Sheet, Notice to Construction Dept.

A lease has been issued and negotiations are underway for a new Quizno's location as described below. Please contact the franchisee to retain an architect and schedule a site survey.

Date:	12/15/2005	Store #:	5989
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Submitted By:	Joe Mann	Submitted To:	Alex Karas
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Site Intersection:	102 thru 106 Bryam Business Center, Suite 114 & 116 @
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Site Address:	102 thru 106 Bryam Business Center, Suite 114 & 116 Byram, MS 39272
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Shopping Center:	Byram Business Center
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Building Type:	In line	*ASIS* <input checked="" type="checkbox"/>	Square Feet:	2000
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Landlord/Developer:	Byram Business Center	Phone No:	601946-0605
	Joan Estes	Fax No:	601 878-0178
		Email:	este0178@bellsouth.net

Construction Contact:	0	Phone No:	0
		Fax No:	0
		Email:	0

Franchisee:	Manhar Patel	Home Phone No:	601 415-0897
	TBD	Fax No:	0
		Email:	rujul5@hotmail.com

Quiznos Broker:	Mead Silsbee	Phone No:	205 313-3676
	Retail Specialists, Inc.	Fax No:	205 313-3677
		Email:	mead@retailspecialists.com

Architect:		Phone No:	
		Fax No:	
		Email:	

Projected "Delivery of the Premises" Date:	2/1/2006	Projected T.I. Allowance:	NONE
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Construction:	EXISTING	Rent Commencement:	120 days from obtaining permits
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Additional Comments:	Taking space as-is...no help frm LL. Rents are very low...under \$12 PSF
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Attached:	<input checked="" type="checkbox"/> LOI	<input checked="" type="checkbox"/> Site Plan	<input type="checkbox"/> Lease or Lease Exhibits
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# Quiznos Real Estate Committee Checklist

Use the following checklist when preparing a site submittal package for review. Failure to provide any of the items below will cause the review of the site to be put off until the complete package is submitted. This sheet should also be included as a component of the site submittal package.

## Basic Site Information

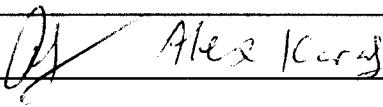
Store #	5989	Franchisee Name	Manhar Patel
Store Name	Byram Business Center	AD/HP Name	Joe Mann
<input type="checkbox"/>	This is a replacement site for one which is now dead		
<input type="checkbox"/>	This is a reopen of prior store. Prior store number:		
<input type="checkbox"/>	This site was previously approved as store number:		

## Site Submittal Package Components

<input checked="" type="checkbox"/>	Quiznos Site Scoring Form
<input checked="" type="checkbox"/>	Site Evaluation (including Authorization and Release) signed by Franchise Owner
<input checked="" type="checkbox"/>	Site Evaluation - AD Form signed by AD/HP
<input checked="" type="checkbox"/>	Fully Negotiated Letter of Intent
<input checked="" type="checkbox"/>	Landlord Delivery Conditions (or TI Provision); reviewed with Franchise Owner
<input checked="" type="checkbox"/>	10 year rent & CAM schedule
<input checked="" type="checkbox"/>	Standard Demographics Package
<input type="checkbox"/>	Concentric Ring study (only necessary if another Quiznos exists within 2.0 miles or 4 blocks for a CBD site)
<input checked="" type="checkbox"/>	Site Plan (designating space)
<input checked="" type="checkbox"/>	Video of site, showing the following:
	(a) the storefront
	(b) the storefront within the center as a whole
	(c) a look up and down the rest of the center (or nearby stores within two blocks) showing the neighbors
	(d) a look up and down the main street, showing nearby stores
	(e) means of egress into the center
	(f) traffic
	(g) all signage for the site (as seen from the road)
	(h) the route to the nearest Quiznos (unless no Quiznos exists within 5 miles)
<input type="checkbox"/>	Still Pictures: (a) the storefront, and (b) the site from the street
<input checked="" type="checkbox"/>	Lease Information Form
<input checked="" type="checkbox"/>	Lead Sheet *
<input checked="" type="checkbox"/>	Quiznos Addendum (or appropriate language in the LOI)
<input checked="" type="checkbox"/>	Sales needed to meet Debt/Rent ratio \$ <u>248,752.82</u>
<input checked="" type="checkbox"/>	SOADS Conference Call Appointment Form *

Note: The Equipment Deposit Fee and the Lease Review Fee are not required prior to site approval but they should be submitted promptly to avoid delaying lease approval or execution.

## Approvals

<b>Regional Vice President</b>	Date:
	Date: <u>12-21-05</u>
<b>Development</b>	Date:
<b>Operations</b>	Date:
<b>Zone Leader (If Necessary)</b>	Date:

- Zone Leader approval is necessary if any of the following are true:**
- Estimated project costs are \$250K or higher
  - Sales needed to meet Debt/Rent ratio is greater than \$550K
  - Another Quiznos exists within 1.5 miles (suburban) or 3 blocks (CBD)
  - Site is less than 1,000 square feet or over 2,000 square feet
  - Site will not be open 7 days a week during standard Quiznos hours
  - Total Score for the site is below 60

**\* RVP Instructions:**  
 On the day that this site is approved, please fax the following forms to SOADS  
 1. Lead Sheet  
 2. SOADS Conference Call App't Form  
 SOADS Fax: 303-893-5784  
 (Then send the full packet to Denver.)

# SITE SCORING FORM

Store Number 5989  
 Location Name Byram Business Center  
 Address 102 thru 106 Bryam Business Center, Suite 114 & 116  
 City Byram  
 State, Zip MS, 39272

**Nearby Quiznos Locations**

Other Quiznos sites within 5 miles (include sites under development and sites not sold)  
*If a site exists within 2.0 miles (4 blocks for a CBD site), you must create a concentric circle analysis*

Miles Away	Store # or Map #	Store Name/Town	AUV (if open)
NA			

**Total Score Calculation**

Visibility  
 Competition  
 Position in Trade Area  
 Demographics Score (from Demos@Quiznos.com)  
 Total Score

Score	Weight	Total Score
4	4.7	19
5	4.1	21
5	3.7	19
2.43	7.6	18
		<b>76</b>

Total Score	Approval Requirement
60 +	Real Estate Committee
Under 60	Zone Leader

**Other Site Characteristics**

Anchor / Co-Tenant Quality  
 Access  
 Parking  
 Green Site  
 Major Competitors

Score	Explanation (if score is <3 or if Site is Green)
4	
4	
4	
no	

Anchor Tenants

Subway, McDonald's, Wendy's  
Across from future Wal-Mart S.C.

# TOTAL LEASE CALCULATIONS

Store # 5989  
 FZE: Manhar Patel  
 Store Name: Byram Business Center  
 Leasable SF: 2,000  
 Assumption #1: Add'l rent estimates increased by 10% every 5 yrs, change formula as needed  
 Initial Term: 10 years  
 # of Options: 1 periods  
 Option Period: 5 years each  
 Percentage Rent: No  
 If yes, enter %

Year	Net Rent (PSF)	CAM (PSF)	Taxes (PSF)	Insurance (PSF)	Monthly Rent	Monthly NNINs	Total Monthly Occ. Costs	Total Annual Rent	Total Annual NNINs	Total Annual Occ. Costs	Natural Monthly Breakpoint
1	\$9.60				\$1,600.00	\$0.00	\$1,600.00	\$19,200.00	\$0.00	\$19,200.00	N/A
2	\$9.60	\$0.00	\$0.00	\$0.00	\$1,600.00	\$0.00	\$1,600.00	\$19,200.00	\$0.00	\$19,200.00	N/A
3	\$10.65	\$0.00	\$0.00	\$0.00	\$1,775.00	\$0.00	\$1,775.00	\$21,300.00	\$0.00	\$21,300.00	N/A
4	\$10.65	\$0.00	\$0.00	\$0.00	\$1,775.00	\$0.00	\$1,775.00	\$21,300.00	\$0.00	\$21,300.00	N/A
5	\$10.65	\$0.00	\$0.00	\$0.00	\$1,775.00	\$0.00	\$1,775.00	\$21,300.00	\$0.00	\$21,300.00	N/A
6	\$10.65	\$0.00	\$0.00	\$0.00	\$1,775.00	\$0.00	\$1,775.00	\$21,300.00	\$0.00	\$21,300.00	N/A
7	\$11.40	\$0.00	\$0.00	\$0.00	\$1,900.00	\$0.00	\$1,900.00	\$22,800.00	\$0.00	\$22,800.00	N/A
8	\$11.40	\$0.00	\$0.00	\$0.00	\$1,900.00	\$0.00	\$1,900.00	\$22,800.00	\$0.00	\$22,800.00	N/A
9	\$11.40	\$0.00	\$0.00	\$0.00	\$1,900.00	\$0.00	\$1,900.00	\$22,800.00	\$0.00	\$22,800.00	N/A
10	\$11.40	\$0.00	\$0.00	\$0.00	\$1,900.00	\$0.00	\$1,900.00	\$22,800.00	\$0.00	\$22,800.00	N/A
11		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
12		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
13		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
14		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
15		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
16		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
17		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
18		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
19		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
20		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
21		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
22		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
23		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
24		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
25		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A

## Letter of Intent Franchise Location

1. **TENANT:** Rujul Patel d.b.a. QUIZNOS SUB
2. **LANDLORD:** Byram Business Center
3. **PREMISES:** Commonly known as: 102 thru 136 Byram Business Center, Suite #114 & #116  

Street Address Suite # (if any)

City of: Byram County of: Hinds  
 State of: Mississippi Zip Code: 39272  
 Description: The Premises is a part of that certain Shopping Center known as Byram Business Center (the "Shopping Center")
4. **SIZE:** Approximately 2000 square feet.
5. **DIMENSIONS:** 39.5 ft. frontage x 50.5 ft. depth
6. **TERM:** 10 years
7. **OPTIONS:** 1 + 5 years to be adjusted per CPI
8. **POSSESSION DATE:** Upon execution of Lease
9. **RENT:**
  - Years 1-2: \$9.60 R.S.F. = \$19,200.00 Annual / \$1600.00 per month
  - Years 3-6: \$10.65 R.S.F. = \$21,300.00 Annual / \$1775.00 per month
  - Years 7-10: \$11.40 R.S.F. = \$22,800.00 Annual / \$1900.00 per month
10. **EXPENSES:** Landlord will provide Tenant detail as to the actual expenses currently applicable to the property.
11. **PERMITTED USES:** Tenant shall have the right to use the Premises for purposes of an eat-in/take-out/delivery restaurant selling sandwiches, salads, soups, beverages, pizza, frozen desserts (yogurt, ice cream), fruit based blended drinks and other products sold in Quiznos Sub stores, and retail sales and other ancillary purposes associated therewith. Tenant shall be permitted to use an outdoor eating area. Tenant shall also be allowed to serve samples in the Common Areas adjacent to the Premises. Tenant shall be permitted to operate, or allow another concessionaire or licensee to operate, a co-brand food and beverage operation in or from the Premises in conjunction with Tenant's operation of its Quiznos Sub restaurant.
12. **ALTERATIONS:** Tenant may make nonstructural alterations and improvements to the interior of the Premises of \$10,000 or less per alteration without Landlord's prior consent, provided the work is performed in a good and workmanlike manner. Tenant may close its business once every five (5) years for up to thirty (30) days to refurbish and redecorate the Premises.
13. **CONSTRUCTION PERIOD:** Tenant shall have ninety (90) days from lease execution to complete improvements to the space (hereinafter "Construction Period"). During this Construction Period no rent or expenses will be due. Landlord will cooperate with Tenant's efforts to obtain permits and approvals.
14. **RENT COMMENCEMENT:** Payment of rent shall commence 120 days after obtaining construction permits and approvals.
15. **SECURITY DEPOSIT:** Landlord agrees to waive security deposit.

**16. SIGNS:** Landlord hereby grants and approves the following signage rights:

(a) **Opening Signage.** Tenant shall have a license to: (i) erect at least one single or double sided wooden sign in the landscaped Common Area adjoining the most heavily traveled right-of-way adjacent to the Shopping Center which sign shall say "Coming Soon - Quiznos Sub" or words similar thereto during the period between the Lease execution date and sixty (60) days after the date Tenant opens for business, and (ii) display "Coming Soon" or "Grand Opening" banners on or near the Premises during such period.

(b) **Permanent Signage.** Landlord agrees to allow Tenant to use the standard sign and awning package approved by Franchisor to the maximum size permitted by local governmental authorities.

(c) **Window Signs/Door Handle.** Tenant shall be permitted to display signs and promotional items in the windows of the Premises, including permanent neon signs, provided the same are consistent with Franchisor's national standards. Tenant shall be permitted to install a standard door handle approved by Franchisor on the entry door(s) to the Premises.

(d) **Pylon/Monument/Directory Sign.** None in place at present time.

**17. EXCLUSIVE:** Throughout the Term, as it may be extended under the terms of the Lease, Tenant shall have the exclusive right in the Shopping Center to engage in the sale of delicatessen and submarine type sandwiches. Landlord shall not allow any other party in the Shopping Center to violate the terms or spirit of this exclusivity agreement, and if a violation occurs, in addition to any other remedies Tenant may have at law or in equity, Tenant shall have the right to terminate the Lease upon thirty (30) days' written notice.

**18. PATIO:** Tenant shall have right to use the common areas adjacent to the subject premises for an outdoor eating area, as long as such use complies with local zoning codes and ordinances.

**19. IMPROVEMENTS:** In lieu of tenant improvement allowance, Landlord agrees that payment of rent shall commence 120 days after construction permits and approvals are obtained.

**20. BROKER'S FEES:**

**UPON LEASE EXECUTION, LANDLORD AGREES TO PAY A ONE-TIME COMMISSION TO RETAIL SPECIALISTS, INC. EQUAL TO 4% OF THE BASE RENTAL INCOME TO BE RECEIVED DURING THE FIRST FIVE (5) YEARS OF THE INITIAL LEASE TERM. LANDLORD TO PAY HALF THE COMMISSION UPON EXECUTION OF LEASE AND THE REMAINING HALF UPON LEASE COMMENCEMENT**

**21. TENANT'S CONTINGENCIES:**

A. Approval of site, final lease, and final sign and awning package by Franchisor prior to lease execution.

B. Receipt of building and sign permits from local issuing authority to construct the Premises for Tenant's intended use.

**22. NO RADIUS/RELOCATION CLAUSES:** Any radius restrictions or relocation provisions in the Lease will be deleted.

**23. ASSIGNMENT PROVISIONS:** Tenant shall have the right to assign the Lease or sublet the Premises, without charge and without Landlord's consent being required, to Quizno's Franchising LLC ("QF") or its parent, subsidiaries or affiliates (QF, its parent, subsidiaries and affiliates are each referred to herein as a "QF Entity" or "Franchisor"). Tenant shall also have the right to assign the Lease or sublet the Premises, without charge and without Landlord's consent being required, to a duly authorized franchisee of Franchisor. In the event of an

assignment to a QF Entity, the QF Entity shall have the right to reassign the Lease, without charge and without Landlord's consent being required, to a duly authorized franchisee of Franchisor and to thereupon be released from any further liability under the Lease. Any options to extend the term of the Lease shall automatically transfer to an assignee in connection with a transfer made pursuant to the foregoing paragraph. Tenant shall agree to attorn to any assignee of Landlord provided such assignee will agree not to disturb Tenant's possession of the Premises.

**24. HAZARDOUS MATERIALS:** Landlord represents and warrants that the Premises are free of all asbestos, asbestos containing materials and other hazardous or toxic materials (collectively, "Hazardous Materials"). Tenant shall have no obligation to make any repairs, alterations or improvements to the Premises or incur any costs or expenses whatsoever as a result of Hazardous Materials in or about the Shopping Center, Building or the Premises, other than those Hazardous Materials brought onto such areas by Tenant. Landlord shall be solely responsible for any changes to the Premises relating to Hazardous Materials (at Landlord's expense and not as a charge to Tenant's build out allowance), unless those Hazardous Materials were brought onto Premises by Tenant. Landlord shall indemnify and hold Tenant harmless from and against all liabilities, costs, damages and expenses which Tenant may incur (including reasonable attorneys' fees) as a result of a breach of Landlord's representation and warranty set forth in this paragraph or the presence of Hazardous Materials in or about the Shopping Center, Building or the Premises, unless those Hazardous Materials were brought onto such areas by Tenant.

**25. NOTICE AND CURE RIGHTS:** Landlord agrees to give Franchisor written notice of any Tenant defaults as a prerequisite to exercising any remedies against Tenant under the Lease. Franchisor shall have Tenant's cure period plus an additional ten (10) days (but in no event less than thirty (30) days total) to cure (at Franchisor's option) any such defaults on Tenant's behalf, and to perform any other acts on Tenant's behalf as may be necessary to keep the Lease in full force and effect. In the event Franchisor executes on its security interest in the Lease and Tenant's fixtures and equipment (pursuant to the terms of its Franchise Agreement with Tenant), such action shall not be deemed a default or assignment under the Lease; provided, however, Franchisor shall thereafter have the right to assign the Lease on Tenant's behalf, without charge and without Landlord's consent being required, to an authorized franchisee of Franchisor. Notice to Franchisor shall be addressed as follows:

Quizno's Franchising LLC  
1475 Lawrence Street, Suite 400  
Denver, Colorado 80202  
Attn: Legal Department  
Phone: (720) 359-3300

**26. TENANT FINANCING:** Tenant shall have the right from time to time to grant and assign a mortgage or other security interest in all of Tenant's personal property located within the Premises to its lenders in connection with Tenant's financing arrangements, and any lien of Landlord against Tenant's personal property (whether by statute or under the terms of the Lease) shall be subject and subordinate to such security interest. Landlord shall execute such documents as Tenant's lenders may reasonably request in connection with any such financing.

**27. LANDLORD WARRANTIES:** Landlord represents, covenants and warrants (i) that it has lawful title to the Shopping Center and has full right, power and authority to enter into the Lease; (ii) that the Shopping Center is in compliance with the Americans with Disabilities Act ("ADA"); (iii) that the permitted "use" of the Premises does not currently violate the terms of any of Landlord's insurance policies; (iv) that it currently maintains all risk of physical loss coverage for the full replacement cost of the Shopping Center and shall maintain throughout the term of the Lease general liability insurance coverage for the Shopping Center consistent with that being maintained from time to time by reasonably prudent owners of properties similar to the Shopping Center in the same area; (v) that so long as Tenant pays all monetary obligations due under the Lease and performs all other covenants contained therein, Tenant shall peacefully and quietly have, hold, occupy and enjoy the Premises during the term of the Lease and its use and occupancy thereof shall not be disturbed; and (vi) that (a) the Shopping Center has the proper zoning and a legally adequate number of parking spaces for Tenant's permitted

use, and (b) Tenant's permitted use does not violate any other contracts or agreements to which the Landlord is a party or any other covenants, conditions, restrictions or agreements applicable to the Shopping Center. Landlord covenants and agrees that it shall take no action that will interfere with Tenant's intended usage of the Premises. Landlord shall indemnify and hold harmless Tenant and its officers, partners, agents and employees from and against any loss, cost, liability, damage or expense arising out of (i) Landlord's operation of the Shopping Center, (ii) Landlord's breach in the performance of any of its obligations under the Lease or (iii) any violation of law by Landlord or any other act or omission of Landlord or its contractors, agents or employees. The foregoing indemnification shall survive expiration or termination of the Lease. Tenant agrees to maintain general liability insurance for the duration of the lease.

**28. EXPIRATION OF PROPOSAL:** This proposal shall remain in force for thirty (30) days from the Tenant's date of this proposal. Should this Letter of Intent meet with the approval of Landlord, Landlord shall return an executed copy of this document to Tenant within such time period. Landlord agrees not to discuss or negotiate towards leasing the Premises to anyone other than Tenant for sixty (60) days after Landlord approves this Letter of intent. Landlord and Tenant each hereby agree to negotiate the terms and provisions of a Lease consistent with this Proposal within said sixty (60) day period.

**29. COMMUNICATIONS SYSTEM:** Notwithstanding anything to the contrary in the Lease, Landlord hereby agrees that at any time during the term of the Lease, Tenant or Franchisor, or authorized agent of either Tenant or Franchisor, shall have the right to install in and on the roof of the Premises, a satellite communications system (the "Satellite System") including antenna and related equipment. The Satellite System shall be installed at no cost to Landlord, and in accordance with all applicable laws, rules and regulations. Additionally, Tenant shall defend, indemnify and hold Landlord harmless from and against any claims, costs or expenses incurred by Landlord as a result of such installation by Tenant. Tenant shall be solely responsible for the maintenance and repair thereof, at Tenant's sole cost and expense. At the expiration or other termination of the Lease, said equipment shall remain the property of Tenant, and may be removed by Tenant, provided that Tenant shall repair any and all damage caused by such removal.

**30. RETURN OF EXECUTED LEASE:** Landlord agrees to return a fully executed original Lease within ten (10) days of execution to Tenant, with a copy to:

Quizno's Franchising LLC  
1475 Lawrence Street, Suite 400  
Denver, Colorado 80202  
Attn: Leasing Department  
Phone: (720) 359-3300

LANDLORD AND TENANT ACKNOWLEDGE THAT THIS PROPOSAL IS NOT A LEASE, AND THAT IT IS INTENDED AS THE BASIS FOR THE PREPARATION OF A LEASE. THE LEASE SHALL BE SUBJECT TO LANDLORD'S, TENANT'S AND FRANCHISOR'S APPROVAL, AND ONLY A FULLY EXECUTED LEASE SHALL CONSTITUTE A LEASE FOR THE PREMISES. EXCEPT AS TO THE OBLIGATIONS OF LANDLORD AND TENANT SET FORTH IN 29 ABOVE THE TERMS AND PROVISIONS OF THIS PROPOSAL ARE NON-BINDING.

AGREED AND ACCEPTED BY TENANT:

Date: \_\_\_\_\_  
Address for Notices: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_

TENANT: Raju Patel d.b.a. QUIZNOS SUB  
By:  
Title:  
By:  
Title:

AGREED AND ACCEPTED BY LANDLORD:

Date: \_\_\_\_\_  
Address for Notices: \_\_\_\_\_  
P. O. Box 720279  
Jackson, MS 39272  
Telephone: 601-946-0605 \_\_\_\_\_

LANDLORD: Byram Business Center  
By:  
Title:  
By:  
Title:



**Exhibit A**  
**(Site Plan)**

