

SITE APPROVAL CHECKLIST

AD / DDM MARKET: DDM - Lafayette
REAL ESTATE CONTACT: Mann, Joseph
STORE #: 10143
FRANCHISEE: Lege, Janet
PROJECT/STORE NAME: Automwood Shopping Center
STORE ADDRESS: 2668 Johnston Street Lafayette, LA 70503
STORE TYPE: Trad Shopping Center

FRANCHISE AGREEMENT EXECUTED

Amount Paid: \$25,000.00 Date: 10/18/2005

SITE EVENTS

Site Package Received:	By: <u>Wagner, Dina</u>	Date: <u>12/23/2005</u>
LOI Received:	By: <u>Wagner, Dina</u>	Date: <u>12/23/2005</u>
Maps and Demos Received:	By: <u>Wagner, Dina</u>	Date: <u>12/23/2005</u>
A&R:	By: <u>Meakim, Jasmine</u>	Date: <u>12/23/2005</u>
AD Evaluation:	By: <u>Meakim, Jasmine</u>	Date: <u>12/23/2005</u>
FO Evaluation:	By: <u>Meakim, Jasmine</u>	Date: <u>12/23/2005</u>
Lead Sheet:	By: <u>Meakim, Jasmine</u>	Date: <u>12/23/2005</u>
Quizno's Shell:	By: <u>Meakim, Jasmine</u>	Date: <u>12/23/2005</u>
Site Plans (Exhibit A):	By: _____	Date: _____
Site Approved:	By: <u>Meakim, Jasmine</u>	Date: <u>12/23/2005</u>

LEASE EVENTS

Lease Received:	By: _____	Date: _____
Lease Paid:	By: _____	Date: _____
Equipment Deposit Received:	By: _____	Date: _____
Lease Letter Sent:	By: _____	Date: _____
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: N/A
Scoring Sheet Updated in Access: By:  _____ Date: 12-23-05

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: _____

Comments: _____

SITE EVALUATION FOR TRADITIONAL SITES

STORE # 10143 FA Effective Date: 10/18/2005 Date Prepared: 12/19/2005

FRANCHISEE NAME: <u>Janet Lege</u> PHONE #'s OFFICE: <u>337 984-6677</u> FAX: <u>337 984-6677</u> HOME ADDRESS: <u>302 Bon Temps Dr., Lafayette, LA 70506</u> FRANCHISEE EMAIL: <u>lmlege@aol.com</u> QUIZNOS' BROKER: <u>Ryan Pecot</u> BROKER PHONE #: <u>504 523-4481</u> BROKER FAX #: <u>504 523-4475</u>	COMPANY: <u>TBD</u> HOME: <u>337 266-8328</u> DDM ZONE: <u>Zone 3 - East</u> DDM REGION: <u>Southeast</u> DDM MARKET: <u>Lafayette</u> DDM PHONE #: <u>504 957-1363</u> PREPARED BY: <u>Joe Mann</u>
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LOCATION: Lafayette, LA 70503
2668 Johnston St.
Street Address Suite City, State Zip

Anse Bertuchand Land Company Charles Cornay 337 572-0234 ccor@stirlingprop.com
Landlord/Developer Contact Name Phone Email Address

Automwood Shopping Center Charles Cornay 337 572-0234 ccor@stirlingprop.com
Project/Site Name Construction Contact Name Phone Email Address

TRADE AREA TYPE: <u>Suburban</u> SITE TYPE: <u>Shopping Center</u> CURRENT/PRIOR USE: <u>Win</u> DAYS OF OPERATION: <u>7</u> GREEN SITE: <u>NO</u>	CURRENTLY VACANT: <u>Yes</u> FACILITY TYPE: <u>Strip Restaurant</u> RATIO AVAILABLE: <u>Yes</u> HOW MANY SEATS? _____
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SIZE: 20 ft. of frontage x 65.2 ft. of depth = 1,300 Total SF
 Dimensions of premises: 250,000 100% Percent leased
 Total GLA of Center: _____

SIGNAGE: _____ of frontage
 STANDARD Q SIGN Yes _____ Dimensions _____ How high?
 PYLON/MONUMENT Yes _____ Dimensions _____
 DIRECTORY SIGN No _____ Dimensions _____
 WINDOW NEONS Yes _____
 STANDARD AWNING No _____ Dimensions (3 dimensions) _____

ZONING/PERMITS: _____
 CURRENT ZONING: commercial
 SPECIAL USE/VARIANCE: Not Required How long for Building Dept. approval? 14 days
 If required, describe _____

PROPOSED LEASE SUMMARY:

Landlord Turnover Date:	<u>2/1/2006</u>	Base Rent - Yr. 1	\$	1,999.83	per month
Rent Commencement Date:	<u>5/1/2006</u>	Base Rent - Yr. 2	\$	1,999.83	per month
Projected Opening Date:	<u>5/1/2006</u>	Base Rent - Yr. 3	\$	1,999.83	per month
Radius Clause:	<u>No</u>	Base Rent - Yr. 4	\$	1,999.83	per month
Exclusive Use:	<u>Yes</u>	Base Rent - Yr. 5	\$	1,999.83	per month
Approved Signage Attached:	<u>Yes</u>	CAM - Yr. 1 Est.	\$	108.33	per month
Quiznos Addendum Attached:	<u>Yes</u>	Taxes - Yr. 1 Est.	\$	81.25	per month
Tenant takes space "As-Is"	<u>Yes</u>	Insurance Est.	\$	54.17	per month
Landlord TI Allowance:	<u>Quiznos existing shell plus \$5psf</u>				
Rent Abatement:	<u>\$0.00</u>	Describe _____			

i.e. half rent for 12 months

TRADE AREA:

TRADE AREA TYPE: Suburban

SOURCE - BUSINESS LUNCH: residential and commercial traffic

SOURCE - BUSINESS LUNCH: same

POSITIVE FEATURES OF SITE: _____

NEGATIVE FEATURES OF SITE: _____

TRAFFIC COUNTS:

2668 Johnston St	25,000	35
<i>Main Street Name</i>	<i># cars/avg. weekday</i>	<i>speed limit</i>
0		
<i>Cross Street Name</i>	<i># cars/avg. weekday</i>	<i>speed limit</i>

ACCESS:

RATING:	Excellent
LEFT TURN IN:	_____
LEFT TURN OUT:	_____
MEDIANS:	_____

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.

<u>Primarily a drive-to site</u>	1-mile	2-mile	3-mile
Residential Population	9,653	38,871	73,503
Median Household Income	\$ 34,035	\$ 38,800	\$ 35,588
Daytime Population	10,176	47,676	82,196
<u>Primarily a CBD walk-to site</u>	1/4 mile	1/2 mile	1-mile
Daytime Population	_____	_____	_____

OTHER QUIZNOS LOCATIONS/SITES:

Location <u>6267 - University of Lafayette Campus</u>	Distance: <u>1.4 miles</u>
Location <u>1965 - Kalliste Saloom</u>	Distance: <u>2.1 miles</u>
Location <u>-</u>	Distance: <u>0 miles</u>
Location <u>-</u>	Distance: <u>0 miles</u>

The undersigned hereby requests approval of the above site. The undersigned acknowledges and agrees that:

- 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.
- 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:	\$ 70,000	(Leasehold improvements-less LL contribution)	
2. Total Project Costs:	\$ 200,000	Note: All costs including, but not limited to, franchise fee, leasehold improvements, furniture, fixtures, equipment, signage, deposits, working capital, training, legal, architecture, attorneys, etc.)	
3. Total Financing:	\$ 130,000	Term: 10 Yrs.	Int. Rate: 7.00%
Lender's Name:	\$ _____	Payment:	\$ 1,509.41

The undersigned also understands that an acceptance of the site and Site Submission Package by Franchisor, its Area Director, employees, or representative does not mean that Franchisor agrees with 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 20 day of December by: _____

Alex Karas
Franchisee's Signature

Team Lege
Print Name

Site Evaluation

ACKNOWLEDGEMENT AND RELEASE FORM

The undersigned, individually and as Franchisee, under a Franchise Agreement dated 10/18, 2005 (the "Franchise Agreement") by and between the undersigned and Quizno's Franchising II LLC or its successors, assigns, affiliates ("Franchisor") hereby states as follows:

1. All capitalized terms used herein shall have the same meaning as ascribed therein 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 promises 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:

- (a) 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").
- (b) 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.
- (c) 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 at such site 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 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 unknown date of construction. If the SOD deposit check is not received prior to the date the undersigned would otherwise be able to be 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 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 question 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 Franchisor'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 its 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 an existing lease, 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, profit 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 _____ day of _____, 20____.

By: [Signature]
Franchisee Signature

Print Name: Ted M. Lege



SITE EVALUATION FORM FOR AREA DIRECTORS

LOCATION: Automwood Shopping Center STORE #: 10143
2668 Johnston St. Lafayette, LA 70503 Lafayette 0

Street Address 2668 Johnston St. City, State Zip Lafayette, LA 70503 County Lafayette Cross Street 0
 Franchisee: Janet Lege Corporate Name: TBD
 Franchise agreement effective date: 10/18/2005

- 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.

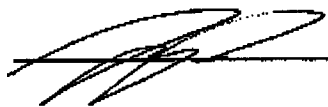
DISTANCE FROM OTHER QUIZNO'S LOCATIONS:
 Location 6267 - University of Distance: 1.4 miles Location - Distance: 0 miles
 Location 1965 - Kaliste Saloom Distance: 2.1 miles Location - Distance: 0 miles

COMMENTS:
 Positive features of location: visibility, access
 Negative features of location:

Estimated Total Project Cost	<u>\$200,000.00</u>	Rent abatement	<u>\$0.00</u>
Estimated Landlord Contribution	<u>nos existing shell</u>		
Estimated Net Project Cost	<u>#VALUE!</u>		
Lender's Name	<u>0</u>		
Amount Financed	<u>\$130,000</u>	Term:	<u>120</u> months
Rate	<u>7.00%</u>		
Monthly Debt Payment	<u>\$ 1,504.41</u>		
Annual Debt Service	<u>\$ 18,112.82</u>		

Square Footage	<u>1,300</u>	Options: #	<u>2</u> periods	<u>5</u> Years each
Initial Term	<u>5</u> Years			
Minimum Rent (Year 1)		<u>\$23,998</u>	Annual	
Taxes/Insurance/CAM		<u>\$2,925</u>	Annual	
Additional Rent			Annual	
Total Occupancy Cost		<u>\$26,923</u>	Annual	
Annual Sales required to cover Annual Debt & Total Occupancy per 5% formula				<u>\$ 300,239.49</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: 19-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:	12/19/2005	Store #:	10143
Submitted By:	Joe Mann	Submitted By:	Alex Karas
Site Intersection:	2668 Johnston St. @		
Site Address:	2668 Johnston St. Lafayette LA 70503		
Shopping Center:	Automwood Shopping Center		
Building Type:	In line	ASIS <input checked="" type="checkbox"/>	Square Feet: 1300
Landlord/Developer:	Anse Berluchand Land Company	Phone No:	337 572-0234
	Charles Comay	Fax No:	337 232-2646
		Email:	ccor@stirlingprop.com
Construction Contact:	Charles Comay	Phone No:	337 572-0234
		Fax No:	337 232-2646
		Email:	ccor@stirlingprop.com
Franchisee:	Janet Lege	Home Phone No:	337 266-8328
	TBD	Fax No:	0
		Email:	tmlege@aol.com
Quiznos Broker:	Ryan Pecot	Phone No:	504 523-4481
	Stirling Properties, Inc	Fax No:	504 523-4475
		Email:	rpecot@stirlingprop.com
Architect:		Phone No:	
		Fax No:	
		Email:	
Projected "Delivery of the Premises" Date:	2/1/2006	Projected Allowance:	Quiznos existing shell plus \$5psf
Construction:	EXISTING	Rent Commencement:	5/1/2006
Additional Comments:	LL delivery our shell for an existing space...see attached exhibit		
Attached:	<input checked="" type="checkbox"/> LDI	<input checked="" type="checkbox"/> Site Plan	<input type="checkbox"/> Lease or Lease Exhibits

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 #	10143	Franchisee Name
Store Name	Autonwood Shopping Center	AD/HP Name
		Janet Lege
		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="text"/> <input type="checkbox"/> This site was previously approved as store number: <input type="text"/>		

Site Submittal Package Components		
<input checked="" type="checkbox"/>	Quiznos Site Scoring Form	
<input checked="" type="checkbox"/>	Site Evaluation (including Authorization and Release) signed by Franchisee/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 Franchisee/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 1.0 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 exist 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 \$ 10,239.49	
<input checked="" type="checkbox"/>	SOADS Conference Call Appointment Form *	
<p>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.</p>		

Approvals	
Regional Vice President	Date:
Development <i>(Signature)</i>	Date: 12-22-05
Operations	Date:
Zone Leader (If Necessary)	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 10143
 Location Name Automwood Shopping Center
 Address 2668 Johnston St.
 City Lafayette
 State, Zip LA, 70503

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 C/D site), you must create a concentric circle analysis

Miles Away	Store # or Map #	Store Name/Town	AUV (if open)
1.4	6267	iversally Lafayette Camp	Non-Trad
2.1	1965	Kista Saloom	8,000

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
2.28	7.6	17
		75

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
 Anchor Tenants

Score	Explanation (if score is <3 or if Site is Green)
5	
5	
5	
no	
	Subway, McDonald's, Wendys, Burger King
	Albertsons Grocery Store

TOTAL LEASE CALCULATIONS

Store # 10143
 FZE: Janet Lege
 Store Name: Automood Shopping Center
 Leasable SF: 1,300

Assumption #1: Add'l rent estimates increased by 10% every 5 yrs, change formula as needed

Initial Term: 5 years
 # of Options: 2 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	\$18.48	\$1.00	\$0.78	\$0.50	\$1,999.83	\$243.75	\$2,243.58	\$23,988.00	\$2,925.00	\$26,923.00	N/A
2	\$18.48	\$1.00	\$0.75	\$0.50	\$1,999.83	\$243.75	\$2,243.58	\$23,988.00	\$2,925.00	\$26,923.00	N/A
3	\$18.48	\$1.00	\$0.75	\$0.50	\$1,999.83	\$243.75	\$2,243.58	\$23,988.00	\$2,925.00	\$26,923.00	N/A
4	\$18.48	\$1.00	\$0.75	\$0.50	\$1,999.83	\$243.75	\$2,243.58	\$23,988.00	\$2,925.00	\$26,923.00	N/A
5	\$18.48	\$1.00	\$0.75	\$0.50	\$1,999.83	\$243.75	\$2,243.58	\$23,988.00	\$2,925.00	\$26,923.00	N/A
6	\$20.31	\$1.10	\$0.83	\$0.56	\$2,200.25	\$288.13	\$2,488.38	\$26,403.00	\$3,217.50	\$29,620.50	N/A
7	\$20.31	\$1.10	\$0.83	\$0.56	\$2,200.25	\$288.13	\$2,488.38	\$26,403.00	\$3,217.50	\$29,620.50	N/A
8	\$20.31	\$1.10	\$0.83	\$0.56	\$2,200.25	\$288.13	\$2,488.38	\$26,403.00	\$3,217.50	\$29,620.50	N/A
9	\$20.31	\$1.10	\$0.83	\$0.56	\$2,200.25	\$288.13	\$2,488.38	\$26,403.00	\$3,217.50	\$29,620.50	N/A
10	\$20.31	\$1.10	\$0.83	\$0.56	\$2,200.25	\$288.13	\$2,488.38	\$26,403.00	\$3,217.50	\$29,620.50	N/A
11	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A
12	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A
13	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A
14	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A
15	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A
16	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A
17	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A
18	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A
19	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A
20	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A
21	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A
22	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A
23	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A
24	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A
25	\$22.34	\$1.21	\$0.91	\$0.61	\$2,420.17	\$294.94	\$2,715.10	\$29,042.00	\$3,539.25	\$32,581.25	N/A

FROM : ANSE B

FAX NO. : 337289 538

Dec. 13 2005 01:55PM P1

Dec 12 05 11:10a

Ted M. Lage

337-984-5133

P. 2

Letter of Intent Franchise Location

1. TENANT: Ted M. Lage d.b.a. QUIZNOS SUB
2. LANDLORD: Anse Real Estate Land Company
3. PREMISES: Commonly known as: 2668 Johnston St. A-2
 Street Address: _____
 City of: Lafayette County: LA
 State of: LA Zip Code: 70503
 Description: Antinwood Shopping Center
4. SIZE: Approximately 1,600 square feet.
5. DIMENSIONS: 20' ft. frontage x 65'2" ft. depth
6. TERM: 5 years 7. OPTIONS: 2 five year options 8. POSSESSION DATE: 10/05
9. RENT:
 Years 1-5: \$2,000.00/month
 Years 6-10: \$2,200.00/month
 Years 11-15: \$2,420.00/month
10. EXPENSES: Landlord will provide Tenant details to the actual expenses that are directly 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, pizza, fruit and other products sold in Quiznos Sub stores and retail sales and other services. Tenant shall be permitted to use an outdoor eating area, if available. Tenant shall be permitted to operate, or allow another business, corporation, partnership, or licensee to eat-in/take-out/delivery restaurant selling sandwiches, salads, soups, pizza, fruit and other products sold in Quiznos Sub stores and retail sales and other services. Tenant shall be permitted to use an outdoor eating area, if available. Tenant shall be permitted to operate, or allow another business, corporation, partnership, or licensee to operate a food and beverage business in or from the Premises, for purposes of an eat-in/take-out/delivery restaurant, so long as Tenant remains primarily liable for all expenses associated therewith. Tenant may make non-structural alterations and improvements to the Premises at a cost not to exceed the sum of the Permitted Use 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 5 years for a period of thirty (30) days, with all rent abated, to refurbish and redecorate the Premises.
12. CONSTRUCTION PERIOD: Tenant shall have ninety (90) days from the date of obtaining applicable building permits 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.
13. RENT COMMENCEMENT: Payment of rent shall commence 90 days from the expiration of the Construction Period.
14. SECURITY DEPOSIT: Tenant shall pay to Landlord upon the issuance of applicable building permits a security deposit of \$2,000.00. So long as Tenant is not then in default, the security deposit will be refunded to Tenant at the end of the first lease year.

Handwritten note: please!

Delivered to _____

Delivered to _____

Delivered to _____

Delivered to _____



FROM : ANSE B

FAX NO. : 3372881598

Dec. 13 2005 01:56PM P2

Dec 12 05 11:10a

Ted M. Logo

337-584-5153

p. 3

13. SIGNS: Landlord hereby grants and approves the following signage:

- 1. **Opening Signs:** Tenant shall have a license to (a) erect at least a single or double sided wooden sign in the designated Common Area adjoining the most heavily trafficked right of way adjacent to the Shopping Center which shall say "Coming Soon - Quiznos" in words similar thereto during the period between the lease execution date and the date Tenant opens for business and (b) display "Coming Soon" or "Grand Opening" in a sign or signs following the opening; and
- 2. **Permanent Signage:** Landlord agrees to allow Tenant to use the sign and OF signs, to the maximum size permitted by local governmental authorities.
- 3. **Window Sign/Door Handle:** Tenant shall be permitted to display signs and promotional items in the windows of the Premises, including permanent neon signs, with Quiznos's national standards. Tenant shall be prohibited to install a Quiznos's standard door handle on the entry door(s) to the Premises.
- 4. **Price/Merchandise/Inventory Sign:** Tenant shall be provided with signs and promotional items used on the Shopping Center and shall be permitted to install signs on the Shopping Center.

14. EXCLUSIVE: Throughout the Term, as it may be extended under the terms of this Lease, Tenant shall have the exclusive right in the Shopping Center to engage in the sale of Quiznos and subservice type products. 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 available to Tenant under applicable law, Tenant may have or lawfully enforce a right to terminate this Lease upon thirty (30) days written notice.

15. PATIO: Tenant shall have right to use the common areas adjacent to the building for an outdoor seating area, as long as such use complies with local zoning codes and ordinances. Tenant to provide including...

16. IMPROVEMENTS: Landlord shall provide the improvements set forth in the attached hereto, and a tenant improvement allowance equal to \$ 3,000 per square foot. Landlord shall provide to Tenant as-built blueprints of the Premises.

17. BROKER'S FEES: Ryan Patel, 504-523-4481
Charles Corney, 337-237-5729

Landlord shall pay 6% of the total economic value of the initial term as outlined in the above listed lease(s) per a separate agreement between Landlord and broker(s).

18. TENANT'S CONTINGENCIES:

- A. Approval of site, final lease, and final sign and seating package by Quiznos's Franchising LLC prior to lease execution.
- B. Receipt of building and sign permits from local issuing authority to construct the Premises for Tenant's intended use.

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



FROM : ANSE B

FAX NO. : 3372951598

Dec. 13 2005 01:57PM P4.

Dec 12 05 11:11a

Ted H. Lega

337-384-5153

P.5

does not currently violate the terms of any of Landlord's insurance policies that risk of physical loss coverage for the full replacement cost of the building throughout the term of this Lease general liability insurance coverage for that being maintained there three to five by reasonably prudent owners of a Center in the same way; (v) that as long as Tenant pays all monetary obligations and performs all other covenants contained herein, Tenant shall peacefully enjoy the Premises during the term of this Lease and its use and occupancy (vi) that the Shopping Center has the proper zoning and a legally approved Tenant's permitted use. Landlord covenants and agrees that it shall not interfere with Tenant's intended use of the Premises. Landlord shall indemnify and hold Tenant, its agents and employees harmless against any loss, cost, liability, expense, damage or injury to the Shopping Center, (b) Landlord's breach in the under this lease or (c) any violation of law by Landlord or any other contractors, agents or employees. The foregoing indemnification shall not apply to the extent of any insurance coverage maintained by Tenant.

(v) that it currently maintains all required insurance policies for the Shopping Center and shall maintain such policies similar to the Shopping Center operations that under this Lease and occupancy here, hold, occupy and use the Premises shall not be diminished and the number of parking spaces for the Shopping Center shall increase with the number of parking spaces for the Shopping Center and its offices, and the number of employees working out of (c) the Shopping Center or any of its subsidiaries or divisions of Landlord or its contractors, agents or employees of this Lease.

25. **ADDITIONAL PROVISIONS:** Landlord covenants and agrees that the amount of all actual payments and any other amounts, including the Minimum Rental Payment and the Payment required to pay under Lease (the "Occupancy Costs") will not exceed \$10,000 (the "Occupancy Cap") during the first calendar year of the Lease. In the event during the first full calendar year exceeds the Occupancy Cap, the amount of the excess shall be treated as an expense stop thereafter (i.e. the amount of the actual Occupancy Costs each year thereafter during the term of the Lease).

(b) of all actual payments and any other amounts, including the Minimum Rental Payment, that Tenant is required to pay under Lease (the "Occupancy Costs") will not exceed \$10,000 (the "Occupancy Cap") during the first calendar year of the Lease. In the event during the first full calendar year exceeds the Occupancy Cap, the amount of the excess shall be treated as an expense stop thereafter (i.e. the amount of the actual Occupancy Costs each year thereafter during the term of the Lease).

26. **EXPIRATION OF PROPOSAL:** This proposal shall remain in force until the 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's failure to return this document to Tenant within such time period shall constitute an offer to lease the Premises to Tenant for sixty (60) days after Landlord approves this Letter of Intent. Landlord and Tenant each hereby agree to negotiate in good faith and in good faith consistent with this Proposal within said sixty (60) day period.

(b) 14 days from the Tenant's execution of this Letter of Intent, Landlord shall return an executed copy of this document to Tenant within such time period, Landlord's failure to return this document to Tenant within such time period shall constitute an offer to lease the Premises to Tenant for sixty (60) days after Landlord approves this Letter of Intent.

27. **COMMUNICATIONS SYSTEM:** Notwithstanding anything to the contrary in this Lease, Tenant or Franchisee, shall have the right to install, in and on the roof of the Premises, a satellite communications system (the "satellite system"), including antennas and related equipment, at no cost to Landlord, and in compliance with all applicable laws, rules and regulations, and shall indemnify, defend and hold Landlord harmless from and against any and all claims, damages, costs or expenses incurred by Landlord as a result of such installation by Tenant. Tenant shall be responsible for the maintenance and repair thereof, at Tenant's sole cost and expense. At the expiration of the term of this 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.

(b) in this Lease, Landlord hereby agrees that at any time during the term of this Lease, Tenant or Franchisee, shall have the right to install, in and on the roof of the Premises, a satellite communications system (the "satellite system"), including antennas and related equipment, at no cost to Landlord, and in compliance with all applicable laws, rules and regulations, and shall indemnify, defend and hold Landlord harmless from and against any and all claims, damages, costs or expenses incurred by Landlord as a result of such installation by Tenant. Tenant shall be responsible for the maintenance and repair thereof, at Tenant's sole cost and expense. At the expiration of the term of this 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.

28. **RETURN OF EXECUTED LEASE:** Landlord agrees to return a signed copy of this Lease to Tenant, with a copy to the

(b) (attached original) Lease to Tenant, with a copy to the

Quinn's Franchising LLC
 1475 Lawrence Street, Suite 408
 Denver, CO 80202
 ANS: Leasing Department



FROM : ANSE B

FAX NO. : 3372891998

Dec. 13 2005 01:58PM PST

Dec 12 05 11:12a

Ted M. Lage

337-864-5153

P. 6

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 AND TENANT'S APPROVAL, AND ONLY A FULLY EXECUTED LEASE SHALL CONSTITUTE A LEASE FOR THE PREMISES.

The undersigned Tenant hereby acknowledges receipt of a copy of this Letter of Intent.
Date: 12/12/05

TENANT:

By: Ted M. Lage / [Signature]
Title: Owner
Telephone: 984-6677
Address for Notices: 302 Bay Terrace Dr. Lafayette, LA 70506

Landlord hereby approves this Proposal. Landlord hereby acknowledges receipt of a copy of this Letter of Intent.
Date: 12-13-05

LANDLORD:

By: [Signature]
Title: MANAGING MEMBER
Telephone: 337-289-6680
Address for Notices: P.O. BOX 60039
LAFAYETTE, LA 70596-0039



FROM : ANSE B

FAX NO. : 3372551598

Dec. 13 2005 01:58PM P6

Dec 12 05 11:12a

Ted M. Lege

337-864-5153

p.7



STANDARD QUIZNOS SHELL (EXISTING SHELL)

Landlord shall supply and install the following at Landlord's expense per the Quiznos plans and specifications:

1. HVAC: LL to supply and install HVAC 1-ton minimum capacity per 150 square feet or Landlord credit of \$1000 per ton.
2. Electrical: LL to supply and install to the tenants space a 200 amp, 120/208 volt, 3 phase, 4 wire service with a 42 circuit distribution panel, or provide LL a credit of \$3000 for the electrical panel and panel installation. If tenant accepts a credit LL will provide the conduit and 200 amp services to the space. Power to space is to be provided by the Landlord and located per plans and specs.
3. Water and sewer: Minimum 1" water line stubbed to the tenant's space in location per Tenant's plans, maintaining pressure of 55-75 psi with check valve and pressure reducing valve and back flow prevention device if required. Minimum 4" sewer line stubbed into Tenant's space in sufficient size and depth for Tenant's use in location per Tenant's plans. Water heater 50 gallon, quick recover gas or electric water heater in accordance with local requirements. Gas air trap or interceptor if required by local health department.
4. Gas: Minimum 1" gas line as required for Tenant's water heater and HVAC unit, stubbed in perishes per Tenant's plans. Distance should not exceed 10' to meter.
5. Ceiling:
6. Restrooms: Minimum restrooms and square amount is set forth by the American Disabilities Act (ADA) and local code requirements per Tenant's occupant load and specification. Landlord credit \$2000 per restroom that is required to be installed if they are not Landlord supplied.
7. Tap Fee/Inspection:
8. Handicap Accessibility: Landlord shall meet all ADA requirements.

Includes Landlord to install ceiling and lighting per Contractor specifications area codes by a certified electrician.

Includes All tap, connection fees or assessments for utilities to be paid by Landlord.

BY: [Signature]
LANDLORD
DATE: 12-13-05