

SITE APPROVAL CHECKLIST

AD / DDM MARKET: DDM - Meridian
REAL ESTATE CONTACT: Mann, Joseph
STORE #: 11329
FRANCHISEE: Hunter, Brooks
PROJECT/STORE NAME: Meridian Crossroads
STORE ADDRESS: Highway 19 and I-20 Meridian, MS 39301
STORE TYPE: Trad Shopping Center

FRANCHISE AGREEMENT EXECUTED

Amount Paid: \$10,000.00 Date: 08/04/2006

SITE EVENTS

Site Package Received:	By: <u>Wagner, Dina</u>	Date: <u>08/17/2006</u>
LOI Received:	By: <u>Wagner, Dina</u>	Date: <u>08/17/2006</u>
Maps and Demos Received:	By: _____	Date: _____
A&R:	By: <u>Wagner, Dina</u>	Date: <u>08/17/2006</u>
AD Evaluation:	By: _____	Date: _____
FO Evaluation:	By: <u>Wagner, Dina</u>	Date: <u>08/17/2006</u>
Lead Sheet:	By: <u>Wagner, Dina</u>	Date: <u>08/17/2006</u>
Quizno's Shell:	By: <u>Wagner, Dina</u>	Date: <u>08/17/2006</u>
Site Plans (Exhibit A):	By: <u>Wagner, Dina</u>	Date: <u>08/17/2006</u>
Site Approved:	By: <u>Wagner, Dina</u>	Date: <u>08/18/2006</u>

LEASE EVENTS

Lease Received:	By: _____	Date: _____
Lease Paid:	By: <u>Dale, Ken</u>	Date: <u>08/15/2006</u>
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: _____
Scoring Sheet Updated in Access: By: _____ Date: _____

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: 01518

Comments:

SITE EVALUATION FOR TRADITIONAL SITES

STORE #: 11329 PROJECT NAME: Meridian Crossroads
 FRANCHISEE NAME: Brooks Hunter COMPANY: QuizSouth, Inc.
 PHONE #'s OFFICE: 601-485-8111 FAX: 601-483-0080 HOME: 601-693-0358
 HOME ADDRESS: 311 57th Court - Meridian, MS 39305 AD/DDM NAME: MeridianJoe Mann
 FRANCHISEE EMAIL: hunters2@comcast.net
 PREPARED BY: Joe Mann DATE: 7/26/2006 PHONE: 504-957-1363

LOCATION:
 SW corner Hwy 19 & I-20, No suite # yr Meridian, Mississippi 39301 Lauderdale Bonita Lakes Drive
Street Address Suite City, State Zip County Cross Street

LANDLORD:
Meridian Crossroads, LLC David Underwood 334-270-2727 david@quizsouthcompany.com
Landlord/Developer Contact Name Phone Email Address

CONSTRUCTION:
David Underwood 334-270-2727 david@quizsouthcompany.com
Company Construction Contact Name Phone Email Address

LANDLORD TURNOVER DATE: 7/31/2007
 RENT COMMENCEMENT DATE: 11/1/2007 PROJECTED OPENING DATE: 11/1/2007

SITE SPECIFICS:
 SITE TYPE: Shopping Center BUILDING STATUS: Building in Construction
 SPACE CURRENTLY: Vacant CONSIDER FOR SMALL MARKET BUILD: No
 CURRENT/PRIOR USE: New construction
 DAYS OF OPERATION: 7 PATIO AVAILABLE: Yes
 HOW MANY SEATS? _____

SIZE:
 Dimensions of premises: 20 ft. of frontage x 75 ft. of depth = 1,500 Total SF
 Total GLA of Center: 384,733 75% Percent leased

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

ZONING/PERMITS:
 CURRENT ZONING: Commercial How long for Building Dept. approval? _____
 SPECIAL PERMITS/VARIANCES: For carryout? Not Required For sit down food use? Not Required
 If required, describe _____

PROPOSED LEASE SUMMARY:

Primary Lease Term (years)	<u>5</u>	Base Rent - Yr. 1	\$	<u>2,750.00</u>	per month
Number of Options:	<u>2</u>	Base Rent - Yr. 2	\$	<u>2,750.00</u>	per month
Option Term (years):	<u>5</u>	Base Rent - Yr. 3	\$	<u>2,750.00</u>	per month
Security Deposit (\$)		Base Rent - Yr. 4	\$	<u>2,750.00</u>	per month
% Rent		Base Rent - Yr. 5	\$	<u>2,750.00</u>	per month
Radius Clause:	<u>No</u>	CAM - Yr. 1 Est.	\$	<u>375.00</u>	per month
Exclusive Use:	<u>Yes</u>	Taxes - Yr. 1 Est.			per month
Approved Signage Attached:	<u>No</u>	Insurance Est.			per month
Quiznos Addendum Attached:	<u>Yes</u>	Base Rent 1st Option Period			per month
Tenant takes space "As-Is"	<u>No</u>	Base Rent 2nd Option Period			per month
Landlord TI Allowance:	<u>\$7,500.00</u>	Base Rent 3rd Option Period			per month
Who pays (L = Landlord, T = Tenant, mark L if Existing)		Tap Fees			<u>Landlord</u>
Meter Fees <u>Landlord</u>	<u>Landlord</u>	<u>Landlord</u>	<u>Landlord</u>	<u>Landlord</u>	<u>Landlord</u>
225A, 120/208V, 3 Phase, 4 Wire	<u>Landlord</u>	<u>Landlord</u>	<u>Landlord</u>	<u>Landlord</u>	<u>Landlord</u>
HVAC <u>Landlord</u>	<u>Landlord</u>	<u>Landlord</u>	<u>Landlord</u>	<u>Landlord</u>	<u>Landlord</u>

1 1/2" Gas _____
 2 ADA Restrooms _____
 tons, new _____
 Warranty for years. _____

TRADE AREA:
 TRADE AREA TYPE: Suburban
 SOURCE - BUSINESS LUNCH: Retail shopping
 SOURCE - DINNER: Retail shopping

ACKNOWLEDGEMENT AND RELEASE FORM

The undersigned, individually and as Franchisee, under a Franchise Agreement dated, JUNE 29th 2006 (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 _____ 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:
 - (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 Franchisor's 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 further acknowledges that it has hereby assumed all responsibility for the form and content of any lease executed by Franchisee or any affiliate thereof for any location which was the subject of preliminary discussions or negotiations referred to in paragraph 2 above and for the content of any Site Submittal Package or other information relating to the subject site. The undersigned also acknowledges that while Franchisor may engage counsel to assist in the negotiation of any such lease, the undersigned is primarily responsible for the review and final content of the lease and has been afforded the opportunity to have Franchisee's own counsel review and negotiate the terms of the lease. The undersigned, on behalf of itself and its officers, hereby releases and forever discharges the Franchisor, its affiliates, and its Area Director and the officers, directors, shareholders, partners, employees and agents, of each, from any liability, claim, action, cause of action, loss, cost or expense arising out of or relating to (i) the activities of Franchisor or its agents or employees described in 2 above, or (ii) any lease negotiations of any lease entered into by Franchisee or any of the terms and provisions of any such lease.

4. The undersigned acknowledges and agrees that when the undersigned's proposed Lease is submitted to Franchisor for approval (the "Lease Submittal Date") 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 Lease Submittal Date. The undersigned further acknowledges and agrees that if the SOD check is not received within such 28-day period, 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. In the event the Lease relates to a new construction site and the Landlord turnover date is more than nine months from the Lease Submittal Date (a "Future Construction Site"), Franchisor will verify that the site is new construction and the SOD deposit check must be received by Franchisor not later than 9 months prior to the Landlord turnover date. Also in the case of Future Construction Sites, if the SOD deposit check is not received 9 months prior to the Landlord turnover date, 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.

Initials: 

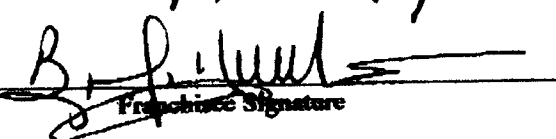


5. The undersigned further acknowledges that although Franchisor or its agents or employees, including its Area Director, may have been involved in approving site(s) for the location of the Franchised Business facilities, Franchisee has assumed sole and full responsibility for final site selection and 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.

6. 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 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.

7. 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 9th day of AUGUST, 2006.

By: 
Franchisee Signature

Print Name: Brooks Hunter



Quiznos Real Estate 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 #	11329	Franchisee Name	Brooks Hunter
Store Name	Meridian Crossroads	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 type="checkbox"/>	Lease Review Fee
<input checked="" type="checkbox"/>	Site Evaluation (including Authorization and Release) signed by Franchise Owner (and Ad if AD)
<input checked="" type="checkbox"/>	Fully Negotiated and Executed (signed) 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"/>	Site Plan (designating space) - Required if Green Field Site
<input type="checkbox"/>	Video of site, showing the following - if not submitted with Pre-approval: <ul style="list-style-type: none"> (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 - if not submitted with Pre-approval
<input checked="" type="checkbox"/>	Quiznos Addendum (or appropriate language in the LOI)
<input type="checkbox"/>	
<p>Note: The Equipment Deposit Fee and the Lease Review Fee are not required prior to Site Package approval but they should be submitted promptly to avoid delaying lease approval or execution.</p>	

TOTAL LEASE CALCULATIONS

Store # 11329
 Franchisee: Brooks Hunter
 Store Name: Meridian Crossroads
 Leasable SF: 1,500
 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 NNNs	Total Monthly Occ. Costs	Total Annual Rent	Total Annual NNNs	Total Annual Occ. Costs	Natural Monthly Breakpoint
1	\$22.00	\$3.00			\$2,750.00	\$375.00	\$3,125.00	\$33,000.00	\$4,500.00	\$37,500.00	N/A
2	\$22.00	\$3.00	\$0.00	\$0.00	\$2,750.00	\$375.00	\$3,125.00	\$33,000.00	\$4,500.00	\$37,500.00	N/A
3	\$22.00	\$3.00	\$0.00	\$0.00	\$2,750.00	\$375.00	\$3,125.00	\$33,000.00	\$4,500.00	\$37,500.00	N/A
4	\$22.00	\$3.00	\$0.00	\$0.00	\$2,750.00	\$375.00	\$3,125.00	\$33,000.00	\$4,500.00	\$37,500.00	N/A
5	\$22.00	\$3.00	\$0.00	\$0.00	\$2,750.00	\$375.00	\$3,125.00	\$33,000.00	\$4,500.00	\$37,500.00	N/A
6	\$23.00	\$3.30	\$0.00	\$0.00	\$2,875.00	\$412.50	\$3,287.50	\$34,500.00	\$4,950.00	\$39,450.00	N/A
7	\$23.00	\$3.30	\$0.00	\$0.00	\$2,875.00	\$412.50	\$3,287.50	\$34,500.00	\$4,950.00	\$39,450.00	N/A
8	\$23.00	\$3.30	\$0.00	\$0.00	\$2,875.00	\$412.50	\$3,287.50	\$34,500.00	\$4,950.00	\$39,450.00	N/A
9	\$23.00	\$3.30	\$0.00	\$0.00	\$2,875.00	\$412.50	\$3,287.50	\$34,500.00	\$4,950.00	\$39,450.00	N/A
10	\$23.00	\$3.30	\$0.00	\$0.00	\$2,875.00	\$412.50	\$3,287.50	\$34,500.00	\$4,950.00	\$39,450.00	N/A
11	\$24.00	\$3.63	\$0.00	\$0.00	\$3,000.00	\$453.75	\$3,453.75	\$36,000.00	\$5,445.00	\$41,445.00	N/A
12	\$24.00	\$3.63	\$0.00	\$0.00	\$3,000.00	\$453.75	\$3,453.75	\$36,000.00	\$5,445.00	\$41,445.00	N/A
13	\$24.00	\$3.63	\$0.00	\$0.00	\$3,000.00	\$453.75	\$3,453.75	\$36,000.00	\$5,445.00	\$41,445.00	N/A
14	\$24.00	\$3.63	\$0.00	\$0.00	\$3,000.00	\$453.75	\$3,453.75	\$36,000.00	\$5,445.00	\$41,445.00	N/A
15	\$24.00	\$3.63	\$0.00	\$0.00	\$3,000.00	\$453.75	\$3,453.75	\$36,000.00	\$5,445.00	\$41,445.00	N/A
16		\$3.99	\$0.00	\$0.00	\$0.00	\$499.13	\$499.13	\$0.00	\$5,989.50	\$5,989.50	N/A
17		\$3.99	\$0.00	\$0.00	\$0.00	\$499.13	\$499.13	\$0.00	\$5,989.50	\$5,989.50	N/A
18		\$3.99	\$0.00	\$0.00	\$0.00	\$499.13	\$499.13	\$0.00	\$5,989.50	\$5,989.50	N/A
19		\$3.99	\$0.00	\$0.00	\$0.00	\$499.13	\$499.13	\$0.00	\$5,989.50	\$5,989.50	N/A
20		\$3.99	\$0.00	\$0.00	\$0.00	\$499.13	\$499.13	\$0.00	\$5,989.50	\$5,989.50	N/A
21		\$3.99	\$0.00	\$0.00	\$0.00	\$499.13	\$499.13	\$0.00	\$5,989.50	\$5,989.50	N/A
22		\$3.99	\$0.00	\$0.00	\$0.00	\$499.13	\$499.13	\$0.00	\$5,989.50	\$5,989.50	N/A
23		\$3.99	\$0.00	\$0.00	\$0.00	\$499.13	\$499.13	\$0.00	\$5,989.50	\$5,989.50	N/A
24		\$3.99	\$0.00	\$0.00	\$0.00	\$499.13	\$499.13	\$0.00	\$5,989.50	\$5,989.50	N/A
25		\$3.99	\$0.00	\$0.00	\$0.00	\$499.13	\$499.13	\$0.00	\$5,989.50	\$5,989.50	N/A

Letter of Intent Franchise Location

Quizno's, INC d/b/a Quiznos Sub

- 1. **TENANT:** ~~Steele-Hunter d.b.a. Quiznos Sub~~
- 2. **LANDLORD:** Meridian Crossroads, LLC Street
- 3. **PREMISES:** Commonly known as: Highway 19 - shown on site current site plan.
 Address Suite # TBD - former Cold Stone Creamery space as

City of: Meridian County of: Lauderdale

State of: Mississippi Zip Code: 39301

Description: The premises is part of that certain Shopping Center known as Meridian Crossroads

- 4. **SIZE:** Approximately 1500 square feet.
- 5. **DIMENSIONS:** 20 ft. frontage x 75 ft. depth
- 6. **TERM:** 5 Years
- 7. **OPTIONS:** 2 @ 5 years each
- 8. **POSSESSION DATE:** Upon completion of Quiznos Standard Shell
- 9. **RENT:**
 Years 1-5: \$22.00 RSF = \$26,500.00 Annual / \$2375.00 per month
 Years 6-10: \$23.00 RSF = \$30,000.00 Annual / \$2500.00 per month
 Years 11-15: \$24.00 RSF = \$31,500.00 Annual / \$2625.00 per month

10. **EXPENSES:** Landlord will provide Tenant detail as to the actual expenses currently applicable to the property. CAM, I & T are estimated at \$ 3.00 RSF.

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:** Following the Landlord's delivery of the demised premises to Tenant, Tenant shall have ninety (90) days to complete improvements to the space (hereinafter "Construction Period"). Tenant will have obtained applicable building permits to commence Tenant's construction within the space. Such 90 day Construction Period shall be extended by any delay in Tenant receiving such permit, so long as Tenant has made good faith efforts to obtain same. 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 at the expiration of the Construction Period.



15. 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, so long as signage is single channel letters, with interior illumination.

(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.** If small shop tenants are allowed by Landlord to place their sign panel on the shopping center pylon/monument/directory sign, Tenant shall be allowed to install its panel on the Shopping Center pylon/monument/directory sign and shall be permitted to install a standard sign approved by Franchisor, including logo, on such panel.

17. EXCLUSIVE: Throughout the Term, as it may be extended under the terms of the Lease, Landlord shall not lease space in the Shopping Center to the following competitors of Quizno's, Subway, Firehouse, or Blimpies, If Landlord violates this provision, and tenant is open for business and is not in default of its lease obligations, tenant shall have the right to terminate this 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, and Tenant's use thereof does not inhibit other customers access and use of the common areas.

19. IMPROVEMENTS: Landlord shall provide the improvements as set forth on the Quizno's Standard Shell attached hereto, and a tenant improvement allowance equal to \$5.00 per square foot. Landlord shall provide to Tenant as-built blueprints of the Premises.

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 INITIAL LEASE TERM.

Landlord shall pay all commissions/fees due the above listed broker(s) per a separate agreement between Landlord and broker(s).

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 atom 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 exercises 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.

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) 350-3300

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: 7-25-06
Address for Notices: 311 37th COURT
Meridian, MS 39805
Telephone: 601-604-0558

QuizSouth, INC dba Quizno's Sub
TENANT: Brooks Hunter dba Quiznos Subs
By: Brooks Hunter
Title: President
By: Carol Hunter
Title: VICE-PRES.

AGREED AND ACCEPTED BY LANDLORD:

Date: 7/17/06
Address for Notices: 2525 Bick RD
Montgomery AL 36117
Telephone: (334) 270 2727

LANDLORD: Meridian Cakes LLC
By: [Signature]
Title: Manager



STANDARD QUIZNOS SHELL (NEW SHELL)

Landlord shall provide the following at Landlord's expense, per the Quiznos plans and specifications:

1. **Front door:** Two (2) clear, double-pane safety-glazed glass 3' x 7' double-acting entry doors, installed per Tenant's plans with hardware per code and weather-stripping.
2. **Rear door:** 3' x 7' hollow metal door with panic hardware requirements and weather-stripping to code or credit of \$850.
3. **Storefront:** Clear, double-pane glass storefront with floor-to-ceiling glass. Metal mullions around glass and doorframe or credit of \$250 per linear foot of storefront.
4. **Demising walls:** Demising walls to be built to the roof deck, drywall fire taped, sanded and ready for paint. Demising walls to be fire rated to meet all city and fire codes for restaurant use.
5. **Concrete floor:** Level, clean concrete slab or clean wood slab, underlay to be in stable and dry condition. Floor is clean and ready for ceramic tile, vinyl or glue down Flooring Materials. Floors to be at street level or maintain ADA approved standards.
6. **HVAC:** LL to supply and install HVAC 1-ton-minimum capacity per 150 square feet or Landlord credit of \$1000 per ton.
7. **ROOF:** Must have an accessible location above or adjacent to Tenant's premises for the installation of roof-mounted equipment including, but not limited to, refrigeration condensers, receiving antennae, etc. Roof covering must be sound, watertight, have the ability to be penetrated and flashed using standard roofing methods for installation of above equipment.
8. **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 a landlord credit of \$3200 for the electrical panel and panel installation. If tenant accepts a credit the LL will provide the conduit and 200 amp services to the space. Power to space by Landlord. Located per plans and specs.
9. **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 shut-off 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.

10. **Gas:** Minimum 1" gas line as required for Tenant's water heater and HVAC unit, stubbed to premises per Tenant's plans. Distance should not exceed 150 feet to meter.
11. **"J" box:** For sign electrical circuit on storefront with conduit to distribution panel.
12. **Ceiling:** Landlord to install ceiling and lighting per Quinzno's specifications or an option for a landlord credit of \$2.50/SF.
13. **Lighting:** Provide 2X4 drop in three-tube fluorescent ceiling fixtures or \$1.25 per sf credit.
14. **Water Heater:** 50 gallon, quick-recovery gas or electric water heater in accordance with local requirements, installed per Tenant's plans or Landlord credit of \$1200.
15. **Restrooms:** Two (2) restrooms and fixture amounts as set forth by the American Disabilities Act (ADA) and local code requirements per Tenant's occupant load, specification and restaurant use. Landlord credit \$5000 per restroom.
16. **Plumbing:** Grease trap or interceptor if required by local municipality.
17. **Tap Fees/impact:** All tap, connection fees or assessments for utilities to be paid by Landlord.
18. **Handicap Accessibility:** Landlord shall meet all ADA requirements.

BY: [Signature]
LANDLORD

DATE: 7/7/06