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MEMORANDUM OF LEASE

S & A PROPERTIES CORP.

Lessor

AND

S & A RESTAURANT CORP.

Lessee

Dated as of February 15, 1990

NOTE: ALL RIGHTS OF THE LESSOR IN AND TO THE LEASE HAVE BEEN ASSIGNED TO SHAWMUT BANK, N.A., MAX GOLDSMITH AND DEED OF TRUST TRUSTEES, AS TRUSTEES, AS ADDITIONAL SECURITY FOR A LOAN MADE TO LESSOR, WHICH LOAN IS FURTHER SECURED BY A FIRST PRIORITY INDENTURE OF MORTGAGE, DEED OF TRUST AND SECURITY AGREEMENT, DATED AS OF FEBRUARY 15, 1990, AND TO THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, LESE AMATO AND DEED OF TRUST TRUSTEES, AS TRUSTEES, AS ADDITIONAL SECURITY FOR A LOAN MADE TO LESSOR, WHICH LOAN IS FURTHER SECURED BY A SECOND PRIORITY INDENTURE OF MORTGAGE, DEED OF TRUST AND SECURITY AGREEMENT, DATED AS OF FEBRUARY 15, 1990. THE FIRST ORIGINAL COUNTERPART OF THE LEASE IS BEING HELD BY SHAWMUT BANK, N.A., AS TRUSTEE.

This instrument prepared by
and when recorded return to:

Richard D. Rudder, Esq.
Brown & Wood
One World Trade Center
New York, New York 10048

BOOK 1688P.2383

MEMORANDUM OF LEASE

Lessor:

S & A PROPERTIES CORP., a Delaware corporation.

Address:

12404 Park Central Drive
Dallas, Texas 75251

Lessee:

S & A RESTAURANT CORP., a Delaware corporation.

Address:

12404 Park Central Drive
Dallas, Texas 75251

Lease:

Lessor does hereby demise and let unto Lessee and Lessee does hereby hire and take from Lessor the following described Leased Properties (as hereinafter defined) on the terms and subject to the conditions set forth in the Lease dated as of February 15, 1990 between Lessor and Lessee (the "Lease"), in consideration of the rents and covenants set forth in the Lease to be paid or performed by Lessee. All terms, conditions, provisions and covenants of the Lease are incorporated herein or as though written out herein at length. Nevertheless, certain provisions of the Lease are summarized below.

Leased Properties:

The parcels of land (collectively, the "Land"), each more particularly described in Schedule A hereto,

all buildings, structures, Fixtures (as hereinafter defined) and other improvements presently situated or hereafter constructed upon the Land (collectively, the "Leased Improvements"),

all easements, rights, and appurtenances relating to the Land and the Leased Improvements, and

all equipment, machinery, fixtures, and other items of property, including all components thereof, now or hereafter lo-

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cated in, on and used in connection with, the Leased Improvements or necessary to the operation or maintenance thereof, which are now or hereafter owned by Lessor, including, without limitation, all furnaces, boilers, heaters, electrical equipment, heating, plumbing, ventilating, refrigerating, waste disposal, air-cooling and air-conditioning apparatus, sprinkler systems and fire and theft protection equipment, all of which are hereby deemed by the parties hereto to constitute real estate fixtures or real estate under the laws of the State of each respective parcel of Land, together with all replacements, modifications, alterations and additions thereto (collectively, the "Fixtures"), (collectively, the "Leased Properties").

Date of Execution:

As of February 15, 1990

Fixed Term of Lease:

Commencement Date - March 14, 1990
Termination Date - March 31, 2005
(the "Fixed Term")

Extension Terms:

The term of the Lease shall be extended automatically for four (4) additional consecutive periods of five(5) years each (the "Extension Terms"); however, the Lessee may cancel the Lease, effective as of the date of the expiration of the Fixed Term or as of the date of the expiration of any Extension Term, by giving Lessor written notice of such cancellation on or prior to a date at least 180 days before the effective date of such cancellation. The rental for each Extension Term shall be the Fair Market Annual Rent as defined in the Lease.

Lessee's Option to
Purchase and Right of
First Offer:

The Lease contains certain rights of Lessee to have the option, at any time

and from time to time only prior to April 1, 2000 and, in any event, prior to payment of the final Sinking Fund payments required pursuant to the Indentures, to purchase one or more of the Leased Properties. In addition, the lease contains a right of Lessee to have an option, exercisable in the event that certain tax indemnity payments exceed the amounts set forth in the Lease, to purchase certain Leased Properties. If Lessee desires to exercise either such option, it shall do so by giving Lessor written notice thereof prior to the Permitted Purchase Date next occurring which Purchase Date is not less than 90 days after the date of such notice. The method of computing the option price for each such option is set forth in the Lease.

Permitted Purchase Date means each April 1 and October 1 occurring during the Term of the Lease.

Additionally, if Lessor shall desire at any time to sell its interest in a Leased Property, Lessor must offer such Leased Property to Lessee.

Notice as to
Mechanic's or
Materialmen's Liens:

Lessee is precluded by the terms of the Lease from creating or allowing to be created against Lessor's title to or interest in the Leased Properties any mechanic's or materialman's liens, and all persons claiming by, through, under or against Lessee are hereby notified that Lessee has no power or authority to subject the title or interest of Lessor, as fee owner of the Leased Properties, to any claim for any such lien. All persons dealing with Lessee and claiming by, through, under or against Lessee shall look entirely to Lessee for the payment of any and all charges incurred in improving the Leased Properties in anytime during the term of the Lease. This notice is given pursuant to the provisions of and in compliance with §713.10, Florida Statutes.

Subordination:

The Lease, and all rights of Lessee thereunder, are and shall be subject and subordinate to the First Priority Indenture of Mortgage, Deed of Trust and Security Agreement and the Second Priority Indenture of Mortgage, Deed of Trust and Security Agreement of even date herewith given by Lessor (collectively, the "Indentures") and to all mortgages which may now or hereafter affect the Leased Property, to each and every advance made or hereafter to be made under such Indentures or mortgages, and to all renewals, modifications, replacements and extensions of such mortgages and spreaders and consolidations of such mortgages.

Execution in Counterparts:

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument. All of said counterparts shall be identical except that, to facilitate recordation, in any particular counterpart, there may be omitted those portions of Schedule A which describe Properties situated in counties or cities other than the counties or cities in which such counterpart is to be recorded.

Lease on File:

The Lease is on file at the office of the Lessee at the address noted above.

No Merger of Title:

There shall be no merger of this Lease or of the leasehold estate thereby by reason of the fact that the same person, firm, corporation or other entity may acquire, own or hold, directly or indirectly, (a) the Lease or the leasehold estate created thereby or any interest in the Lease or such leasehold estate and (b) the fee estate in any of the Leased Properties or any interest therein, and at all times such interest shall remain separate and distinct.

No Recourse to Lessor:

No recourse shall be had against the Lessor, or its successors or assigns (including, but not limited to, any of Lessor's Assignees), or its employees, officers, directors or shareholders for any claim based on any failure by the Lessor in the performance or observance of any of the agreements, covenants or provisions contained in the Lease. In the event of any such failure, recourse shall be had solely against the Lessor's interests in the Leased Properties. Nothing contained in the foregoing, however, shall restrict the right of Lessee to commence any proceeding against Lessor for the breach of its agreements or covenants contained in the Lease; provided, however, that, in the event that any judgment is obtained against Lessor, the same shall not be the basis of a right of offset, deferment or reduction of the Rent due thereunder and to the extent permitted by applicable law the same shall not be levied upon until the expiration of the Fixed Term.

Subrogation:

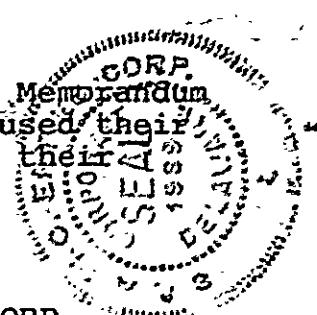
In respect of any real, personal or other property located in, at or upon a Leased Property, and in respect of each Leased Property itself, Lessee hereby releases Lessor and Lessor's Assignees, if any, from any and all liability or responsibility to Lessee or anyone claiming by, through or under Lessee, by way of subrogation or otherwise, for any loss or damage caused by fire or any other casualty whether or not such fire or other casualty shall have been caused by the willful fault or gross negligence of Lessor or Lessor's Assignees or anyone for whom any of said persons may be responsible. If generally available from insurance carriers, Lessee shall require its fire, extended coverage and other casualty insurance carriers to include in Lessee's policies a clause or endorsement whereby the insurer waives any rights of subrogation against Lessor and Lessor's Assignees, if any.

Conflict:

In the event of any conflict or inconsistency between the terms of this instrument and the terms of the Lease, the terms of the Lease shall govern.

* * *


IN WITNESS WHEREOF, the parties have caused this Memorandum of Lease to be executed and Lessee and Lessor have caused their corporate seal to be hereunto affixed and attested by their officers thereunto duly authorized.

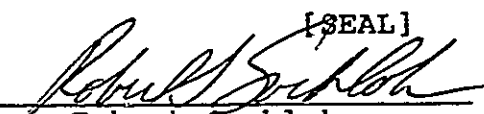


LESSOR

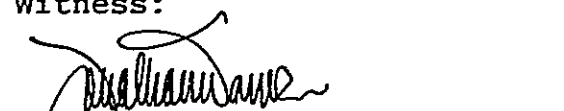
S & A PROPERTIES CORP.

Attest:


Marci McLean
Assistant Secretary

By:  [SEAL]
Robert Svehlak
President

Witness:


Name: JONATHAN WARREN


LESSEE

S & A RESTAURANT CORP.

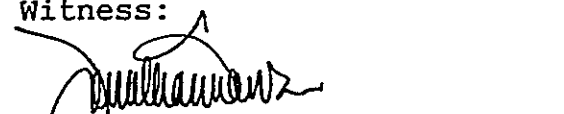


Attest:


Marci McLean
Assistant Secretary

By:  [SEAL]
Robert Svehlak
President

Witness:

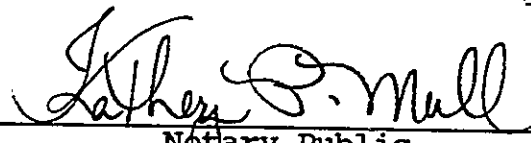

Name: JONATHAN WARREN

NORTH CAROLINA

STATE OF NEW YORK)
: ss:
COUNTY OF NEW YORK)

I, a Notary Public of the County and State aforesaid, certify that Marci McLean, personally came before me this day and acknowledged that she is the Assistant Secretary of S & A PROPERTIES, CORP., a Delaware corporation, Lessor, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by her as its Assistant Secretary.

Witness my hand and notarial stamp and seal this 10th day of March, 1990.



Notary Public

My Commission expires:

January 27, 1991

[Stamp/Seal]

KATHERYN P. MULL
NOTARY PUBLIC, State of New York
No. 31-4945706
Qualified in New York County
Commission Expires Jan 27, 1991

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NORTH CAROLINA

STATE OF NEW YORK)
: SS:
COUNTY OF NEW YORK)

I, a Notary Public of the County and State aforesaid, certify that Marci McLean, personally came before me this day and acknowledged that she is the Assistant Secretary of S & A RESTAURANT CORP., a Delaware corporation, Lessee, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by her as its Assistant Secretary.

Witness my hand and notarial stamp and seal this 10th day of March, 1990.

Kathryn P. Mull
Notary Public

My Commission expires:

January 27, 1991

[Stamp/Seal]

KATHERYN P. MULL
NOTARY PUBLIC, State of New York
No. 31-4945706
Qualified in New York County
Commission Expires Jan. 27, 1991

STATE OF NORTH CAROLINA—Forsyth County

The foregoing (or annexed) certificate S of Kathryn P. Mull N.P. N.Y. Co
(here give name and official title of the officer signing the certificate, passed upon)

N.Y.
PRESENTED FOR
REGISTRATION
AND RECORDED March 19 90
is (are) certified to be correct. This the 16th day of

MAR 16 11 57 AM '90

L. E. Speas, Register of Deeds

L. E. SPEAS
REGISTER OF DEEDS
FORSYTH COUNTY, N.C.

Deputy-James Holden

Probate and Filing Fee \$ _____ paid.

\$28.00 pd
G

BOOK 1688P2392

Exhibit "A"

LEGAL DESCRIPTION OF REAL ESTATE
LOCATED IN FORSYTH COUNTY, NORTH CAROLINA

BEGINNING at an iron stake, being the intersection of the East right of way line of Bethesda Road in the South right of way of the Southern Railway; running thence with the Southern Railway right of way, North 53 07' East 52.06 feet to an iron stake; continuing thence North 53 31' East 93.94 feet to an iron stake; running thence South 36 07' 13" East 114.26 feet to an iron stake; running thence North 83 01' East 26.87 feet to an iron stake; running thence South 06 59' East 71.21 feet to an iron stake; running thence South 83 01' West 224.00 feet to an iron stake in the East right of way line of Bethesda Road; running thence with the east right of way line of Bethesda Road, North 06 59' West 125.00 feet to the point and place of beginning, containing 31,800 square feet, more or less, and being in accordance with a survey by John G. Bane, Registered Land Surveyor; being a portion of the property described in Deed Book 970, Page 296, Forsyth County, North Carolina Registry.

ALSO, being described as:

BEGINNING at an iron pipe, being the intersection of the east right of way line of Bethesda Road and the South right of way of the Southern Railway; running thence with the Southern Railway right of way, N 53 -17'-12" E. 51.97' to an iron pipe; continuing thence N. 53 -31'-00" E. 93.94' to an iron pipe; running thence S. 36 -07'-13" E. 144.26' to an iron pipe; running thence N. 83 -01'-00" E. 26.87' to an iron pipe; running thence S. 06 -59'-00" E. 71.02 to an iron pipe; running thence S. 83 -01'-00" W. 224.00' to an iron pipe in the east right of way line of Bethesda Road; running thence with the east right of way line of Bethesda Road N. 06 -59'-05" W. 125.00' to the point and place of beginning, containing 31,763 square feet, BEING A PORTION OF THE PROPERTY DESCRIBED IN DEED BOOK 970, PAGE 296 FORSYTH COUNTY, NORTH CAROLINA REGISTRY.

UNDER AND SUBJECT TO all agreements, covenants, liens, reservations, exceptions, restrictions and other encumbrances of record.

Block 6057 Lot 3

BOOK 1688P2393

7838 N. Point Blvd.
Winston-Salem, N.C. 27106

Site No. 3443

"Exhibit A"

LEGAL DESCRIPTION OF REAL ESTATE
LOCATED IN FORSYTH COUNTY, NORTH CAROLINA

Legal description according to DSA Group Survey dated May 11, 1989
reads as follows:

BEGINNING at a point in the North right of way margin of North Point Boulevard (formerly Silas Creek Parkway), said point being S 81 11'00" E 135.43 feet, thence S 82 26' 46" E 93.89 feet from the Southeast corner of the tract deeded to Shelton Companies in Deed Book 1229, Page 1291, Forsyth County, North Carolina Registry; thence from point of Beginning and running the following new lines N 00 14' 28" E 158.51 feet to a point, thence S 89 45' 32" E 185.00 feet to a point, thence S 00 14' 28" W 170.00 feet to a point in the North right of way margin of Silas Creek Parkway, thence with the North right of way margin of Silas Creek Parkway along an arc 185.42 feet to the point and place of BEGINNING, said arc having a chord of N 86 12' 14" W 185.36 feet.

Together with those certain easement rights established by the Declaration of Restrictions and Grant of Easements recorded in Book 1269, Page 956, and by Amendment No. 1 to Declaration of Restrictions and Grant of Easements recorded in Book 1377, Page 951, and by Amendment No. 2 to Declaration of Restrictions and Grant of Easements Recorded in Book 1605, Page 67.

Where the words "Silas Creek Parkway" appear in the above legal description, they shall mean "North Point Boulevard".

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