

When recorded return to:
Dunkin' Donuts
P. O. Box 317
Randolph, MA 02368
Attention: Mary Quinter

Associated Title Co. Inc.
attn: Brenda Brocker Plc 7437
DD...

For use where Franchisee leases
from third party lessor.

INCORPORATED
DUNKIN' DONUTS OF AMERICA, INC.

FILED

LEASE OPTION AGREEMENT

APR 27 1990

097685

Anna N. Anton
AUDITOR LAKE COUNTY

AGREEMENT made this 27th day of December, 19 89, by and
between: GAINER BANK, N.A., as Trustee Under Land Trust P6140,

offices at _____ (hereinafter
referred to as "Lessor"); Southlake Donuts, Inc., a

_____ corporation with principal
offices at 9228 Indianapolis Blvd., Highland, IN 46322 (hereinafter

referred to as "Lessee"); and DUNKIN' DONUTS OF AMERICA, INC., a Delaware
_____ corporation with principal
offices at 5 Pacella Park Drive, P.O. Box 317, Randolph, Massachusetts 02368 (hereinafter referred to as
"Dunkin").

Lessor has agreed to lease to Lessee premises located at 3360 Grant Street
Gary, Indiana

RECITALS

for use by Lessee as a DUNKIN' DONUTS SHOP under a Franchise Agreement between Dunkin', as franchisor,
and Lessee, as franchisee. A copy of the Lease dated December 27, 1989 between Lessor and Lessee
(the "Lease") is attached hereto as Exhibit A. This Lease Option Agreement is entered into in connection with
Dunkin's approval of the above location as a DUNKIN' DONUTS SHOP and grant of a franchise to Lessee. It is
intended to provide Dunkin' with the opportunity to preserve the premises as a DUNKIN' DONUTS SHOP should
the Lease or the Franchise Agreement be terminated, and to assure Lessor that if Dunkin' exercises the option
herein contained, any defaults of Lessee under the Lease will be cured by Dunkin' before it takes possession of
the premises.

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL CONVENANTS HEREIN CONTAINED AND
FOR OTHER GOOD AND VALUABLE CONSIDERATION, IT IS AGREED AS FOLLOWS:

1. Lessor shall mail to Dunkin' copies of all notices of default it gives to Lessee concurrently with giving such
notices to Lessee. If Lessee fails to cure any defaults within the period specified in the Lease, Lessor shall give
Dunkin' immediate written notice of that fact and Lessor shall thereupon offer to Dunkin' (and Dunkin' shall have)
the right to accept either an assignment of the Lease or a new lease containing the same terms and conditions as
the Lease, whichever Dunkin' elects. If Dunkin' elects to continue the use of the premises as a DUNKIN' DONUTS
SHOP, under an assignment of the Lease or a new lease, it shall so notify Lessor in writing within thirty (30) days
after it has received written notice from Lessor specifying the defaults Lessee has failed to cure within the period
specified in the Lease. Upon receipt of such notice from Dunkin', Lessor shall promptly execute and deliver to
Dunkin' an assignment of the Lease or a new lease, whichever Dunkin' requests, and shall deliver to Dunkin'
possession of the premises, free and clear of any rights of Lessee or any third party. Dunkin', before taking
possession of the premises, shall promptly cure the defaults specified by Lessor in its notice to Dunkin' and shall
execute and deliver to Lessor its acceptance of the assignment of Lease or of the new lease, as the case may be.

2. If the Franchise Agreement between Dunkin' and Lessee is terminated for any reason during the term of the
Lease or any extension thereof, Lessee, upon the written request of Dunkin', shall assign to Dunkin' all of its right,
title and interest in and to the Lease. If Dunkin' elects to accept the assignment of the Lease from Lessee, it shall
give Lessee and Lessor written notice of its election to acquire the leasehold interest. Lessor hereby consents to
the assignment of the Lease from Lessee to Dunkin', subject to Lessee's and/or Dunkin's curing any defaults of
Lessee under the Lease before Dunkin' takes possession of the premises. Alternatively, in the event of a
termination of the Franchise Agreement, Dunkin' may elect to enter into a new lease with Lessor containing the
same terms and conditions as the Lease. Upon Lessor's receipt of written notice from Dunkin' advising Lessor
that Dunkin' elects to enter into a new lease, Lessor shall execute and deliver such new lease to Dunkin' for its
acceptance. Lessor and Lessee shall deliver possession of the premises to Dunkin', free and clear of all rights of
Lessee or third parties, subject to Dunkin's curing any defaults of Lessee under the Lease and executing an
acceptance of the assignment of Lease or the new lease, as the case may be.

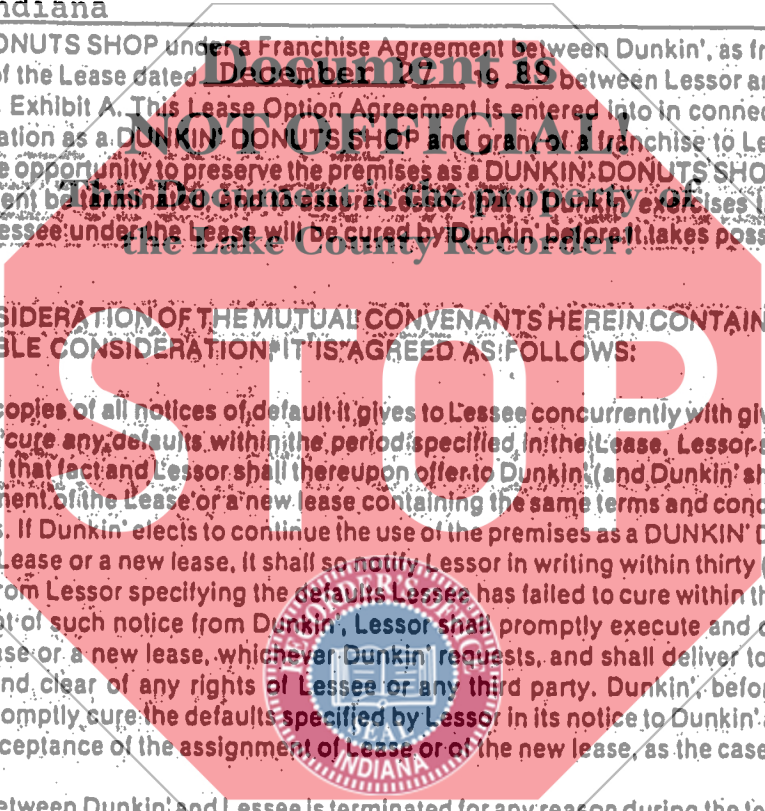
3. Lessee hereby designates Lessor and Dunkin' as its agents to execute any and all documents, agreements,
and to take all action as may be necessary or desirable to effectuate the assignment of the Lease and the
relinquishment of any and all of Lessee's rights thereunder in the event of Lessee's failure to timely cure defaults
under the Lease or of termination of the Franchise Agreement. Lessor and Lessee agree not to amend the Lease
except with the prior written consent of Dunkin'. Lessee further agrees to peaceably and promptly vacate the
premises and to remove its personal property therefrom at the written request of Lessor or Dunkin' upon Lessee's
failure to timely cure defaults under the Lease or upon the termination of the Franchise Agreement, for any
reason. Any property not so removed by Lessee within ten (10) days following receipt of such written notice shall
be deemed abandoned by Lessee. Dunkin' shall not be required to cure defaults and/or to begin paying rent until
delivery to it of possession of the premises, free and clear of any of Lessee's rights or rights of third parties. If it
becomes necessary for Lessor to pursue legal action to evict Lessee in order to deliver possession of the premises
to Dunkin', Dunkin' shall, at the written request of Lessor, pay into escrow amounts necessary to cure the
defaults, pending delivery of the premises to Dunkin'. If Lessor is unable to deliver the premises to Dunkin' within
(6) months from the date Dunkin' notifies Lessor of its election to continue the use of the premises as a DUNKIN'
DONUTS SHOP, Dunkin' shall have the right at any time thereafter to withdraw its election to acquire a leasehold
interest in the premises whereupon all amounts deposited by Dunkin' in escrow, together with interest earned
thereon shall be returned forthwith to Dunkin'. Lessee shall remain liable for all of its obligations under the Lease

Termination of
Franchise
Agreement

General Provisions

001502

8.50
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APR 30 9 44 AM '90
ROBERT J. BOGGS
CLERK OF COURT
LAKE COUNTY, INDIANA
STATE OF INDIANA/S.S. H.C.
Default of Lessee
under Lease
FOR RECORD

notwithstanding the assignment thereof to Dunkin' or the execution of a new lease between Dunkin' and the Lessor and Dunkin' shall be entitled to recover from Lessee all amounts it has paid to Lessor to cure Lessee's defaults under the Lease. Dunkin' may assign without recourse its rights under this Lease Option Agreement or its rights under the assignment of lease or the new lease without the consent of the Lessor or may sublet the premises or any part thereof without the consent of the Lessor; provided, however, that in the case of an assignment, the assignee shall execute and deliver to Lessor an assumption agreement by which assignee agrees to assume the Lease or new lease and to observe the terms and conditions and agreements on the part of Lessee to be performed under the Lease or new lease, as the case may be. All notices hereunder shall be by certified mail to the addresses herein described or to such other addresses as the parties hereto may, by written notice, instruct that notices be given.

4. If the Lease is terminated or the Franchise Agreement is terminated and Dunkin' does not elect to continue the location as a DUNKIN' DONUTS SHOP, Lessee agrees to de-identify the premises as a DUNKIN' DONUTS SHOP and to promptly remove signs, decor and other items which Dunkin' reasonably requests be removed as being distinctive and indicative of a DUNKIN' DONUTS SHOP. Dunkin' may enter upon the premises without being guilty of trespass or tort to effect such de-identification if Lessor or Lessee fail to effect such de-identification within ten (10) days after the termination of the Franchise Agreement or Lease and may bill Lessor and/or Lessee for its reasonable costs and expenses in effecting de-identification.

5. This Lease Option Agreement shall run with the land and be binding upon the parties hereto and their successors, assigns, executors and administrators and representatives. The rights and obligations herein contained shall continue, notwithstanding changes in the persons or entity that may hold any leasehold or ownership in the land or building. Any party hereto may record this agreement or a memorandum hereof. Any party hereto may seek equitable relief or injunctive relief including, without limitation, specific performance for actual or threatened violation or non-performance of this Agreement by any other party. Such remedies shall be in addition to all other rights provided for in this Lease Option Agreement or by law.

Remedies and
Additional
Provisions

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE HEREUNDER CAUSED THIS LEASE OPTION AGREEMENT TO BE EXECUTED THE DAY AND YEAR FIRST ABOVE WRITTEN:

Document is the property of
NOT OFFICIAL!
the Lake County Recorder!

GAINER BANK, N.A., as Trustee
Under Land Trust R6140 (LESSOR)

[Signature]
SOUTHLAKE DONUTS, INC. (LESSEE)

[Signature]
(FRANCHISOR)

ATTEST:
[Signature]
Jack Jaudermilk, Assistant Secretary



DUNKIN' DONUTS OF AMERICA, INC.
BY: *[Signature]* Neil Guanci, Vice President

[Handwritten notes and stamps]
RECORDED
INDEXED
MAY 13 1960

PREPARED BY:
Robert K. Sawyer Jr.,
Legal Counsel

Exhibit "A"

That certain tract of land lying in the North 1/2 of the South 1/2 of Fractional Section 20, Township 36 North, Range 8 West of the 2nd P.M., in Lake County, Indiana, more particularly described as follows:

Beginning at a point on the East line of said Section, which said point is 660 feet North of the South line of the North Half of the South Half of said Section, thence West at right angles to the East line of said Section a distance of 185 feet, thence North at right angles and parallel with the East line of said Section a distance of 300 feet, more or less, to the South line of property conveyed by Donald Wren and Elinor Ann Wren, husband and wife, to Louis Karras and Walter J. Kazic by Warranty Deed recorded August 12, 1957 in Deed Record 1068, page 347, as Document No. 45943, thence East along said South line a distance of 185 feet to the East line of said Section, thence South along the East line of said Section to the point of beginning, excepting that portion previously dedicated for street purposes;

Key # 49-13-36

ASSOCIATED TITLE COMPANY, INC.
150 E. Washington St.
Chicago, Ill.

**

Attached hereto and by reference made a part hereof the Corporate Warranty Deed dated October 20, 1989 conveying and warranting to Caltier Bank, As Trustee Under Trust No. P-6140 the above detailed real estate, executed by First National Bank of East Chicago, IN.