

STATEMENT OF COMMENCEMENT OF LEASE/SUBLEASE

THIS STATEMENT OF COMMENCEMENT OF LEASE/SUBLEASE, entered into this 25th day of March, 1983, by and between Burger King Limited Partnership I, a New York Limited partnership (hereinafter "Lessor"), whose address is Two World Trade Center, 105th Floor, New York, New York 10048, and JOHN V. RACHOR and SUSAN L. RACHOR (hereinafter "Lessee"), whose address is 1881 Crater Lake Highway, Medford, Oregon 97501. (The terms "Lessor" and "Lessee" shall mean respectively "Sublessor" and "Sublessee" whenever the context requires or permits it.)

WITNESSETH:

WHEREAS, Lessor and Lessee entered into a Lease/Sublease dated March 25, 1983, (the "Lease/Sublease"), which provides for a lease of the real property (including the building and related improvements thereon) described in Exhibit "A" attached hereto and made a part hereof; and

WHEREAS, in accordance with the terms of the Lease/Sublease, Lessor and Lessee desire to ratify the commencement date and the expiration date of the Lease/Sublease by a written document in recordable form.

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other valuable consideration, the receipt of which is hereby acknowledged, it is mutually agreed as follows:

1. The commencement date of the Lease/Sublease was March 25, 1983, and the date of expiration of the term thereof is March 24, 2003.
2. This instrument in no way modifies or amends the Lease/Sublease; it merely ratifies the commencement date and the expiration date of the term thereof which have been heretofore agreed upon by the parties hereto.

IN WITNESS WHEREOF, Lessor and Lessee have caused this instrument to be executed on the day and year first above written.

Witnesses for Lessor:

BURGER KING LIMITED PARTNERSHIP I
By Its General Partner,
Shearson/BK Realty, Inc.

[Signature]
[Signature]

By: [Signature]

Attest: [Signature]

LESSOR

Witnesses for Lessee:

[Signature]
[Signature]

[Signature]
John V. Rachor

[Signature]
Susan L. Rachor

LESSEE

BKLPI - PAH
2nd Draft - 3/23/82
(Franchisee document)
JKT - 2/28/83
#3645

STATE OF NY)
COUNTY OF NY)

On this 14th day of March, 1983, before me personally came ROBERT F. GREENWALD, to me personally known, who, being by me duly sworn, did depose and say that he resides at 6766 108th Street, New York, New York; that he is the Vice President of SHEARSON/BK REALTY, INC., the sole general partner of BURGER KING LIMITED PARTNERSHIP I, the partnership described in and which executed the within Statement of Commencement of Lease/Sublease; and that he signed his name thereto by authority of such partnership.

Norma Delepine
Notary Public

NORMA DELEPINE
NOTARY PUBLIC, State of New York
No. 31-4755733
Qualified in New York County
Commission Expires March 30, 1984

STATE OF Oregon
COUNTY OF Jackson

The foregoing instrument was acknowledged before me this March 10, 1983, by John V. Rachor.

TERRI TERESA BLODGETT
TERRI TERESA BLODGETT
NOTARY PUBLIC - OREGON
MY COMMISSION EXPIRES 5/14/85

(SEAL)

Notary Public

My Commission Expires:

STATE OF Oregon
COUNTY OF Jackson

The foregoing instrument was acknowledged before me this March 10, 1983, by Susan L. Rachor.

TERRI TERESA BLODGETT
TERRI TERESA BLODGETT
NOTARY PUBLIC - OREGON
MY COMMISSION EXPIRES 5/14/85

(SEAL)

Notary Public

My Commission Expires:

2710 S. 6th Street
Klamath Falls, Oregon

LEGAL DESCRIPTION

PARCEL 1:

A parcel of land lying in the Northwest quarter of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, being more particularly described as follows:

Starting at the Northwest corner of Section 3, Township 39 South, Range 9 East of the Willamette Meridian; thence South 0°00'30" East along the Westerly boundary of Section 3 and the centerline of Washburn Way 917.42 feet to its intersection with the centerline of South Sixth Street, formerly known as the Dalles-California Highway, at Engineer's Station 9+17.42 on Washburn Way and Engineer's Station 16+14.87 on South Sixth Street, the recorded bearing of the centerline of South Sixth Street being South 55°52'30" East; thence continuing South 0°00'30" East along the West line of said Section 3 and the centerline of Washburn Way 48.32 feet to a point on the South boundary of South Sixth Street which is 40.0 feet distant from, when measured at right angles to, the centerline of South Sixth Street thence South 55°52'30" East parallel to said centerline 125.56 feet to the true point of beginning of this description; thence continuing South 55°52'30" East parallel to said centerline 181.50 feet to a point; thence South 34°07'30" West at right angles to said centerline 160.00 feet to a point; thence North 55°52'30" West 150.27 feet to a point on the Easterly boundary of Washburn Way; thence North 0°00'30" West along the Easterly boundary of Washburn Way 103.29 feet to the beginning of a 49.00 foot radius curve to the right; thence along said 49.00 foot radius curve, the long chord of which bears North 53°51'50" East 79.16 feet, 92.14 feet, more or less, to the true point of beginning.

PARCEL 2 - a non-exclusive easement for ingress, egress, parking and utilities over the unconstructed portions of the following described property:

A parcel of land lying in the Northwest quarter of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, being more particularly described as follows:

Starting at the Northwest corner of said Section 3; thence South 00°00'30" East along the Westerly boundary of Section 3 and the centerline of Washburn Way, 917.42 feet to the intersection with the present centerline of Sixth Street, formerly known as the Dalles-California Highway, recorded bearing South 55°52'30" East, at Engineer's Station 9+17.42 feet on Washburn Way and Engineer's Station 16+14.87 feet on Sixth Street present centerline, and continuing thence along said boundary and centerline 48.32 feet to Engineer's Station 9+65.74 feet on South boundary of Sixth Street, which is distant 40 feet at right angles Southwesterly from centerline of Sixth Street at Engineer's Station 16+41.99 feet; thence South 55°52'30" East parallel to said centerline 463.02 feet to the true point of beginning of this description; thence from said true beginning point continuing South 55°52'30" East parallel to said centerline 795.36 feet; thence at right angles South 34°07'30" West, 204 feet; thence South 55°52'30" East parallel to Sixth Street 145.00; thence at right angles South 34°07'30" West, 183.80 feet; more or less, to Northerly right of way line of the Oregon, California and Eastern Railroad;

JKT:wp
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2/28/83

EXHIBIT "A"
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thence North 66°57'30" West along said line 982.45 feet, more or less, to a point on the Easterly right of way line of Washburn Way which is 40.00 feet Easterly of said centerline; thence North 00°00'30" West, along said right of way line 503.39 feet; thence South 55°52'30" East, 306.22 feet; thence North 34°07'30" East, 160.00 feet to the true point of beginning.

PARCEL 3 - a non-exclusive easement for ingress, egress, parking and utilities over the unconstructed portions of the following described property:

A parcel of land lying in the Northwest quarter of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, being more particularly described as follows:

Starting at the Northwest corner of said Section 3; thence South 00°00'30" East along the Westerly boundary of Section 3 and the centerline of Washburn Way, 917.42 feet to the intersection with the present centerline of Sixth Street, formerly known as the Dalles-California Highway, recorded bearing South 55°52'30" East, at Engineer's Station 9+17.42 feet on Washburn Way and Engineer's Station 16+14.87 feet on Sixth Street present centerline, and continuing thence along said boundary and centerline 48.32 feet to Engineer's Station 9+65.74 feet on South boundary of Sixth Street, which is distant 40 feet at right angles Southwesterly from centerline of Sixth Street at Engineer's Station 16+41.99 feet, to the true point of beginning; thence South 55°52'30" East parallel to said centerline 463.02 feet; thence South 34°07'30" West 160.00 feet; thence North 55°52'30" West 306.22 feet to the East right of way of Washburn Way; thence North to the point of beginning.

EXCEPT THEREFROM that portion deeded to State of Oregon more particularly described as follows:

A parcel of land lying in Tract 44, ENTERPRISE TRACTS, situated in Section 3, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; the said parcel being described as follows:

Beginning at the Northwest corner of Section 3, Township 39 South, Range 9 East of the Willamette Meridian; thence South 00°00'30" East 977.8 feet along the Westerly line of said Section 3, to a point 50 feet Southwesterly of (when measured at right angles to) the centerline of the Dalles-California Highway (also known as South Sixth Street), as the same is now located and constructed; thence South 55°52'30" East parallel with said centerline 36.2 feet, more or less, to a point 30 feet Easterly of (when measured at right angles to) the centerline of the relocated Midland Highway (also known as Washburn Way), which point is marked by a railroad spike with a cross on top, embedded in the pavement and is the true point of beginning; thence South 00°00'30" East, parallel with said last mentioned centerline 227.83 feet to a point 30 feet Easterly of (when measured at right angles to) said last mentioned centerline at Engineer's Station 12+26; thence North 89°59'30" East 10 feet; thence North 00°00'30" West 143.12 feet to the point of tangency of a 49 foot radius curve right, thence Northeasterly along said 49 foot radius curve right to a point South 55°52'30" East 64.26 feet from the true point of beginning; thence North 55°52'30" West 64.26 feet to the true point of beginning.

EXCEPT THEREFROM Parcel 1 above.

RETURN TO:
Burger King
P.O. Box 520783
General Mail Facility
Miami, Florida 33152
Attn: Lisa Wilson

STATE OF OREGON, COUNTY OF KLAMATH, ss.

Filed for record in Klamath

the 1 day of April A.D. 1983 11:08 A.M.

duly recorded in Vol. M83 of Deeds 4854

16.00

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By

EVLYN B. BIRD, County Clerk