

Assessor's Parcel Number: 1022-18-001-045	
Recording Requested By:	
Name: Robert W. Estrella	
Address: 1501 Hyw 395 Son	
City/State/Zip Gardnerville, NV. 89410	
Real Property Transfer Tax:	

DOC # 0727257 07/22/2008 02:58 PM Deputy: SE OFFICIAL RECORD Requested By: ROBERT ESTRELLA

> Douglas County - NV Werner Christen - Recorder :: 1 Of 20 Fee: 3

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Of 20 Fee: PG- 4591 RPTT: 33.00

0.00



Lease Option Purchase (Title of Document)

This page added to provide additional information required by NRS 111.312 Sections 1-2. (Additional recording fee applies)

This cover page must be typed or legibly hand printed.

C'bc docs/Cover page for recording

# LEASE OPTION/PURCHASE

THIS LEASE is made and entered into this	Jan	1214	2007 by and
between Sierra Roadhouse	_, a	Nevada	CORPORATION
(hereinafter "Landlord"), and Star of India			, a Nevada
Corporation (hereinafter "Tenant").		,	\ \
The effective date of this Lease is Upon 311 State	460	vary	Approvals
	_		RWE

# RECITALS

- 1. Landlord is the owner of the premises described below desires to lease/option All of the premises known as 1469 Highway 395 South, Gardnerville, Nevada 89410 Parcel Number 1022 18-001-045.
- 2. Tenant desires the premises for a restaurant, bar, and gaming. (Slot Machines or other)
- 3. The parties desire to enter into a lease/purchase agreement defining their rights, duties, and liabilities relating to the premises.

In consideration of the mutual covenants contained herein the party agrees as follows:

SECTION ONE

# **Demised Premises**

Landlord owns that real property and the improvements situated thereon located in Gardnerville, County of Douglas, State of Nevada, and .leases approximately 3000 square feet of the building, and all property generally known as 1469 Highway 395 South, Gardnerville, Nevada 89410 (hereinafter the "Leased premises) as more particularly defined in Exhibit "A" (TERMS OF FINANCING) attached hereto. In addition, the premises include all of parcel number 1022-18-001-045.

#### **SECTION TWO**

Term and Rent

The term of this Lease shall be a period of 36 months, to commence on the first day of 2007 and to terminate at midnight on the 31<sup>st</sup> day of \_\_\_\_\_\_March, 2010, unless earlier terminated under the provisions of this Lease.

Tenant shall pay to Landlord the sum of \$1000.00 FOR Bar Facility
And \$1000.00 for Restaurant Facility as rent for said premises for the term of the Lease.

The first of said installments shall be paid on the day of, 2007, and a like installment shall be paid on the first day of each successive month thereafter until the full amount, of said rental has been paid. Said rental shall be paid, to the order, of Landlord and shall be hand delivered to the Landlord at 1469 Highway 395 South, Gardnerville, Nevada 89410, unless otherwise instructed by Landlord. On execution of this Lease, Tenant shall deposit with Landlord the first months, rent and TWO THOUSAND DOLLARS (\$2,000.00) as a deposit.

#### SECTION THREE

# Additional Rent

All taxes, charges, costs and expenses that Tenant assumes or agrees to pay hereunder, together with all interest and penalties that may accrue thereon in the event of the failure of Tenant to pay those items, and all other damages, costs, expenses, and sums that the Landlord may suffer or incur, or that may become due by reason of any default of Tenant or ,failure by Tenant to comply with the terms and conditions of this lease shall be deemed to be additional rent, and. in the event of nonpayment, Landlord shall have all rights and remedies, as herein provided for failure to pay rent.

Rental installments are due and payable on the first day of each month. If the monthly rental installments are not received by the tenth day of each month a late charge in the amount of FIFTY DOLLARS (\$50.00) will be assessed on all rental payments not received by Landlord. Any rental installments not received by the thirtieth day of each month in which the rental payment was due. Tenant shall be in default pursuant to Section Twelve and Section Thirteen herein below.

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#### SECTION FOUR

Taxes

Tenant, shall pay on or before the last day on which payment has been made without penalty or interest, all taxes, personal property tax, employment taxes, sales taxes assessments or other governmental charges that are imposed on, or arise in connection with the use of, the Leased Premises or any part thereof. A tax bill for personal property tax from the Douglas County Assessor's Office shall be sufficient evidence of the amount of taxes and for calculation of the amount to be paid by Tenant. It is the intention of the parties that the rent herein is net rental, and the Landlord shall receive the same, free from all taxes, with the exception of property taxes that are payable by the Landlord.

SECTION FIVE Utilities

Gas, heat, light, power and telephone services shall be furnished to the Leased Premises by separate meters. Tenant shall fully and promptly pay all gas, heat, light, power, telephone service and other public utilities of every kind furnished to the Leased Premises throughout the term hereof, and all other costs and expenses of every kind whatsoever incurred in connection with the use, operation and maintenance of the Leased Premises and all activities conducted thereon, and Landlord shall have no responsibility of any kind for any part thereof and Landlord shall fully be responsible for all water and sewer services provided to the Leased Premises.

# SECTION SIX

Use

The premises are to be used for the operation of a Restaurant, bar facility with unrestricted gaming license, cabaret license and on sale and off sale liquor license and sale of tobacco products. The tenant shall obtain all necessary licenses and permits related thereto and obtaining the written consent of the Landlord to such use.

#### SECTION SEVEN

# Alterations and Improvements

No alteration, addition, or improvement to the Leased Premises shall be made by the Tenant without the written consent of the Landlord and such consent shall not be unreasonably withheld. Any alteration, addition, or improvement, made by the Tenant after such consent shall have been given and any fixtures installed as part thereof, shall at the Landlord's option become the property of the Landlord upon the expiration or other sooner termination of this Lease;

Provided, however, that the Landlord shall have the right to require the Tenant to remove such fixtures at the Tenant's cost upon such termination of this Lease.

# SECTION EIGHT

# Repairs

Tenant shall, during the term of this Lease and any renewal or extension thereof, at his sale expense, keep the interior of the Leased Premises in as good order and repair as it is at the date of the commencement of this Lease, reasonable wear and tear and damage by accidental fire or other casualty accepted. Tenant shall not knowingly commit or willingly permit to be committed any act or thing contrary to the rules and, regulations prescribed from time to time by the Board of Health, or which shall be contrary to the rules and regulations of any federal, state, or municipal authority.

Landlord Tenant



Landlord during the term of this Lease and any renewal or extension thereof, shall keep the structural supports and exterior walls of the building, including windows, doors, roof, heating, and air conditioning in good order and repair. Tenant shall maintain in good working order and repair all passageways from the building entrance to the street, and parking area leading to the Leased Premises, and the adjacent sidewalks free of snow, ice, rubbish and other obstructions, all plumbing toilet facilities, walk in coolers (and specifically the motors of said coolers), other fixtures and equipment installed for the general supply of hot and cold water, electricity, and general function of the Leased Premises as a Restaurant and Bar.

#### SECTION NINE

#### Insurance

During the term of the Lease and for any further time Tenant shall hold the Leased Premises, Tenant shall obtain and maintain the following types and amounts of insurance with the respect to the Leased Premises:

A. Fire Insurance Tenant shall keep all building and improvements on the demised premises, including all alterations, additions, and improvements, insured against loss or damage by fire, with all standard extended coverage that may be required by any first mortgagee, and against loss or damage due to war or nuclear agents, if that insurance is available and required by any first mortgagee. The insurance shall be in the amount of at least THREE HUNDRED THOUSAND.: DOLLARS (300,000.00).

B... Personal Injury Property Damage and Insurance Insurance against Liability for bodily injury, property damage and pollution in the following amounts shall be provided by Tenant.

Property damage---

\$1,000,000 per occurrence

Bodily injury of death

\$500,000 per person, per occurrence

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2. All insurance provided by Tenant as required by this section shall be carried in favor of Landlord, and in the case of insurance against damage to the demised premises by fire or other casualty, shall provide that loss, if any, shall be adjusted with and be payable to Landlord. If Requested by Landlord, any insurance against fire or other casualty shall provide that loss shall be payable to the holder under a standard mortgage clause. Rent insurance and use and occupancy insurance may be carried in favor of Tenant, but the proceeds are hereby assigned to Landlord to be held by Landlord as security for the payment of the rent and any additional rent hereunder until restoration of the premises. All insurance shall be written with responsible companies that Landlord shall approve, and the policies shall be held by Landlord or, when appropriate by the holder of any mortgage, in which case copies of the policies or certificates of insurance shall be hand delivered by Tenant to Landlord. All policies shall require fifteen (15) days notices to Landlord of any cancellation or change affecting any interest of Landlord.

# SECTION TEN

Unlawful Or Dangerous activity

Tenant shall neither use nor occupy the Leased Premises or any part thereof for any unlawful or disreputable business purpose nor operate or conduct his business in a manner constituting a nuisance of any kind. Tenant shall immediately on discovery of any unlawful or disreputable use; take action to halt such activity.

# SECTION ELEVEN

# Indemnity

Except for claims arising out of acts caused by the affirmative negligence of Landlord, Tenant shall indemnify Landlord against all expenses, liabilities, and claims of every kind including reasonable attorney's fees, by or on behalf of any person or entity arising out of either (1) a failure by Tenant to perform any of the terms or conditions of this Lease; 2.any injury or damage happening on or about the Leased Premises; (3) failure to comply with any law of any

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BK- 0708 PG- 4597 Governmental authority; or (4) any mechanic's 1ien or security interest filed against the Leased Premises or equipment, materials, or alterations of buildings or improvements thereon.

# SECTION TWELVE

Default or Breach

Each of the Following events shall constitute a default or breach of this lease by Tenant:

1. If Tenant, or any successor or assignee of Tenant
While in possession, shall file a petition in bankruptcy or insolvency or for reorganization under
any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise,
or shall make an assignment for the benefit of creditors.

- 2. If involuntary proceedings under any bankruptcy act shall be instituted against Tenant, or if a receiver or trustee shall be appointed of all or substantially all of the property of Tenant, and such proceedings shall be dismissed or the receivership or trusteeship vacated within thirty (30) days after the institution or appointment.
- 3. If Tenant shall fail to pay Landlord any rent or additional rent when the rent shall become due and such nonpayment continues for more than thirty (30) days.
- 4. If Tenant shall fail to perform or comply with any of the conditions of this Lease and if the non-performance shall continue for a period of thirty (30) days after notice thereof by Landlord to Tenant or, if the performance cannot be reasonably had within the thirty (30) day period, Tenant shall not in, good faith have commenced performance within a ten (10) day period and shall not diligently proceed to completion of performance.
- 5. If Tenant shall vacate or abandon the demised premises.
- 6. If this Lease or the estate of Tenant hereunder shall be transferred to or shall pass to or devolve on any other person or party, except in the manner herein permitted.

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7. If the estate hereby created shall be levied upon by execution or similar writ and such writ shall not be canceled, satisfied or otherwise removed within thirty (30) days.

## SECTION THIRTEEN

#### Effect of Default

In the event of any default hereunder, as set forth in Section Twelve, the rights of Landlord shall be as follows:

- 1. Landlord shall have the right to cancel and terminate this Lease as well as all of the right, title and interest of Tenant hereunder, by giving to Tenant five (5) days' notice of the cancellation and termination. On expiration of the time fixed in the notice, this Lease and the right, title and interest of Tenant hereunder, shall terminate in the same manner and with the same force and effect, except as to tenants liability and obligations, as of the date fixed in the notice of cancellation and termination were the end of the term herein originally determined.
- 2. Landlord may elect, but shall not be obligated to make any payment required of Tenant herein or comply with any agreement, term or condition required hereby to be performed by Tenant and Landlord shall have the right to enter the Leased Premises for the purpose of correcting or remedying any such default and to remain until the default has been corrected or remedied, but any expenditure for the correction by Landlord shall not be deemed to waive or release the default of Tenant or the right of Landlord to take any action as may be other wise permissible hereunder in the case of any default.
- 3. Landlord may re-enter the premises immediately and remove the property and personnel of Tenant, and store the property in a public warehouse or at a place selected by Landlord, at the expense of Tenant. After re-entry Landlord may terminate the Lease on giving five (5) days written notice of termination to Tenant. Without the notice, re-entry will not terminate the Lease. On termination Landlord may recover from Tenant all damages proximately resulting from the breach, including the cost of recovering the premises, which sum shall be immediately due Landlord from Tenant.

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4. After re-entry, Landlord may re-enter the premises or any part thereof for any term without terminating the Lease, at the rent and on the terms as Landlord may choose and is commercially reasonable. Landlord may make alterations and repairs to the premises. The duties and liabilities of the parties if the premises are relet as herein provided shall be as follows;

A. In addition to Tenant's liability to Landlord for breach of the Lease, Tenant shall be liable for all expenses of the reletting, for the alterations and repairs made and for the difference between the rent received by Landlord under the new lease agreement and the rent installments that are due for the same period under this Lease.

B. Landlord shall have the right, but shall not be required to apply the rent received from reletting the premises (1) to reduce the indebtedness of Tenant to Landlord under the Lease, not including indebtedness for rent; (2) to expenses of the relleting and alterations and repairs made; (3) To rent due under this Lease; or (5) to payment of future rent under this Lease as it becomes due

If the new Tenant does not pay rent promptly to Landlord, and the rent has been credited in advance of payment to the indebtedness of Tenant other than rent, or if rentals from the new Tenant have been otherwise applied by Landlord as provided for herein, and during any rent installment period are less than the rent payable for the corresponding installment period under. This Lease, Tenant shall pay Landlord the deficiency, separately for each rent installment deficiency period. And before the end of that period Landlord may at any time after a reletting terminate the Lease for the breach on which Landlord had based the re-entry and subsequently relet the premises

(5), after re-entry, Landlord may procure the appointment of a receiver to take possession and collect rents and profits of the business of Tenant, and, if necessary to collect the rents and profits. The receiver may carry on the business of Tenant and take possession of the personal property used in the business of Tenant, including inventory, trade fixtures, and furnishings, and use them in the business without compensating Tenant. Proceedings for appointment of a receiver by Landlord, or the appointment of a receiver and the conduct of the business of Tenant by the receiver, shall not terminate and forfeit this Lease unless Landlord has given written notice of termination to Tenant as provided herein.

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#### SECTION FOURTEEN

#### Destruction of Premises

If the Leased Premises shall be destroyed or rendered untenantable either wholly or in part, by fire or other, unavoidable casualty, Landlord may, at his option, restore the Leased Premises to its previous condition or in the meantime rent shall be abated in the same proportion as the untenantable portion of the Leased Premises bears to the whole thereof.

Tenant shall repair the damage to the Leased Premises caused by such casualty, should insurance proceeds not cover all or a portion of such casualty. Any other provision hereof to the contrary notwithstanding, should any casualty have been the result of any act, omission or negligence of Tenant, its agents, employees, servants, contractors, subtenants, licensees, customers or business invitees, unless Landlord otherwise elects, this Lease shall not terminate Tenant, shall repair such damage and rent shall not abate.

# SECTION FIFTEEN

# Condemnation

Rights and duties in the event of condemnation are as follows:

- 1. If the whole or any part of the Leased Premises shall be taken or condemned by any competent authority for any public or quasi-public use or purpose, this Lease shall cease and terminate as of the date on which title shall vest thereby in that, authority.
- 2. In the event of any taking or condemnation in whole or in part, the entire resulting award of consequential damage Shall belong to Landlord without any deduction there from for the value of the unexpired term of this Lease or for any other estate or interest in the demised premises now or later vested in Tenant. Tenant assigns to Landlord all his right, title and interest in. any and all such awards.
- 3. In the event of a partial taking, Landlord shall promptly proceed to restore the remainder of the building on the demised premises to self-contained architectural unit, but Landlord shall not be obligated to expend more than the sum allowed to Landlord in such condemnation for damage to the building, less all expenses incurred by Landlord in such proceeding, nor shall there be any

Abatement of rent during such restoration In the event there is no separate award for consequential damage, the value shall be fixed and settled by arbitration as herein provided. The balance of any separate award or allocate amount not so used shall belong to and be retained by Landlord as its sole property.

4. In case of any governmental action not resulting in the taking or condemnation or any portion of the demised premises but creating a right to compensation therefore, or if less than a fee title to all or any portion of the demised premises shall be taken or condemned by any governmental authority for temporary use or occupancy, this Lease shall continue in full force and effect without reduction or abatement of rent, and the rights of the parties shall be unaffected by the other provisions of this section but shall be governed by applicable law.

# SECTION SIXTEEN

#### Subordination

This Lease and all rights of Tenant hereunder shall be subject and subordinate to the lien of any and all mortgages that may now or hereafter affect the demised premises, or any part thereof and to any and all renewals, modifications, or extensions of any such mortgages. Although no instrument or act on the part of Tenant shall be necessary to effectuate such subordination, Tenant shall on demand execute, acknowledge, and deliver to Landlord, without expense to Landlord, any and all instruments that may be necessary or proper to subordinate his Lease and all rights therein to the lien of any such mortgage and each renewal, modification, or extension, and if Tenant shall fail at any time to execute, acknowledge, and deliver the same as Tenants attorney in fact and in Tenant's name. Tenant hereby irrevocably makes, constitutes, and appoints Landlord, his successors and assigns, his attorney in fact for that Purpose.

# SECTION SEVENTEEN

# Access to Premises

Tenant shall permit Landlord or his agents to enter the leased Premises at all reasonable hours to inspect the premises or make repairs.

# SECTION EIGHTEEN

# Option to Renew

The parties agree there will be an option to renew at the end of the 36 months Lease, solely at the discretion of the Landlord. The Tenant shall have 90 days to vacate the premises upon proper notification in writing from the Landlord to terminate the lease. The Landlord at his discretion shall terminate the Lease or renew the Lease for an additional Three years.

# **SECTION NINETEEN**

# Quiet Environment

Landlord warrants that Tenant shall be granted peaceable and quiet enjoyment of the Leased Premises free from any interference by Landlord if Tenant pays the rent additional rent and other charges provided herein and otherwise fully and punctually performs the terms and conditions imposed on Tenant.

#### SECTION TWENTY

# Liability of Landlord

Except for claims arising out of acts caused by the affirmative negligence of Landlord, Tenant shall be in exclusive control and possession of the Leased Premises, and Landlord shall not be liable for any injury or damages to any property or to any person on or about the demised premises nor for any injury or damage to any property of Tenant. The provisions herein permitting Landlord to enter and inspect the demised premises are made to insure that Tenant is in compliance with the terms and conditions hereof and make repairs that Tenant has failed to make. Landlord shall not be liable to Tenant for any entry on the premises for inspection purposes.

#### SECTION TWENTY-ONE

# Representations by Landlord

At the commencement of the term Tenant shall accept the building, and improvements and any equipment in their existing condition and state of repair, and Tenant agrees that no representations, statements, or warranties, express or implied, have been by or on behalf of Landlord in respect thereto except as contained in the provisions to this Lease, and Landlord shall in no event be liable for any latent defects.

However Landlord expressly warrants and guarantees the good condition equipment, furnishings and fixtures on the premises for a period of SIXTY DAYS (60) days from the effective date of this Lease. Landlord represents and warrants that it has title to the premises and is authorized to lease said premises to Tenant.

# **SECTION TWENTY-TWO**

# Waivers

The failure of Landlord to insist on a strict performance of any of the terms and conditions hereof shall be deemed a waiver of the rights or remedies that Landlord may have regarding that specific instance only, and shall not be deemed a waiver of any subsequent breach of default in any terms and conditions

# SECTION TWENTY-THREE

# **Notices**

All notices to be given with respect to this Lease shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid and returns receipt requested, to the party to be notified at the address set forth herein at such other address as either party may from time to time designate in writing:

LANDLORD:	Sierra Roadhouse, Inc.	
TENANT:	Star of India	

Every notice shall be deemed to have been given at the time it shall be deposited in the United States mails in the manner prescribed herein. Nothing contained herein shall be construed to preclude personal service of any notice in the manner prescribed for personal service of a summons or other legal process.

# SECTION TWENTY-FOUR

#### Arbitration

In a situation where this Lease provides for the settlement of a dispute or question by arbitration, the same shall be settled by arbitration in accordance with the current rules prescribed in the Nevada Revised Statutes.

# SECTION TWENTY-FIVE

# Assignment, Mortgage or Sublease

Neither Tenant nor his successors or assigns shall assign mortgage, pledge, or encumber this Lease or sublet the Leased Premises in whole or in part, or permit the premises to be used or occupied by others, nor shall this Lease be assigned or transferred by operation of law, without the prior consent in writing of Landlord in each instance, and such consent shall not be unreasonably withheld. If this Lease is assigned or transferred, or if all or any part of the Leased Premises is sublet or occupied by anybody other than Tenant, Landlord may after default by Tenant, collect rent from the assignee, transferee, subtenant, or occupant, and apply the net amount collected to the rent reserved herein, but no such assignment, subletting, occupancy, or collection shall be deemed a waiver of any Agreement., or condition hereof, or the acceptance of the assigned, transferee, subtenant, or occupant as Tenant Tenant shall continue to be liable hereunder in accordance with the terms and conditions of this Lease and shall not be released from the performance of the terms and conditions hereof, unless put in writing and signed by both Landlord and Tenant. The consent by Landlord to an assignment, mortgage, pledge, or transfer shall not be construed to relieve Tenant from obtaining the express written consent of Landlord to any future transfer or interest.

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## **SECTION TWENTY-SIX**

# First Right of Refusal

At any time during the term of this Lease, the Tenant shall have the first right, option and privilege of purchasing the Leased Premises herein described under the following terms:

- 1. Landlord shall retain the right to sell said premises during term of the Lease; Landlord shall first deliver notice to the Tenant of such purposed sale not less than sixty (60) days prior to the proposed date of sale. Such notice shall specify each term of the proposed sale; and,
- 2. Tenant shall have ninety (60) days from the date of said notice within which to either purchase the property on the same or similar terms and conditions or decline to purchase the property. The Consideration for the first right of refusal is Tenants execution of this Lease agreement and Tenant's payment of the first months rent.
- 3. Tenant's entire INVESTMENTS in property, lease payments, and structures, SHALL BE RETURNED TO TENANT, SHOULD THE LANDLORD SELL SAID PROPERTIES PRIOR TO LEASE END (within the initial 36 months lease on said premises) investments shall be returned at close of escrow.

# **SECTION TWENTY-SEVEN**

Total Agreement: Applicable to Successors

This Lease contains the entire agreement between the parties and cannot be changed or terminated except by a written instrument subsequently executed by the parties hereto. This Lease and the terms and conditions hereof apply to and are binding on the heirs, legal representative, successors, and assigns of Landlord.

# SECTION TWENTY-NINE

Applicable Law

This agreement shall be governed by and construed in accordance with the laws of the state of Nevada.

SECTION THIRTY

Time is of the essence in all provisions of this Lease

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# SECTION THIRTY-ONE

# Attorney's Fees

If suit should be brought for recovery of the premises or for any sum due hereunder, or for any act which may arise out of the possession of the premises by either party, the prevailing party shall be entitled to all costs incurred in connection with such legal action, or other enforcement actions, including a reasonable attorney's fee.

# SECTION THIRTY-TWO

The Equipment on Lease Premises

The Equipment listed on Exhibit "A" is confirmed the property of Landlord and shall not be removed without Landlord's consent. Tenant shall repair and maintain such equipment and replace it if damaged. Tenant's inventory and equipment shall act as additional security for the performance of the provisions of this Lease and Landlord shall have the right to take such inventory and equipment in satisfaction of any amounts due Landlord from Tenant under this Lease.

It is agreed that should Tenant be in default in any of the terms or conditions of this Lease, then, while such default continues neither the whole nor any part of the furniture, equipment or supplies located in the premises shall be removed there from except with the written consent of Landlord first obtained, and Landlord shall have the right and privilege, at its option to take and retain possession of said furniture, equipment supplies, to store the same on the premises, place or warehouse as may be selected by landlord, at the expense and risk of Tenant.

# SECTION THIRTY-THREE

**Holding Over** 

Any holding over after the expiration of the said term, with the consent of the Landlord shall be construed to be a tenancy from month to month only and that such rental as the Landlord may determine.

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7/22/2008

# Exhibit "A" Addendum

# Terms of Finance

Purchase Price: \$350,000.00

First Month Lease Payment: \$1000.00 (Bar Only) (Note: Full Lease Payment Shall be \$2,000.00 per month for Restaurant & Bar)

Damage / Cleaning Deposit: \$ 2000.00

LEASE OPTION TO PURHCASE, said property, approximately 1 ½ acre, located at, 1469 Highway 395 South, Gardnerville, Nevada, 89410 Parcel Number, 1022 18 001 045 shall continue for 36 months. The parties agree, the Landlord, shall reserve the right to sell said premises prior to lease end and at Landlords discretion may renew lease of said properties. THE LANDLORD RETAINS THE OPTION TO TERMINATE LEASE, SHOULD THE Landlord sell said properties. If Landlord elects to extend term of this Lease, then the amount of the extended term shall be increased by TEN PERCENT (200.00) DOLLARS per month upon the anniversary of the effective date of this lease.

The parties agree, Tenant may purchase said property at any time during the term of the Lease. \$350,000.00 shall be the sales price.

One half of all Lease payments shall be applied to the purchase price of said property; Security, Damage, and Cleaning Deposits, shall be applied to the purchase price of said property. Tenant's entire INVESTMENT, SHALL BE RETURNED TO TENANT, SHOULD LANDLORD SELL SAID PROPERTIES PRIOR TO LEASE END (within the initial 36 months lease of said premises). Investments, shall be returned at close of escrow.

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# SECTION THIRTY-FOUR

Severability and Invalid Provisions

Any provision of this Lease to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the rest of this Lease agreement,

# **SECTION THIRTY-FIVE**

**Closing Costs** 

Landlord hereby agrees to pay for the expenses incurred for the preparation of this Lease.

In witness whereof the parties have executed this Lease at Gardnerville, Nevada the day and year first above written

President, Sierra Roadhouse, Inc

BY

Tenant/Buyer

Star of India

President Robert W. Estrellz

NOTARY PUBLIC STATE OF NEVADA County of Douglas JANE CRITSER

ppointment Expires March 20, 2009

NOTARY PUBLIC

# ADDENDUM "E"

# AGREEMENT FOR MODIFYING LEASE OPTION SALES AGREEMENT MAY 13, 2008

This Addendum, herein, known as Exhibit "E" shall be made a part of the "Lease/Option Sales Agreement" dated January 11, 2007, between Dorothy H. Funez, known as the "Seller", and Robert W. Estrella, known as the "Buyer".

The aforementioned parties have agreed to the date of May 15, 2008, as the formal date for the modification of "Lease Option Sales Agreement" dated January 11, 2008. The "Buyer" and "Seller" have agreed to the following modifications:

The "Lease Option Sales Agreement" dated January 11, 2008, is terminated and changed to be a tenancy from month-to-month. All other conditions of the original agreement, including Addendums, shall remain as written.

These modifications are being made to expedite the resale of the property. Upon resale of the property, Tenant's entire investment shall be returned to Tenant, providing property is sold for at least \$375,000. In the event property does not sell for this amount within a reasonable amount of time, Buyer and Seller agree to accept a fair and reasonable offer which would reduce both parties return on their investments.

Dorothy H. Funez

Seller

Robert W. Estrella

Buyer

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