

ASSIGNMENT AND ASSUMPTION OF LEASE

THIS AGREEMENT AND ASSUMPTION OF LEASE AGREEMENT (this "Agreement") is made and entered into as of the 17th day of September, 2002, by and between FLAGSTAR ENTERPRISES, INC., an Alabama corporation, successor in interest to Flagstar Enterprises, Inc., a Delaware corporation ("Assignor"), and HARDEE'S FOOD SYSTEMS, INC., a North Carolina corporation ("Assignee").

WHEREAS, it has been agreed that effective September 17, 2002 (the "Effective Date"), Assignor will assign to Assignee all right, title and interest of Assignor as Tenant in and to that certain written Lease Agreement dated September 27, 1993, entered into originally by and between CNL First Corp., a Florida limited partnership, and Flagstar Enterprises, Inc., a Delaware corporation ("Lease"), for the real estate more particularly described in Exhibit A hereto (the "Premises") and Assignee shall assume same as of the Effective Date.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

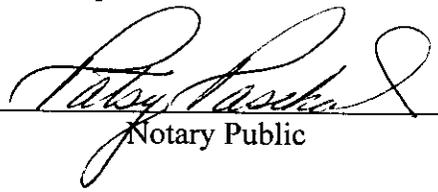
1. Assignor, for itself, its successors and assigns, hereby conveys, transfers and assigns to Assignee, effective as of the Effective Date, all of the right, title, estate, interest, duties, liabilities and obligations which Assignor has or may have in, to and under the Lease and with respect to the Premises for the remainder of the term of the Lease at the same rentals and upon the same covenants, terms and conditions as are contained in the Lease to the same extent as if such rentals, covenants, terms and conditions had been fully set forth herein.

2. Assignee, for itself, its successors and assigns, hereby accepts the conveyance, transfer and assignment from Assignor of the right, title, estate, interest, duties, liabilities and obligations which Assignor has or may have in, to and under the Lease and with respect to the Premises and agrees to perform and be bound by all of the tenors of the Lease, agrees to pay to Landlord all rentals therein reserved or accruing from and after the Effective Date and agrees to perform all covenants, terms and conditions required to be performed, kept and observed, as are contained in the Lease, and which may accrue or be required to be performed from and after the Effective Date, to the same extent as if such rentals, covenants, terms and conditions had been fully set forth herein.

3. Assignor warrants and represents to Assignee that: (a) the Lease is in full force and effect and has not been modified, supplemented or amended except as set forth above; (b) the Lease represents the entire agreement between Landlord and Assignor as to the Premises; (c) neither Assignor nor, to Assignor's knowledge, Landlord is in default under the Lease, and to Assignor's knowledge, no condition exists which by the giving of notice, the passage of time or otherwise would constitute a default under the Lease; and (d) all rentals and other charges required to be paid by Assignor under the Lease as of and prior to the Effective Date have been paid.

STATE OF MISSOURI _____)
) ss
CITY OF ST. LOUIS _____)

Personally appeared before me, the undersigned authority in and for the said county and state, on this 17th day of September, 2002, within my jurisdiction, the within named William R. Werner, who acknowledged to me that he is Executive Vice President of HARDEE'S FOOD SYSTEMS, INC., a North Carolina corporation, and that for and on behalf of said corporation and as the act and deed of said corporation he executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.



Notary Public



COMMISSION EXPIRES: 3/24/06

PASCHAL
Notary Seal
STATE OF MISSOURI
St. Louis County
Commission Expires: March 24, 2006

Exhibit A

Legal Description

Lot 2, First Revision, Interstate Commons Subdivision, in Section 36, Township 1 South, Range 8 West, City of Horn Lake, DeSoto County, Mississippi, as shown by plat appearing of record in Plat Book 35, Page 11, in the office of the Chancery Clerk of DeSoto County, Mississippi.

Together with a 30 foot sign easement along the northeast property line created by a plat appearing of record in Plat Book 35, Page 11, in the office of the Chancery Clerk of DeSoto County, Mississippi.

STATE MS.-DESOTO CO. ps
FILED pa
SEP 20 4 43 PM '02

p BK 95 PG 555
W.E. DAVIS CH. CLK.