

Our restaurant leases generally provide for fixed rental payments (with cost-of-living index adjustments) plus real estate taxes, insurance, and other expenses. In addition, approximately 14% of our leases provide for contingent rental payments between 1% and 15% of the restaurant's gross sales once certain thresholds are met. We have generally been able to renew our restaurant leases as they expire at then-current market rates. The remaining terms of ground leases range from less than one year to 49 years, including optional renewal periods. The remaining lease terms of our other leases range from less than one year to 56 years, including optional renewal periods.

As of September 29, 2019, our restaurant leases had initial terms expiring as follows:

<u>Fiscal Year</u>	<u>Number of Restaurants</u>	
	<u>Ground Leases</u>	<u>Land and Building Leases</u>
2020 – 2024	381	697
2025 – 2029	198	270
2030 – 2034	40	135
2035 and later	16	26

Our principal executive offices are located in San Diego, California in an owned facility of approximately 150,000 square feet. We also own our 70,000 square foot Innovation Center and approximately four acres of undeveloped land directly adjacent to it. We plan to sell our principal executive offices and consolidate our headquarters in the Innovation Center, which we believe will be suitable and adequate for our purposes.

ITEM 3. LEGAL
PROCEEDINGS

See Note 16, *Commitments, Contingencies and Legal Matters*, of the notes to the consolidated financial statements for a discussion of our legal proceedings.

ITEM 4. MINE SAFETY
DISCLOSURES

Not applicable.