

As of February 27, 2012, the average interior square footage of our restaurants was as follows:

	BJ's Pizza & Grill®	BJ's Grill™	BJ's Restaurant & Brewhouse®	BJ's Restaurant & Brewery®
Arizona	–	–	8,020	8,800
California	2,622	4,600	8,225	10,788
Colorado	5,500	–	8,100	–
Florida	–	–	8,389	–
Indiana	–	–	8,500	–
Kentucky	–	–	9,000	–
Louisiana	–	–	9,000	–
Nevada	–	–	8,278	13,300
Ohio	–	–	8,667	–
Oklahoma	–	–	8,500	–
Oregon	4,350	–	–	7,930
Texas	–	–	8,287	10,710
Washington	–	–	9,500	–
Total Weighted Average	<u>3,280</u>	<u>4,600</u>	<u>8,306</u>	<u>10,547</u>

Many of our restaurants also have outdoor patios that are utilized when weather conditions permit.

As of February 27, 2012, 112 of our 116 existing restaurants are located on leased properties. We own the underlying land for four of our existing restaurants as well as a proposed site in 2012. There can be no assurance that we will be able to renew expiring leases after the expiration of all remaining renewal options. Most of our restaurant leases provide for contingent rent based on a percentage of restaurant sales (to the extent this amount exceeds a minimum base rental) and payment of certain occupancy-related expenses. We own substantially all of the equipment, furnishings and trade fixtures in our restaurants. Our home office is located in leased premises in Huntington Beach, California. On February 2, 2012 we executed an amendment to our office lease extending the term through August 31, 2018.

ITEM 3. LEGAL PROCEEDINGS

We are subject to private lawsuits, administrative proceedings and demands that arise in the ordinary course of our business and which typically involve claims from guests, employees and others related to operational, employment, real estate and intellectual property issues common to the foodservice industry. A number of these claims may exist at any given time. We believe that most of our guest claims will be covered by our general liability insurance, subject to certain deductibles and coverage limits. Punitive damages awards and employee unfair practice claims, however, are not covered by our general liability insurance. To date, we have not been ordered to pay punitive damages with respect to any claims, but there can be no assurance that punitive damages will not be awarded with respect to any future claims. We could be affected by adverse publicity resulting from allegations in lawsuits, claims and proceedings, regardless of whether these allegations are valid or whether we are ultimately determined to be liable. We currently believe that the final disposition of these types of lawsuits, proceedings and claims will not have a material adverse effect on our financial position, results of operations or liquidity. It is possible, however, that our future results of operations for a particular quarter or fiscal year could be impacted by changes in circumstances relating to lawsuits, proceedings or claims.

The following paragraphs describe certain legal actions recently settled or pending:

Labor Related Matters

On February 4, 2009, a former team member filed a putative class action complaint in the Superior Court for the County of Fresno, California on behalf of himself and other current and former servers working in the Company's California restaurants. The complaint alleged causes of action for failure to pay wages for on-call