

## TITLE TO REAL ESTATE

the payment of any indebtedness due or to become due from Lessor to Lessee. Such application shall be deemed payment of such rental.

No change in ownership of the premises, or assignment of the rental provided for herein, shall be binding upon lessee for any purpose until after lessee has been furnished with a written transfer or assignment, or a true copy thereof, evidencing such change in ownership or assignment.

4. Maintenance. Lessor agrees to maintain said premises and improvements, including plumbing, heating, and electric wiring, in good repair, and to paint same when deemed necessary in the opinion of the lessee during the term of this lease, and to re-build within sixty (60) days any structure on said premises damaged or destroyed in any manner. In the event of lessor's failure to do so, lessee, at its election, may either terminate the lease on thirty (30) days' notice to lessor, in which event rental shall abate from the date of destruction or damage, or do the necessary repairing or rebuilding at the expense of the lessor and have the right to apply accruing rentals for the purpose of reimbursing itself for the principal expenditure, together with interest at six per cent. If, during the time the premises are undergoing repairs, the use thereof by lessee is materially interfered with, the rent accruing during such period shall be abated.

5. Removal of Property. Lessee shall have the right at any time during the continuance of this lease or within thirty (30) days after its termination to sever and remove all buildings, and improvements, fixtures, equipment and other property owned by lessee or placed on said premises by lessee during the term of this or any previous lease, or any extension or renewal thereof.

6. Lessee's Right of Termination. Should lessee, for any reason other than (a) any wilful act of lessee and/or (b) damage or destruction of premises and/or any structures thereon, be prevented from establishing or continuing the business of distributing petroleum products on said premises, lessee may terminate this lease upon giving thirty (30) days' written notice to lessor, in which event the rental obligation shall be prorated to the date of such termination.

7. Damages for Defect in Title. Lessor covenants that he is well seized of the said premises, has good right to lease the same, and warrants and agrees to defend the title thereto, and to reimburse and hold lessee harmless from all damages and expenses which lessee may suffer by reason of any restriction, encumbrance or defect in such title.

8. Taxes and Encumbrances. Lessor agrees to pay all taxes, assessments and obligations which are or may become a lien on the demised premises and improvements as they become due. If lessor shall fail to do so, lessee shall have the right either to make such payments for the account of lessor, in which event it shall be subrogated to all the rights of the holder of such lien, and in addition thereto shall have the right to apply accruing rentals in satisfaction of such obligations; or lessee, in the event of a foreclosure of any such lien and the sale of said demised premises and improvements, shall have the right to buy in said premises and improvements for its own account.

9. Option. Lessor hereby gives the lessee the right and option to purchase the demised premises and all structures and improvements thereon at any time during the term of this lease or any extension or renewal thereof for the sum of Forty Thousand Dollars (\$40,000.00).

In event that part of the premises herein demised is condemned, the amount of damages awarded to the lessor in consequence thereof shall be deducted from the purchase price upon exercise of this option by the lessee.

Lessee's notice of election to purchase shall be sufficient if deposited in the mail addressed to lessor at or before midnight of the day on which option term expires. Lessor shall, when requested by lessee, deliver to lessee complete abstracts of title, furnish up-to-date survey by a licensed or registered professional engineer or surveyor, showing elevations of property and corners marked with concrete monuments, upon receipt of which the lessee shall have a reasonable time in which to examine the title and, upon completion of title examination, if title is found satisfactory, shall tender the purchase price to lessor and lessor, at time of such tender, shall deliver to the lessee a good and sufficient warranty deed conveying the premises to the lessee free and clear of all encumbrances (including, without limiting the foregoing, the right of dower and/or courtesy).

10. Application of Option Purchase Price. In event accruing rentals are insufficient to reimburse lessee from expenditures made by lessee hereunder, and in event lessee exercises the option to purchase the demised premises, lessee may apply such part of the purchase price as is necessary to (a)---completely reimburse itself for such expenditures and (b)---pay any other indebtedness of lessor to lessee, together with interest at six per cent.

11. Holdover. If, at the expiration or termination of this lease or any extension thereof, lessee should hold over for any reason the tenancy of lessee thereafter shall be from month to month only and be subject to all other terms and conditions of this lease, in the absence of a written agreement to the contrary.

12. Assignment and Sub-letting. Lessor consents that lessee may assign or sub-let the premises provided that lessee shall remain liable to lessor for the performance of all of the