

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 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 should 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 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 for the sum of -----Dollars (\$), In the event a 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.~~

~~Lessor also agrees that should lessor, at any time during the term of this lease, or of any renewal or extension thereof, desire to sell said property to a purchaser other than lessee, lessor shall so notify lessee, in writing, stating the name and address of said purchaser and the terms and conditions of the proposed sale. Lessee shall have twenty (20) days after receipt of said notice within which to notify lessor of lessee's election to purchase said property upon the same terms and conditions offered to said purchaser.~~

~~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, upon receipt of which 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 the time of such tender, shall deliver to 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 rights of dower and/or courtesy).~~

(10)-Application of Option Purchase Price. In event accruing rentals are insufficient to reimburse lessee for 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 terms hereof.

(13)-Notice. Notices from lessee to lessor shall be sufficient if delivered to lessor, or if placed in the United States Mails addressed to the address shown in this lease. Notices from lessor to lessee shall be sufficient if posted in the United States Mails, postage prepaid, addressed to the lessee's principal place of business as shown in this lease.

(14)-Approval and Signing by Lessee. This agreement, whatever the circumstances, shall not be binding on the lessee unless and until approved and signed on its behalf by an Executive Officer, Manager (Sales Department), Assistant Manager (Sales DEpartment) or Manager, Real Estate Division.

(15)- Successors and Assigns. This agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors or assigns.

(9) Option. Lessor hereby gives to 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), Should a part of the premises herein demised be condemned, the amount of damages awarded to lessor in consequence thereof shall be deductible from such sum.

Lessor also agrees that if at any time during the term of this lease or any extension or renewal thereof, he shall receive a bona fide offer to purchase the demised premises, which offer he shall desire to accept, he will immediately give the lessee written notice of the receipt of such offer and of his desire to accept same, and lessee shall have thirty days after receipt of such notice in which to elect to purchase said premises upon the same terms as those contained in such offer.

W.R.C.

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