

- 2 -

## LEASE AND OPTION TO PURCHASE

- 2 -

4. This lease may be terminated by lessors upon thirty days' written notice to lessees if, and only if, any of the following events occurs: (1) failure of lessees to pay or to tender payment of rent for a period of ten (10) days after due date; (2) willful and serious damaging of said premises by lessees; or (3) violation by lessees of a material provision of this lease.

5. Lessees shall pay for all water, electricity and fuel used by lessees on said premises during the term of this lease. Lessors shall pay all taxes, assessments, charges, incumbrances and insurance premiums payable on or in respect of said premises. Lessors shall insure said premises against fire and casualty.

6. Lessors shall at their own expense maintain said premises in good repair and in good tenantable condition, and shall reimburse lessees for all improvements made by lessees with lessors' consent.

7. Lessors shall have the privilege at all reasonable times of entering upon said premises to make occasional inspections when necessary, and to make necessary repairs and improvements; provided that repairs or improvements which might cause serious danger or inconvenience to lessees shall not be made without written consent of lessees.

8. Lessees shall return said premises to lessors in good condition upon termination of this lease; damage by fire, casualty and ordinary wear and tear excepted. Lessees shall be liable to lessors or to other persons for damage or injury to said premises or to persons or property while on said premises only if such damage or injury is caused by the willful and intentional act of lessees.

9. Lessees shall not sublease said premises without written consent of lessors, nor shall this lease or any rights hereunder be assigned by lessees without written consent of lessors or by lessors without written consent of lessees.

10. This lease shall remain in effect if said premises are sold or conveyed by lessors to any person or persons whatsoever (unless said sale or conveyance is to lessees); such person or persons shall then be substituted for lessors and shall assume all the rights and obligations of lessors hereunder.

11. In the event that lessors decide to sell or convey said premises before the termination of this lease, they shall give written notice of such intention to lessees. Lessees shall then have an absolute and irrevocable option to purchase said premises, as described above, at any time within thirty (30) days after receipt of said notice by lessees, upon the following terms (or upon such other terms as may be mutually agreed upon by the parties hereto): the purchase price shall be a total sum equal to nine thousand five hundred dollars (\$9,500.00) less the total amount of principal remaining unpaid (as of the date of exercise of this option) on all mortgage loans and any other liens or incumbrances on said premises; lessees shall take said premises subject to any such mortgage or incumbrance; the purchase price shall be payable in monthly installments divided equally among the full months remaining between the date of exercise of this option and April 30, 1956, with interest (from the date of exercise of this option) at the rate of four per cent (4%) per annum on the unpaid balance; lessees shall have the right to accelerate payment at such times and in such amounts as they choose, with proportionate reduction of interest; all

*D.M.S.*  
*J.L.C.*

- 2 -

*R.M.S.*  
*S.M.S.*