

- e. No liability for the payment of rental or the performance of any of Lessee's covenants and agreements hereunder shall attach to or be imposed upon any mortgagee or holder of any indebtedness secured by any mortgage upon the leasehold estate, all such liability being hereby expressly waived by Lessor.

LESSOR'S RIGHT OF RE-ENTRY

11. If Lessee shall fail to pay any installments of rent promptly on the day when the same shall become due and payable hereunder, and shall continue in default for a period of fifteen (15) days after written notice thereof by Lessor, or if Lessee shall fail to promptly keep and perform any other covenant of this lease, strictly in accordance with the terms of this lease and shall continue in default for a period of thirty (30) days after written notice thereof by Lessor of default and demand of performance, then and in any such event, and as often as any such event shall occur, the Lessor shall have all rights of re-entry as granted and provided Lessor by the Laws of the State of South Carolina on default of Lessee subject to the terms and conditions of Paragraph 10 above.

SUBORDINATION CLAUSE

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Lessor further agrees that it will execute such instruments as may be necessary within the first six (6) months of the term of this lease to subordinate the rights and interests of the Lessor in the fee to the lien of a mortgage placed on the premises herein demised, such mortgage to be for Twenty Seven Thousand and No/100 (\$27,000.00) Dollars, or three-fourths the cost of the building, exclusive of fixtures, signs, machinery, etc., whichever may be the less, which the Lessee will erect, and such mortgage to be payable in equal monthly or quarterly installments to be paid back uniformly and equally over a ten (10) year period, at which time said mortgage is to be paid and satisfied in full and according to its terms will be completely terminated. The mortgagee of such a mortgage, in consideration of the above mentioned subordination, hereby warrants that it will give notice to the Lessor if the Lessee becomes more than thirty (30) days in default on any one payment. Such a mortgage is to contain the appropriate provisions of this paragraph and they are to become a part thereof.

Lessor further agrees that the Lessee shall have the right to obtain a mortgage on the fee and leasehold interest within six (6) months after the execution hereof for the construction of the improvements as provided in Paragraph 2 hereof. It is further agreed that in the event the Lessee is unable after due diligence to obtain a mortgage for the development of the premises herein in the sum of Twenty Seven Thousand and No/100 (\$27,000.00) Dollars, or three-fourths the cost of the building, exclusive of fixtures, signs, machinery, etc., whichever may be the less, at a rate of interest not to exceed six per cent (6%) per annum for a period of time not more than ten (10) years the Lessee shall within six (6) months of the date of the execution hereof have the option to terminate this lease.

REFUSAL ON SALE

If during the term of this lease or any extension hereof of the Lessor shall desire to accept a bona fide offer to sell the demised premises to anyone other than the members or officers of Sherwood, Inc., their immediate families, their heirs, or any trust or subsidiary corporation formed by them or any of the above, the Lessor shall notify the Lessee of such desire to sell in the manner provided in this lease for the giving of notice and the Lessee shall have the right of first refusal in the event of such offer to purchase said premises upon the same terms and conditions of such offer to purchase said premises upon the same terms and

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