

8. Insurance Coverage. It is agreed that Lessee will, during the continuance of this lease, at his own cost and expense, keep the building to be erected by him on the demised premises insured to the extent of its full insurable value against loss by fire, with extended coverage, and in the event the same be damaged or destroyed by fire, or other cause so insured against, Lessee will repair such damage or destruction as promptly as practicable, with the rent to continue while said repairs are made.

9. Payment of Taxes, Assessments and Utilities. Lessee agrees that he will promptly pay, as and when the same becomes due and payable, all taxes, levies and assessments levied upon the demised premises during the continuance of this lease. Lessee also covenants that he will pay for all water, gas and electricity used on the demised premises during the continuance of this lease. Should the Lessee fail to make any of said payments, the Lessor, at its option, may make said payments and increase the rental by said amounts paid.

10. Subordination Clause. It is understood that Lessee will secure a mortgage loan from First Federal Savings and Loan Association of Greenville covering the leased premises in the original sum of approximately \$63,500.00 to be repaid within twelve years, and that the within lease is subject to the terms of said mortgage. Lessor agrees to subordinate the rights and interest of the Lessor in the fee to the lien of said mortgage placed on the premises herein demised. The mortgagee of said mortgage, in consideration of the above mentioned subordination, hereby agrees to 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 an appropriate provision to this effect.

11. Condemnation of Demised Premises. In the event the demised premises shall be wholly taken in condemnation by any condemning authority, whether public or quasi-public, during the term of this lease or any extension thereof, this lease shall thereupon terminate and the condemnation award or proceeds of settlement shall be applied first to satisfy the aforesaid mortgage to First Federal Savings and Loan Association of Greenville, should any amount remain due thereon, and the balance shall be paid to the Lessor. In the event said premises shall be partially taken in condemnation, any condemnation award or proceeds of settlement shall likewise be applied to the reduction of said mortgage and any excess proceeds paid to the Lessor; but the Lessee shall have the option of terminating the lease without further liability or continuing the same at a reduced rental in an amount to be agreed upon by the parties or determined by a Board of Arbitrators in accordance with the procedures set forth in Section 10-22, 1962 Code of Laws of South Carolina, as amended.

12. Assigning or Subletting. Lessee shall have the right to assign this lease or sublet the demised premises, or any portion thereof, with the written consent of the Lessor, it being understood that such consent will not be unreasonably withheld, provided that no such assignment or subletting shall affect or prejudice any of the covenants, conditions or provisions herein contained or release Lessee from any of his obligations hereunder.

13. Termination for Default. It is further expressly understood and agreed that in the event there be any default in the payment of the rental hereinabove reserved or any breach by Lessee of any of the other covenants on the part of Lessee herein contained, and such default or breach shall continue after thirty days' written notice to Lessee, then and in any such event it shall be lawful for Lessor to re-enter into and upon the said premises, or any part thereof in the name of the whole, and thereupon this lease shall, at the option of Lessor, absolutely terminate; provided that in the case of a breach of covenant other than nonpayment of rent which cannot with due diligence be cured within such period of thirty days, the time within which to cure such default shall be extended for such reasonable period as may be necessary to cure the same in the exercise of due diligence. It is further covenanted and agreed between the parties hereto that any adjudication that Lessee is bankrupt or otherwise insolvent shall be deemed to constitute a breach of this lease, and thereupon ipso facto, and

(Continued on next page)