

substantial portion of the demised property is taken by the condemning authority, then the fixed minimum annual rent shall be reduced in proportion to the ratio the square footage of the property taken bears to the total square footage of the demised premises prior to the taking. A substantial portion is defined to be either (i) more than twenty-five (25%) percent of the land area demised or (ii) a portion of land or improvements the absence of which would have a substantial impact on Tenant's business conducted on or from the demised premises.

(b) Termination of the lease because of condemnation shall be without prejudice to the rights of either Landlord or Tenant to recover from the condemnor compensation and damages for the injury and loss sustained by them as a result of such taking.

(c) In the event that the Landlord and Tenant do not agree, within a reasonable time, upon (a) the fact that the partial taking is sufficiently substantial to render the premises unsuitable as aforesaid; or (b) the amount by which the rental shall be reduced because of reduced area or reduced utility as aforesaid; or (c) both (a) and (b) above, then, in any of said events, Tenant and Landlord will, as expeditiously as possible, submit these matters, or any of them, to arbitration.

(d) Tenant shall have the right to make a claim against the condemning authority for loss of profits or damage to its business by the taking or condemnation.

(e) If any award is made for the condemning or taking of all or any part of the improvements on the leased premises during the original term or any extension of this lease, then the award for improvements shall first be used to repay the balance due on any mortgage or deed of trust entered into pursuant to paragraph 33 hereof and any remainder shall be paid to Tenant.

12. Entry by the Landlord: The Landlord, its agents and representatives may, at any reasonable time, enter the leased premises for the purpose of inspection thereof, provided, however, that in so doing the Landlord, its agents or representatives, will endeavor to avoid interfering with the use and occupancy of the premises by the tenant.

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