

TAX INCREASE

Tax Increase: Owner will pay in the first instance all real property taxes and assessments for public betterments or improvements which may be levied or assessed by any lawful authority against the land and improvements in the Shopping Center. If the real estate taxes payable on the land and buildings comprising the Shopping Center shall be increased for any tax year over the amount of such taxes payable for the tax year following the opening of the Shopping Center ~~for any tax year over the amount of such taxes payable on the land and buildings comprising the Shopping Center~~ * after such taxes or any installment thereof are payable to the municipality or the taxing authority, an amount equal to the proportion of the tax increase in the ratio that Tenant's floor area bears to the floor area of all rented and rentable space in the Shopping Center at the time such taxes or installment thereof shall be payable to the municipality or the taxing authority.

*commencement of this lease,

Tenant shall also pay to Landlord as additional rent within ten (10) days after the same shall be payable by the Landlord, the amount of any assessments or installments thereof for public betterments or improvements which may be levied on the land or buildings comprising the Shopping Center multiplied by the same fraction (expressed as a ratio) in the preceding paragraph. Landlord may take the benefit of the provisions of any statute or ordinance permitting such assessment to be paid over a period of time, in which case the Tenant shall be obligated to pay only the said fraction of the installments of any such assessments which shall become due and payable during the term of this lease.

Whenever "floor area" is used herein, it shall be deemed to mean the number of square feet of floor space within the demised premises as shown in Article I.

ARTICLE III

CONDUCT OF BUSINESS BY TENANT

USE OF PREMISES

Tenant shall use the leased premises solely for the purpose of conducting the business of the sale of new appliances and goods that are normally sold in a retail operation of a small and major appliance outlet, with the limitation that the stereo components that may be sold on the premises shall be limited to those manufactured by RCA, Zenith or Electrophonics, either under their name or some trade name of those companies. Tenant shall occupy the leased premises for no other purpose and such use and occupancy shall be in compliance with all applicable laws, ordinances and governmental regulations. The Tenant agrees to conduct continuously in the leased premises the business above stated.

OPERATION OF BUSINESS

Tenant shall operate the entire premises during the entire term of this lease with due diligence and efficiency so as to produce all of the gross sales which may be produced by such manner of operation, unless prevented from doing so by causes beyond Tenant's control.

Tenant shall conduct its business in the leased premises during the regular customary days and hours for such type of business in the city or trade area in which the Shopping Center is located and will keep the leased premises open for business during the same days, nights and hours as the majority of the chains and department stores located in the Shopping Center or during the days, nights and hours agreed upon by a majority of the members of Merchants' Association provided for herein. Tenant shall install and maintain at all times displays of merchandise in the display windows of the demised premises. Tenant shall keep the display windows and signs, if any, in the leased premises, well lighted during the hours from sundown to closing of the center, unless prevented by causes beyond Tenant's control.

COMPETITION

During the term of this lease Tenant shall not directly or indirectly engage in any similar or competing business within a radius of three miles from the outside boundary of the Shopping Center. Tenant shall not perform any acts or carry on any practices which may injure the building, or be a nuisance or menace to other tenants in the Shopping Center.

STORAGE, OFFICE SPACE

Tenant shall warehouse, store and/or stock in the leased premises only such goods, wares and merchandise as Tenant intends to offer for sale at retail at, in, from or upon the leased premises. This shall not preclude occasional emergency transfers of merchandise to the other stores of Tenant, if any, not located in the Shopping Center. Tenant shall use for office, clerical or other non-selling purposes only such space in the leased premises as is from time to time reasonably required for Tenant's business in the leased premises. No auction, fire or bankruptcy sales may be conducted in the leased premises without the previous written consent of Owner.

ARTICLE IV

SECURITY DEPOSIT

AMOUNT OF DEPOSIT 1/

Tenant, contemporaneously with the execution of this lease, has deposited with the Owner the sum of Seven Hundred Fifty (\$750.00) Dollars, receipt of which is hereby acknowledged by the Landlord as security for the full and faithful performance by the Tenant of all the terms, covenants and conditions of this lease upon the Tenant's part to be performed, which said sum shall be returned to the Tenant after the time fixed as the expiration of the term hereof, provided the Tenant has fully and faithfully carried out all of said terms, covenants and conditions on Tenant's part to be performed. Landlord shall have the right, but not the obligation, to apply any part of said deposit to cure any default of the Tenant, and if the Landlord does so, Tenant shall upon demand, deposit with Landlord the amount so applied so that the Landlord shall have the full deposit on hand at all times during the term of this lease. Tenant's failure to pay to Owner a sufficient amount to restore said security to the original sum deposited within five (5) days after receipt of demand therefor, shall constitute a breach of the lease. No interest shall be paid by the Landlord to the Tenant on such security deposit. Should Tenant comply with all of said terms, covenants and conditions and promptly pay all of the rental herein provided for as it falls due and all other sums payable by the Tenant and Landlord hereunder, the said deposit shall be returned in full to the Tenant at the end of the term of this lease or at the earlier termination of this lease.

In the event of a sale of the building or a lease of the land which it stands, subject to this lease, the Landlord shall

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1/ In addition to the above deposit, Tenant, contemporaneously with the execution of this lease, will pay to Landlord the sum of \$750.00 for the first month's rent.

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