

option is exercised to purchase, then the \$10,000.00 security deposit will be applied towards the purchase price.

The Lessee covenants that he will save Lessor harmless against any loss or liability whatsoever that may be incurred on or about the demised premises during the term of this lease.

Lessee agrees to pay all ad valorem property taxes on said property during the term of this agreement. Lessee agrees to cover property with hazard insurance in an amount no less than \$185,000.

Lessee agrees to take the building as is. It is understood between the parties that the Lessor shall maintain ~~the exterior walls and roof of the building and all other~~ ~~maintenance and upkeep of the building, including plumbing,~~ heating, air conditioning; utilities are to be the expense and responsibility of the Lessee. Lessee further covenants that he will keep and maintain the remainder of the premises in good condition and repair in keeping with the neighborhood (Chanticleer Subdivision) and at the termination of this Lease Agreement shall return said premises in good condition.

As part of the consideration of this Lease Agreement, Lessor does hereby grant, bargain, transfer and sell unto Lessee an option to purchase the above-described realty for the total sum of One hundred eighty-five thousand and no/100 (\$185,000.00) Dollars. And it is further agreed that the \$10,000 security deposit and the prorated portion of unused rental amount will also be applied towards this purchase price. This option may be exercised at the discretion of the Lessee. In the event Lessee desires to exercise said option, he agrees to give Lessor notice of his desire to exercise said option at least thirty (30) days prior to execution.