

3. RENEWAL OPTION AND OPTION TO PURCHASE. Lessor hereby grants to Lessee the option to renew this lease for two (2) three (3) year periods, said renewal option periods to begin and end May 1, 1982 and April 30, 1985, and May 1, 1985 and April 30, 1988, respectively. Should Lessee exercise this option the provisions of this lease agreement shall remain in force. Notice of intention to renew shall be in writing and be received by Lessor no later than 60 days prior to the end of the term. Monthly rental rate for the two renewal periods will be adjusted in the same percentage proportion that the Cost of Living Index published by the United States Department of Commerce has changed from May 1, 1979 to the date of the beginning of each renewal period, but in no case will the monthly rental rate be less than \$1,100.00 per month.

It is specifically agreed between the parties hereto that the Lessee shall have the exclusive right, privilege and option to purchase the within described premises at any time during the renewal periods.

The price and value of said property under this option is to be determined as follows: each of the parties hereto shall select a competent and independent appraiser, who shall determine the fair value of the property. In the event that the parties fail to accept an agreeable sales price from said appraisals, then said appraiser shall select a third appraiser and the three appraisers shall determine the fair value of the property; and any price agreed upon by a majority of all of the appraisers shall be accepted as final by both parties hereto as the basis of the purchase and sale.

4. UTILITIES. During the term of this Lease, the Lessee agrees to pay utilities, including heat, light, power and water charged against the leased premises, for and during the term of this agreement.

5. REPAIRS. The Lessee will make all necessary repairs to the interior of the premises, including plumbing, heating and other fixtures, other than such repairs as may be caused by faulty construction or by act of the Lessor, except major repairs to the roof, outside walls and structural portions of the building which will be the responsibility

*JWS*

0707

4328 RV-2