

(b) The proceeds of any insurance on the buildings and improvements shall be held in escrow by the parties and applied to payment for the repair and replacement of the buildings and/or improvements and any excess shall be the property of the Lessee.

(15) (a) In the event that the leased premises shall be damaged or destroyed by fire or other casualty to the extent of more than fifty (50%) percent of the amount of the insurance coverage, the Lessee shall have the option of either (i) terminating this Lease, in which event the insurance proceeds shall be the property of Lessor, or (ii) repairing or replacing the buildings and/or improvements thereon to a condition equal to or better than that prior to the fire or other casualty at its own expense, not to exceed the amount of the insurance proceeds, in which event the insurance proceeds shall be the property of Lessee.

(b) In the event that the leased premises shall be damaged or destroyed by fire or other casualty to the extent of less than 50% of the amount of the insurance coverage, Lessee shall repair or replace the buildings and/or improvements thereon at its own expense, to a condition equal to or better than before, in which event the insurance proceeds shall be the property of Lessee. Rental shall abate during any such repair or replacement period in the ratio that the square footage of the building or buildings destroyed bears or bear to the square footage of all buildings on the leased premises.

(c) In the event that the applicable zoning laws prevent the repair or replacement of any buildings and improvements, Lessee shall then have, at any time after such fire or other casualty, the option of terminating this Lease. If under such circumstances Lessee elects to remain in possession of the premises, the insurance proceeds shall be the property of Lessor. Rent shall abate during the remainder of the term of the Lease in the ratio provided in Section 15(b).

(16) (a) If the whole of the demised premises shall be taken or acquired by any public or quasi-public authority under any governmental law, ordinance or regulation or by right of eminent domain or by private purchase in lieu thereof, the

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