

TITLE TO REAL ESTATE

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

This lease made and entered into by and between E. A. Gilfillin and L. B. Houston, hereinafter referred to as the Lessors, and Eckerds of Greenville, S. C., Inc., hereinafter referred to as the Lessee, witnesseth;

1. That in and for the consideration hereinafter expressed the Lessors do hereby let and lease unto the Lessee the premises situate in the City of Greenville, State of South Carolina, on the west side of North Main Street known and designated as number 213 North Main Street according to the City enumeration of Greenville, S. C., being the premises now occupied by the Lessee, for a period of ten years commencing on the first day of June, 1946 and expiring on the 31 st day of May, 1956.

2. In consideration of said premises the Lessee agrees to pay to the Lessors as rent therefor a guaranteed minimum rental of six thousand dollars per annum payable in monthly installments of five hundred dollars each, said installments payable on the 15th of each and every consecutive month during said term .

3. In addition to the guaranteed minimum rental above stipulated the Lessee agrees to pay an amount equivalent to three per cent on all gross sales as hereinafter defined, in excess of two hundred thousand dollars, made by the Lessee from said premises during any lease year of said term.

4. The term "gross sales" as used herein shall be interpreted to be sales of all merchandise sold by the Lessee in the premises above referred to, or by any concession therein, whether for cash or credit, and all charges or fees received for all services therein, less refunds or credits made to purchasers for returned merchandise, but shall not include credits received resulting from claims for loss or damage to merchandise in transit or credits accruing to said store arising from the transfer of merchandise from said store to other stores of the Lessee, and shall not include any sales tax (designated as sales tax, gross income tax, gross receipts tax or any other tax regardless of designation, which is imposed on gross sales) if said tax is or must be assumed or paid by the Lessee to the extent that such taxes shall have been included in said sale.

5. It is further understood and agreed that in determining the amount of gross sales made by the Lessee during any lease year, there shall be exempt from consideration the sales of cigars, cigarettes and tobaccos to the extent, but not in excess, of twenty thousand dollars during any lease year.

6. The term "lease year" as used in this lease shall mean the period from June 1 to May 31st.

7. It is further understood and agreed that the Lessee will maintain the interior of the building hereby leased in a reasonably good state of repair, and such alterations or improvements as the Lessee may desire shall be made at the expense of the Lessee. However, the Lessors will maintain the roof of said building and the exterior structural portions thereof in a reasonably good state of repair, but shall not be liable to the Lessee for any damage or loss occasioned by damage until and unless Lessee shall have first given to the Lessors written notice of the defective condition of said roof and the Lessors allowed a reasonable time thereafter in which to make the necessary repairs thereto, taking into consideration prevailing circumstances and conditions.

8. In the event the building hereby leased is damaged by fire or other casualties during the term of this lease, to an extent that represents less than fifty per cent of its value, said Lessors shall proceed to repair and restore said building, as soon as the same can reasonably be done taking into consideration prevailing conditions as to labor and material. However, should said building be damaged by fire or other casualty to an extent equivalent to fifty per cent or more of its value, this lease shall thereupon terminate. In order to determine the amount of per centage rental that may be due by the Lessee to/agrees to keep records which will show the daily cash receipts, daily sales and daily bank deposits and the business done or made by the Lessee in, on or from the premises hereby leased, which books or records shall at all times be subject to inspection, examination and audit by the Lessors herein or by such person or persons as they may designate, and said Lessee agrees within the period of sixty days after expiration of each lease year of said term the Lessee shall compute, determine and pay to the Lessors such per centage rental as may be due the Lessors for the preceding year, such payment to be accompanied by a statement reflecting the amount so due to the Lessors, which statement shall be certified to by an officer of the Lessee as being true and correct.