

provided in this Lease, except that the annual rental amount for each successive ten (10) year period shall be ten percent (10%) of the appraised fair market value of the leased premises (considered as unimproved and exclusive of any building or improvements thereon) as determined at the end of the original lease term or at the end of the first extended term, as the case may be, in accordance with the appraisal procedure outlined in Article 19 hereof.

(c) The Lessee shall exercise the option for an extended term by notifying the Lessor in writing at least six (6) months prior to the expiration of the then current term. Upon such exercise this Lease shall be deemed to be extended without the execution of any further lease or other instrument.

Article 3

Rent

3.1 Annual rentals. The rent which the Lessee agrees to pay to the Lessor is as follows:

(a) The annual rental for the first sixteen (16) years of the Lease term shall be an amount equal to \$1,100 multiplied by the number of acres (including fractions thereof) of the premises;

(b) The annual rental payment for the last nineteen (19) years of the Lease term shall be an amount equal to ten percent (10%) of the appraised fair market value of the premises (considered as unimproved and exclusive of any buildings or improvements thereon) as determined at the end of the sixteenth (16th) year in accordance with the appraisal procedure outlined in Article 19;

(c) Except for the first year's annual rental, all annual rental amounts shall be paid in twelve monthly installments as provided in Section 3.2 hereof.

3.2 Due Date. As consideration for the option to purchase as contained in Article 19 hereof, the Lessee agrees to pay the annual rental for the first year of the Lease term in advance on or before the commencement date of this Lease. All rental payments after the