

It is mutually covenanted and agreed:

1. That should the building on the demised premises be so damaged by fire or other casualty as to be unfit for occupation or use, the rent, or a fair and just portion thereof shall be abated until the premises shall have been restored by the Lessor. Should said building, however, be destroyed or damaged to the extent of fifty per cent or more of its value by fire or other casualty, either party shall have the right to terminate this lease by giving written notice of such intention to the other party within sixty days from the date of such destruction or damage.

2. That the benefits and obligations herein contained shall inure to and become binding upon the heirs, executors, administrators and assigns of the parties hereto.

3. That prior to occupancy the Lessee at its own expense will, after first securing the written approval of the Lessor, make certain initial improvements to the above premises, in consideration of which the Lessor has herein abated the rent due hereunder for the month of August 1949. However, it is expressly understood and agreed that in the event said improvements are completed and the premises occupied by the Lessee at any time during the month of August, a pro-rated rental of \$9.68 per day for each day during August in which business is conducted thereon will be paid by the Lessee and included with the initial monthly rental due September 1, 1949.

IN WITNESS WHEREOF the Lessor has hereunto set his hand and seal and the Lessee has caused its corporate seal to be hereunto affixed and these presents subscribed by its duly authorized officers _____
J. Preston James, Pres. & Treas. and Evelyn B. James
_____, Vice President, this day and year first above written.

In the Presence of:

[Signature]
[Signature]
As to Lessor
[Signature]
As to Lessee

) W.C. Chapman (LS)
) Lessor
) MERLE LEE MANUFACTURING COMPANY
) BY J. Preston James (LS)
) And Evelyn B. James (LS)
) Morrah, Attorney At Law Lessee