LESSEE shall pay to LESSOR as rental on the demised premises the sum of Nine Thousand and no/100-----DOLLARS (\$ 9,000.00) per annum as ground rent and in addition shall pay a sum equal to 12 % of the actual cost of on-site improvements as provided in Article IV each year of this lease*LESSOR and 1FSSEla agree upon completion of construction to execute an addendum stating the actual cost of on-site improvements and the amount of rent to be paid pursuant to this lease. The rent shall be paid in monthly installments. In the event that LESSOR becomes indebted to LESSEE or any guarantor of LESSEE'S performance hereunder. LESSEE or guarantor may withhold any such indebtedness from rent payments. Said monthly installments shall commence thirty (30) days after the date of completion of the improvements to be erected on the demised premises or when the LESSEE opens for business, whichever date is earlier. If the first day upon which rent becomes payable is other than the first day of any calendar month, the rent for the balance of said month shall be payable by LESSEE at a daily rate based upon the monthly rent. Regardless of the date on which the obligation to pay rent commences, if for any reason the LESSOR is unable to give LESSEE possession of the premises then the rent shall abate until occupancy is available to LESSEE. In any case, if the demised premises are not ready for occupancy within sixty (60) days of the time the improvements are completed, through no fault of the LESSEE, LESSEE may cancel the lease by written notice to LESSOR. LESSEE will not pay rent on any expenditures for construction costs which are not "on-site improvements" *In addition to the minimum monthly rent aforesaid, Lessee shall pay as defined by Article IV (E). each lease year commencing with the 6th year of the lease, a sum equivalent to the amount, if any, by which 5% of Lessee's gross sales exceeds said fixed minimum as described in Exhibit "B" rent.

IV

CONSTRUCTION OF BUILDING AND IMPROVEMENTS

ELOGIO shall obtain at LESSOR's expense (1) a survey certified by a licensed civil engineer which accurately locates and describes, among other things, the boundary lines of the leased premises, topographical elevations of said premises, established building lines, if any, grades and lines of abutting streets and alleys and adjoining property, all rights of way, restrictions, easements, encroachments, zoning, deed restrictions, complete detail pertaining to existing buildings or other improvements and as to available service and utility lines; and (2) a soil investigation report certified by a licensed civil engineer which discloses, among other things, results of tests with respect to the soil and subsoil on the premises, whether the soil is suitable to support the improvements contemplated in this lease, and if not suitable, what measures are necessary to render it suitable, and what type of foundation or foundation supports will be required. If Tequested by EESSEE, LESSOR shall furnish a preliminary title report on abstract of title from a company satisfactory to LESSEE. Failure of LESSOR to furnish same shall entitle LESSEE to obtain at LESSOR'S expense. The foregoing reports, surveys and state shall be at LESSOR'S sole cost and expense, the matters contained merem shall be subject to LESSEE'S approval and said reports and all corrective action indicated therein shall not be deemed to be "on-site improvements" within the meaning of paragraph IV of this lease. LESSOR hereby warrants the lot line survey and title report will show all of the foregoing and that there is included in the described leased premises not less than the number of square feet hereinabove set forth. and the LESSOR is able to, and will place LESSEE in the peaceful and undisturbed possession thereof on or before the commencement of the term hereof. From the topographical survey. LESSEE shall prepare a plot plan, taking into consi