

(d) Lessee will furnish and install:

Service Station signs, letters, stars and bands, standard for Texaco Type EM Service Station, 2 bays, no canopy.

In event of lessor's failure to construct or complete service station as herein provided within 180 days after the delivery by lessee to lessor of this lease, duly approved and signed, and plans and specifications as above provided, the lessee may, at its election, either terminate the lease on thirty days' notice to lessor or construct or complete said service station at the expense of the lessor and have the right to apply accruing rentals for the purpose of reimbursing itself for principal expenditure together with interest at six per cent.

Lessor may enter upon the demised premises for the purpose of performing the obligations herein provided, and shall procure, either in lessor's or lessee's name, any and all permits required under existing laws for the construction and/or operation of service station on the demised premises and, upon demand of lessee, shall assign and transfer said permits to lessee in proper form, meeting all requirements of law.

(10)—Option to Purchase. Lessor hereby grants to lessee the exclusive right, at lessee's option, to purchase the demised premises, together with all structures, improvements, and equipment thereon, free and clear of all liens and encumbrances, including leases, (which were not on the premises at the date of this lease) at any time during the term of this lease or any extension or renewal thereof,

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(a) for the sum of \_\_\_\_\_ dollars; it being understood that if any part of said premises be condemned, the amount of damages awarded to or accepted by lessor as a result thereof shall be deducted from such price,

(b) on the same terms and at the same price as any bona fide offer for said premises received by lessor and which offer lessor desires to accept. Upon receipt of a bona fide offer, and each time any such offer is received, lessor (or his assigns) shall immediately notify lessee, in writing, of the full details of such offer, including the name and address of any offeror, whereupon lessee shall have thirty (30) days after receipt of such notice in which to elect to exercise lessee's prior right to purchase. No sale of or transfer of title to said premises shall be binding on lessee unless and until these requirements are fully complied with.

Any option herein granted shall be continuing and pre-emptive, binding on the lessor's heirs, devisees, administrators, executors, or assigns, and the failure of lessee to exercise same in any one case shall not affect lessee's right to exercise such option in other cases thereafter arising during the term of this lease or any extension or renewal thereof.

Upon receipt of lessee's notice of election to exercise any option granted herein, which notice shall be given in accordance with the Notice Clause of this lease, lessor shall immediately deliver to lessee, at lessor's expense, a complete Abstract of Title or other evidence of title satisfactory to lessee, and shall also furnish, at lessor's expense, an up-to-date survey by a licensed or registered professional engineer or surveyor showing elevation of property and corners marked with concrete monuments, upon receipt of which the lessee shall have a reasonable time in which to examine title and upon completion of such examination if title is found satisfactory, shall tender the purchase price to lessor, and lessor shall thereupon deliver to lessee a good and sufficient Warranty Deed conveying the premises to the lessee free and clear of all encumbrances (including without limiting the foregoing the rights of dower and/or curtesy). All taxes and rentals shall be prorated between Grantor and Grantee to the date of delivery of the aforesaid deed.

Lessee's notice of election to purchase pursuant to either of the options granted in this clause shall be sufficient if deposited in the mail addressed to lessor or by telegraph at or before midnight of the day on which option period expires.

(11)—Application of Option Purchase Price. In event accruing rentals are insufficient to reimburse lessee for expenditures made by lessee as authorized hereunder, and in event lessee exercises the option to purchase the demised premises, lessee may apply such part of the purchase price as is necessary to (a) completely reimburse itself for such expenditures and (b) pay any other indebtedness of lessor to lessee, together with interest at six per cent.

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(12) Option to Extend Term. (a) Lessor hereby grants lessee the right and option to extend this lease for two successive five-year periods on the same terms and conditions, except that rental during the first renewal shall be \$ 197.50 per month and rental during the second such renewal shall be \$ 225.00 per month. Notice of the lessee's election to exercise either or both of said options shall be given by writing, addressed to lessor at least thirty days prior to the expiration of the initial term, or the first option period.

~~One Hundred Ninety Seven Dollars and Fifty Cents (\$197.50) per month, payable monthly in advance.~~

Lessee shall notify lessor in writing of its election to extend this lease sixty (60) days prior to the date of the expiration of the term of this lease and notice thereof shall be deemed sufficient if given in the manner hereinafter provided.

(b) If at any time during the term of this lease or any extension or renewal thereof, lessor shall receive a bona fide offer to lease the demised premises for a term to begin subsequent to the present demised term or any extension or renewal thereof, and lessor desires to accept such offer, lessor shall immediately submit to lessee a written copy of such proposed lease with a full disclosure of all terms and provisions thereof and lessee shall have thirty (30) days after receipt thereof in which to elect to lease said premises upon the same terms and provisions contained in such offer.

(c) In the event lessee is granted an option to extend under the provisions of paragraph (12) (a), it is agreed that if lessee does not in any instance elect to lease said premises in accordance with the provisions of paragraph (12) (b), such failure shall in no way limit or affect lessee's right and option to extend this lease as provided in paragraph (12) (a).

(13)—Holdover. If at the expiration or termination of this lease or any extension thereof, lessee shall hold over for any reason, the tenancy of lessee thereafter shall be from month to month only and be subject to all the other terms and conditions of this lease, in the absence of a written agreement to the contrary.

(14)—Assignment and Sub-letting. Lessor consents that lessee may assign or sub-let the premises, provided that lessee shall remain liable to lessor for the performance of all the terms hereof.

(15)—Notice. Notices from lessee to lessor shall be sufficient if delivered to lessor, or if by telegram, or if placed in the United States mails addressed to the lessor at the address shown in this lease. Notices from lessor to lessee shall be sufficient if posted in the United States mails, postage prepaid, addressed to the lessee's principal place of business as shown in this lease.

(16)—Change in Ownership. No change in ownership, assignment of this lease or assignment of rentals hereunder shall be binding upon lessee unless and until lessee has been furnished either the original instrument evidencing such transfer or assignment, or a true copy thereof.

(17)—Successors and Assigns. This agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors or assigns.

(18)—Entirety of Agreement. No prior stipulation, agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in the provisions of this lease.

(19)—Approval and Signing by Lessee. This agreement, whatever the circumstances, shall not be binding on the lessee unless and until approved and signed in its behalf by an Executive Officer, General Sales Manager, Assistant General Sales Manager, Manager Dealer Sales (Executive Sales Office), Assistant Manager Dealer Sales (Executive Sales Office), Manager Real Estate Division, Territorial Manager (Domestic Sales Department), or Division Manager (Domestic Sales Department).

IN WITNESS WHEREOF lessor and lessee have hereunto subscribed their names the day and year first above written.

*K.S. Conrad*  
K.S. Conrad (Seal)

*Ona Bright Conrad*  
Ona Bright Conrad (Seal)

Witness *J.A. Ylon*

Witness *L.O. Spearman*

(Seal)