

MORTGAGING OF LESSOR'S ESTATE

16. The Lessor shall have the right, at any time or from time to time during the continuance of this lease, as security for any indebtedness owed by it, to create an encumbrance against its estate in the demised premises or any part hereof, but such encumbrance shall be subject to and limited by the following express conditions:

That the mortgage, or other instrument creating such encumbrances shall contain apt provisions under the terms of which the existence of this lease shall be recognized, and shall provide that so long as the Lessee, its successors and assigns, shall keep and perform the terms, covenants and conditions in this lease contained on its part to be kept and performed, neither the holder of the indebtedness secured thereby, nor any other person, shall, in attempting to enforce collection of said indebtedness or to realize upon such security, have any power to impair, modify, abrogate, or adversely affect the rights of this lease, to the full enjoyment of the entire term thereof to the end that the Lessee, while not in default hereunder, shall notwithstanding the creation of or default under any such encumbrance or indebtedness secured thereby, peacefully and quietly have, hold and enjoy the demised premises for the entire term hereof, and all other rights, privileges and benefits to which it may be entitled under and pursuant to the terms of this lease.

LESSOR'S COVENANT OF TITLE AND QUIET ENJOYMENT

17. Lessor covenants and warrants that Lessor has full right and lawful authority to enter into this lease for the full term hereof, and that Lessor is lawfully seized of the entire premises hereby demised and has good title thereto, free and clear of all tenancies and encumbrances and that at all times when Lessee is not in default under the terms and during the term of this lease and any extensions of said term, Lessee's quiet and peaceable enjoyment of the demised premises shall not be disturbed.

BINDING ON SUCCESSORS AND ASSIGNS

18. It is further expressly agreed and understood that all the covenants and agreements herein made, shall extend to and be binding upon the heirs, devisees, executors, administrators, successors in interest, and assigns of the Lessor, and of the Lessee as permitted above.

OPTION TO EXTEND

19. Lessor does hereby grant to Lessee the right, privilege and option to extend this lease for a period of Five (5) years from the date of expiration hereof, the Lessee to pay to the Lessor as rent Three Hundred Eighty Five and No/100 (\$385.00) Dollars per month, payable in advance, increased by the same percentage that the cost of living index as promulgated by the Bureau of Statistics as of November 1, 1980 exceeded the same cost of living index as of November 1, 1960, upon notice in writing to the Lessor of Lessee's intention to exercise said option, given at least ninety (90) days prior to the expiration of the term hereof.