

Tenant agrees to pay to Landlord, and Landlord agrees to accept, a monthly rental of \$350.00, which Tenant agrees to pay in lawful money of the United States, in advance, not later than fifteen (15) days after the first day of each month from the effective date of this lease, during said term, at the office of Landlord or such other place as Landlord may designate. However, said rent shall not be considered in default until fifteen (15) days have elapsed after receipt by Tenant of notice in writing by Landlord that any monthly rental is due and unpaid.

Should 2% of the gross monthly sales made at said store, calculated from the monthly sales tax return to the State of South Carolina, exceed the above guaranteed monthly rental, then, in such event, said monthly rental shall be increased by an amount equal to such excess over the guaranteed monthly rental, and shall be added to the next succeeding monthly payment after said excess, if any, has been ascertained.

The parties hereto, for themselves, their successors and assigns, hereby covenant and agree as follows:

1. That upon the execution of this lease by both parties hereto, Landlord shall commence forthwith the construction of the building and improvements upon said leased premises, at its sole expense, a concrete block store building, including the installation of shelving in stock room, floor safe and all lighting fixtures, plumbing and heating, in accordance with plans and specifications prepared and drawn by Frank C. Houpt, Architect & Engineer, Atlanta, Georgia, which have been agreed upon by the parties, and delivered by Tenant to Landlord, and said plans and specifications are hereby made a part hereof as fully as if the same were incorporated herein. The front of the building proper is to be situated not less than 50 feet from the front property line.

Landlord shall (a) install curbs and gutters, where necessary, (b) install and pave with concrete all driveway entrances required by Tenant, and all sidewalks, if necessary, all in accordance with the requirements and regulations of the State, County or City, as the case may be; (c) pave all other areas in front of and sides of said store building to the rear thereof with asphalt of the quality, quantity and consistency that meets the minimum standards required in the trade in said area. Landlord agrees to complete construction of the improvements above described, and deliver possession thereof to Tenant with-160 days.

2. The leased premises shall be considered as ready for occupancy by Tenant on the first day as of which:

(a) Landlord shall have substantially completed all work to be formed by it in accordance with the plans and specs referred to above and accepted by Tenant, or

(b) Tenant shall have opened its business at the leased premises.

3. Tenant will be permitted prior to commencement of the term to enter the leased premises and to install fixtures and other equipment.

4. Landlord guarantees the building and all its component parts, all electrical, plumbing and heating for a period of twelve (12) months from effective date of this lease, against defects. After the expiration of twelve (12) months, the Tenant will keep all electrical, plumbing, heating and ventilation located in the demised premises in good order, repair and will make all replacements thereto, at its own expense; and will surrender the leased premises at the expiration of the term or at such other time as it may vacate the premises in as good condition as when received, excepting depreciation caused by ordinary wear and tear and damage by fire, unavoidable accident or act of God, and yard paving.

5. Landlord agrees to make necessary repairs to roof, roof structure, exterior walls and exterior doors (other than glass) and foundations, after notice from Tenant of the need for such repairs; unless repairs are occasioned by the negligence of Tenant, in which event Tenant will promptly make such repairs without cost to the Landlord.

2.

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