

~~to be prorated to the first day of May, 1971.~~ Lessor agrees to pay city and county taxes for each year. However, a base year for taxes shall be established by determining the city and county taxes for 1971 or the city and county taxes in the year that the houses located on the aforesaid premises are removed from tax records whichever is lower. The annual rental shall be increased by an amount equal to pay any tax increase over the tax in the base year and the additional rental representing the increase in taxes shall be paid by Lessees by the due date of the city and county taxes.

2. REMOVAL OF HOUSES. Lessees agree to remove all of the houses located on the aforesaid premises at their own expense and to pay for all improvements to the leased premises and to keep the premises in good repair. It is understood that the premises shall be used for parking for the Sheraton Motel now under construction by Lessees on property located on the other side of Rose Avenue from the leased premises. However, the property may be used for any legitimate purpose. It is understood and agreed that the Lessees shall be entitled to all income derived from the houses located on the leased premises until the houses are removed or demolished. It is agreed that the Lessees are responsible for the premises and shall maintain adequate insurance to protect against liability.

3. SALE OF THE PREMISES. It is understood and agreed between the parties that in the event the Lessor wishes to sell the leased premises he shall first give the Lessees the first refusal to purchase the leased premises.

4. ASSIGNING. Lessees shall have the right to assign this lease in whole or in part.

5. TERMINATION FOR DEFAULT IN PAYMENT OF RENT. It is further expressly understood and agreed that in the event there be any default in the payment of the rental hereinabove reserved or any breach by Lessees of any other covenants on the part of Lessees herein contained, then and in any such event, it shall be lawful for Lessor to re-enter into and upon said premises and thereupon this lease shall at the option of Lessor absolutely terminate.

The covenants and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, executors, administrators, successors and assigns.

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