

18. Illegal and Immoral Uses of the Premises. Lessee shall make no use of the premises which shall at any time be an illegal use of the premises under any applicable law. Further, Lessee shall make no use of the premises for immoral activities, including, but not limited to, the use of narcotics, except as prescribed by a licensed physician for medical purposes, or sexual activities deemed immoral by Lessor. Lessee shall not conduct any activities which shall be deemed obnoxious or offensive to surrounding residents. Lessee agrees to cease any activities deemed to be in violation of this paragraph upon notice from Lessor to cease such activities.

19. Option of Lessee to Purchase. Lessor grants to Lessee the option to purchase the demised premises upon the expiration of the three (3) year (36 month) term of this lease. Upon exercise of this option, Lessee shall pay Lessor, as purchase price for said premises, the sum of Eight Thousand, Five Hundred Dollars (\$8,500.00). Lessee shall receive as credit against said purchase price the following:

- (a) The balance of the security deposit, if any, being held by Lessor;
- (b) A portion of each monthly rental payment paid pursuant to this lease, said amounts being shown on Exhibit A attached hereto and made a part hereof by reference, said amounts being the monthly charge for the option granted hereunder.
- (c) Any additional amounts paid by Lessee to Lessor to be held by Lessor to be applied to the purchase price.

This option may be exercised upon the following conditions: (1) that the Lessee give fifteen (15) days prior written notice to Lessor of Lessee's intent to exercise this option; (2) that this Lease shall not have been previously terminated for any reason; and (3) that Lessee has observed and complied with all terms and conditions of this Lease required of Lessee, up to the time of the exercise of this option and the payment of the purchase price therefor, in the manner provided.

In the event Lessee fails to exercise the option provided by this paragraph all monies paid by Lessee to Lessor shall be retained by Lessor.

Upon exercise of the option, closing shall take place within thirty (30) days thereafter. At time of closing Lessor shall furnish to Lessee a general warranty deed for said property free of any and all encumbrances except that said general warranty deed shall be subject to the following restrictions which shall apply to all lots of High Meadow Estates sold by Lessor:

- (a) This lot shall be used only for single family residential purposes.
- (b) Skirting or a foundation must be installed around any mobile home within ninety (90) days after mobile home has been set up regardless of date of occupancy.
- (c) No farm animals shall be retained on any lot.
- (d) No lot may be used for any business or commercial purposes.
- (e) All additions or utility buildings shall be architecturally and materially compatible to existing structures and must be completed within one hundred eighty (180) days after date of beginning construction.