for assignment 10
Earlham Savings Bank
see misc Rec 31-434
Released 9-1-99, Deed Rec 63-369

LEASE -- BUSINESS PROPERTY

This Lease Agreement, executed in duplicate, made and entered into this 8th day of April, 1977, by and between Robert E. Hunter and Marilyn P. Hunter (husband and wife), hereinafter called the Landlord, and Bennie R. Sloss and Jackie L. Sloss, (husband and wife), d/b/a Ben's Place, hereinafter called Tenant, all located in Earlham, Madison County, Iowa, WITNESSETH: THAT:

1.- Premises and Terms. The Landlord, in consideration of the rents herein reserved, and of the agreements and conditions herein contained, on the part of the Tenant to be kept and performed, leases unto the Tenant and the Tenant hereby rents and leases from the Landlord, according to the terms and provisions herein, the following described property situated in Madison County, Iowa, to-wit:

The First Floor of the building together with the basement all situated on the following described real property:

The North Twenty (20) Feet of Lot One (1) Block Nine (9), Original Town of Earlham, Madison County, Iowa, together with a strip of land contiguous thereto described as follows: Commencing at the Northeast Corner of said Lot One (1), thence West along the North line of said Lot One (1) to the Northwest Corner thereof, thence North Two (2) Feet, thence due East One Hundred Forty-five (145) feet parallel to the North line of said Lot One (1), thence South Two (2) Feet to the Northeast Corner of said Lot One (1),

with the improvements thereon and all rights, easements and appurtenances thereto belonging for the term of five years commencing on January 1, 1977, to and including the last day of December, 1981, subject to the right of Landlord to renegotiate rental payments at the end of two and one-half years under the terms and conditions hereinafter set forth.

Compared

FILED NO. 1873
BOOK 31 PAGE 403
1977 APR 15 AM 9:30
MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA
Copy Fee $12.50

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2.- Rental. Tenant agrees to pay to Landlord as rental for said term the following rent: $100.00 per month commencing January 1st, 1977, and $100.00 on the first day of each and every month thereafter during the term of this Lease, unless Landlord gives notice to renegotiate monthly lease payments.

Landlord expressly agrees to give six (6) months written notice prior to two and one-half years after the execution of this lease to Tenant if Landlord wishes to negotiate different monthly rental payments for the remaining two and one-half years of this Lease Agreement. If notice is not given by Landlord six (6) months prior to two and one-half years after the beginning of this Lease Agreement, said monthly payments shall continue at $100.00 per month as herebefore stated. If notice is given by Landlord and lease payments are not negotiated by the parties, Tenant shall pay rent for six (6) months but may vacate the premises at the end of the two and one-half years.

All sums shall be paid at the address of the Landlord. All delinquest payments shall draw interest at nine (9) per cent per annum from the due date until paid.

Termination of said Lease under the terms and conditions of this section shall not prohibit Tenant from terminating the Lease as set forth in paragraph #10 of this Lease Agreement.

3.- Possession. Tenant shall be entitled to possession on the first day of the term of this Lease, and shall yield possession to the Landlord at the time and date of the close of this Lease term, except as herein otherwise expressly provided.

4.- Use of Premises. Tenant covenants and agrees during the term of this Lease to use and to occupy the leased premises only for store purposes.

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5.- Quiet Enjoyment. The Landlord covenants that the Tenant on paying the rent therein reserved and performing all the agreements by the Tenant to be performed as provided in this Lease, shall and may peaceably have, hold and enjoy the demised premises disturbance by the Landlord or any other persons or legal entity whatsoever.

6.- The Tenant agrees to make all repairs on the air conditioner on said premises. If said air conditioner is replaced by Tenant, Tenant shall have the right to remove said air conditioner from the premises upon the termination of this Lease. Tenant expressly agrees to pay the first $50.00 on the repair or replacement of the furnace. Any excess payments above $50.00 shall be paid by Landlord.

Tenant agrees to take the premises in their present condition. Landlord agrees to put premises in operating condition and thereafter Tenant will furnish maintenance subject to the provisions concerning the air conditioner and furnace.

Landlord will keep the roof, structural part of the floor, and walls and other structural parts of the building in good repair.

Tenant shall, after taking possession of said premises and until the termination of this Lease and the actual removal from the premises at their own expense, care for and maintenance said premises in a reasonable safe and serviceable condition, except for structural parts of the building. Tenant will not permit or allow said premises to be damaged or depreciated in value by any act or negligence of the Tenant, its agents or employees.

7.- Utilities and Services. Tenant, during the term of this Lease, shall pay, before delinquency, all charges for use of telephone, water, sewer, gas, heat, electricity, power, air conditioning, garbabe disposal, trash disposal and not limited by the foregoing, all other utilities and services of whatever

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kind and nature which may be used in or upon the demised premises.

Air conditioning and maintenance shall be furnished at the expense of Tenant.

Janitor service shall be furnished at the expense of the Tenant.

Heating shall be furnished at the expense of the Tenant.

8.- Insurance. Tenant agrees to carry insurance on the building located on the real estate herebefore described against loss by fire, tornado and extended coverage for a sum not less than $25,000.00, with insurance payable to Landlord.

9.- Taxes. Tenant agrees to pay all property taxes during the term of this Lease, payable at the Madison County Treasurer's Office before they become delinquent. Said taxes will be paid on a calendar year basis beginning with the first installment of taxes due in the calendar year 1977, and continue until the last installment due in the fall of 1981.

Tenant agrees to pay all personal property taxes against his inventory and goods and machinery he may have on said premises.

10.- Termination during Lease period. It is expressly agreed between Landlord and Tenant that Tenant shall have the right to cancel this Lease subject to approval by the Small Business Administration or may cancel this Lease after the Small Business Administration has been paid in full by giving a six (6) month advance written notice to Landlord. Lease payments shall continue during said six months irregardless if the above described premises are being used by the Tenant or not.

11.- Surrender of Premises at end of term. Tenant agrees that upon the termination of this Lease, the Tenant will surrender, yield up and deliver the leased premises in good and clean condition, except the affects of ordinary wear and tear

and depreciation arising from lapse of time, or damage without fault or liability of Tenant.

Tenant may, at the expiration of the term of this Lease, if Tenant is not in default hereunder, remove any fixtures or equipment which said Tenant has installed in the leased premises, providing said Tenant repairs any and all damages caused by removal.

Continued possession, beyond the expiration date of the term of this Lease, by the Tenant, coupled with the receipt of the specified rental by the Landlord (and absence of a written agreement by both parties for an extension of this Lease, or for a new Lease) shall constitute a month-to-month extension of this Lease.

12.- Assignment or Subletting. Any assignment of this Lease or subletting of the premises or any part thereof shall be granted only with Landlord's written permission, and the permission of the Small Business Association.

Dated this 14th day of April, 1977.

Robert E. Hunter
(Robert E. Hunter)

Bennie R. Sloss
(Bennie R. Sloss)

Marilyn P. Hunter
(Marilyn P. Hunter)

Jackie L. Sloss
(Jackie L. Sloss)

STATE OF IOWA :
: SS
MADISON COUNTY :

On this 14th day of April, 1977, before me, the undersigned, a Notary Public in and for said County, in said State, personally appeared Robert E. Hunter and Marilyn P. Hunter, to me known to be the identical persons named in and who executed the

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foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

Notary Public in and for the State of Iowa.

(S E A L)

STATE OF IOWA :
: SS
MADISON COUNTY :

On this 14th day of April, 1977, before me, the undersigned, a Notary Public in and for said County, in said State, personally appeared Bennie R. Sloss and Jackie L. Sloss, to me known to be the identical persons named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

Notary Public in and for the State of Iowa.

(S E A L)