

Commercial Lease

State of Alabama
Shelby County

This lease made this 29th day of March 1996 by and between Richard and Steven Schencker, d.b.a. S&S Development, Inc. hereinafter called "Lessor", by First Real Estate-Hwy. 280 as broker for the Lessor and by Dead Ahead Marine Products, an Alabama corporation hereinafter called "Lessee":

WITNESSETH: That the Lessor does hereby demise and let unto the Lessee the following described premises in the County of Shelby, Alabama, to wit:

The vacant land located at 19340 Hwy. 280 (see attached Exhibit "A") contained in Parcel "A" (approximately 18,600 square feet) and Parcel "B" (approximately _____ square feet). Lessor agrees to deliver Parcel "B" within 60 days after commencement of this lease. Lessor acknowledges and agrees that Parcel "B" will be filled and brought to grade level with Parcel "A".

Subject to existing easements, if any, and the regulatory laws and ordinances of the political subdivision in which the property is situated, for use and occupation by the Lessee as a boat and marine sales and service/repair center and for no other or different use or purpose, for and during the term of this Commercial Lease beginning on the first day of ~~May~~ April 1996 and ending on the last day of ~~April~~ March 1998. *RSS SS RLR April SS RLR RSS*

In consideration whereof, the Lessee agrees to pay the Lessor on the first business day of each month of said term, in advance, as rent for said premises, the following sums:

First six (6) months	\$500/month
Second six(6) months	\$700/month
Third six(6) months	\$900/month
Fourth six(6) months	\$1000/month

April 1st, 1996 RSS SS RLR

RSS RLR Said monthly installments shall commence ~~thirty (30) days after completion of the building, septic system and water well on the demised premises or when the Lessee opens for business, whichever date is earliest:~~

Such rental rate shall be paid to the person, firm or corporation designated by the Lessor pursuant to this lease as the person, firm or corporation to receive notices or demands intended for the Lessor. Lessee agrees that a single service and bookkeeping charge of \$40 shall become due and payable each and every month that the rent has not been received in the office of S&S Development by the 10th of the month, or if a check accepted for rent or other payment is returned unpaid to the Lessor for any reason.

RSS SS RLR Should premises be completed and turned over to Lessee either prior to, or after the first day of May then in that event rent for such fractional month shall be pro-rated, and this lease shall commence on the first day of the next calendar month.

Lessee can take immediate possession as of 3/29/96

RSS SS RLR
4/25/1996-13447
10:18 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
006 SNA 39.50

This lease is made upon the following terms and conditions:

The Lessor covenants to keep the Lessee in possession of said premises during said term, but shall not be liable for the loss of use by eminent domain nor the failure or inability of the Lessee to obtain possession thereof provided the Lessor shall exercise due diligence and effort to place the Lessee in possession.

Lessor and Lessee expressly acknowledge that the Brokers have not made an independent investigation or determination with respect to the existence or non-existence of asbestos, PCB transformers, or other toxic, hazardous or contaminated substances or gases, in, on, or about the property, or for the presence of underground storage tanks. Any investigation or determination shall be the responsibility of the Lessor and the Brokers shall not be held responsible therefor.

The Lessee will keep the leased grounds free of all cans, bottles, fragments, debris and trash. Lessee, at Lessee expense, shall be permitted to maintain a dumpster on the leased grounds.

RCR
SS
PSS
Lessor agrees to provide, install and connect a septic system and water well to the Lessee's building. Lessor will warrant the systems for a period of one (1) year. After one (1) year the Lessee shall be responsible for reasonable maintenance and repair to the septic system and water well during the time that the Lessee is the only user. Lessor further agrees to provide electricity to building. *the Lessee is responsible for hooking utilities up to Lessee's improvements.* RSR

SS
RCR
Lessee agrees to install a 8' chain length fence with razor wire and gate. Lessee with Lessor's approval, may install the fence immediately on the demised premises for the sole purpose of temporally storing boats until the lease is fully executed; No other structures or improvements shall be erected prior to full execution of the lease agreement. SS RCR

The parties contemplate that Lessee will cause to be constructed upon the premises a pre-fab building having an area of approximately 1,500 square feet, together with parking lot. Lessee shall install a 30'x 50' concrete slab for installation of a 30'x 50' Steel Master Building. Lessee shall apply for appropriate permits from appropriate governmental and regulatory agencies for said construction and if Lessee shall be unable to obtain said permits on or before sixty (60) days, then this lease shall terminate and neither party shall have any obligation to the other. Lessor hereby grants permission to Lessee immediately to enter the demised premises and commence the construction work provided for herein to be accomplished by Lessee pursuant to the terms of this lease. Such entry and the performance of such construction work will in no way alter the terms and rental provisions provided herein. The permission herein granted shall extend to any person, firm or corporation employed by or through Lessee in connection with the performance of such construction work. In addition to the foregoing metal building, Lessee may at its option construct one or more additional buildings or other improvements on the demised premises for use in the marketing or repair of marine products. Such construction shall not affect the rent payable under this lease. Lessor shall cover entire leased premises with gravel acceptable to Lessee. Lessor and Lessee agree and acknowledge that the building and fence remain the personal property of the Lessee. Lessor shall at no time have any claim to either the building or fence.



Lessee can make no further improvements to the leased ground without the consent of the Lessor.

Lessor agrees to permit Lessee to erect a sign not to exceed twenty-five (25') feet in height with a total sign area not to exceed 100 square feet per side. Location, size and shape of said sign shall be mutually agreed upon by Lessor and Lessee. Lessee shall also be permitted to place banners on the fence, building or boats. At no time shall the Lessor have any claim, interest or right regarding the Lessee's signs; furthermore, all signs shall remain the personal property of the Lessee.

Lessee will comply, at all times and in all respects with all the applicable laws and ordinances related to nuisance, insofar as the premises hereby let, and the streets and highways bounding the same, are concerned, and the Lessee will not by any act, or omission render the Lessor liable for any violation thereof. Lessee will not commit any waste of property, or permit the same to be done, and will take good care of said premises at all times.

Lessee expressly covenants and agrees that it will, during the term hereof, promptly remove or release, by the posting of a bond or otherwise, as required by law, any lien attached to or upon said premises or any portion thereof by reason of any act or omission on the part of the Lessee, and hereby expressly agree to save and hold harmless the Lessor from or against any such lien.

Lessee, as a material part of the consideration to be rendered to Lessor, hereby agrees to hold Lessor harmless for damage to goods, wares, merchandise and property of all kinds in, upon or about said premises, and for injuries to all persons in or about said premises from any cause arising at any time, including but not limited to customers, clients, employees, sojourners and delivery persons. The Lessee further agrees on the commencement of the term of this lease to take out public liability insurance covering the demised premises. Said policy or policies shall be for an amount of at least One Hundred Thousand (\$100,000) Dollars for death or injury to one person; and Five Hundred Thousand (\$500,000) Dollars for death or injury to two or more persons; plus Twenty Five Thousand (\$25,000) Dollars property damage, for the benefit of Lessor and Lessee as their interest may appear. A copy of said policy or policies shall be furnished to Lessor upon request. Lessee agrees to maintain all of the above policies at Lessee's sole cost and expense in full force and effect during the entire term of this lease and any renewals. The Lessee may, at its option, bring its obligations to insure hereunder under any so-called blanket policy or policies of insurance; provided, however, that the interest of Lessor shall be as fully protected thereby as if Lessee obtained individual policies of insurance.

Lessee shall not assign this lease, nor any interests therein, without first obtaining consent of Lessor. Any consent to an assignment shall not be deemed to be consent to any subsequent assignment. Lessor expressly consents to the assignment of this lease by Lessee to a corporation formed as a subsidiary of Lessee.

Since Lessee may not intend permanently to own or operate the boat dealership to be located on the demised premises, Lessor specifically agrees that Lessee or its assignee shall have and is hereby given, the unqualified right and privilege at its option of subletting the demised premises or any part thereof, subject to all of the rents, terms and conditions of this lease.



Lessor shall, during the full term of this lease or until any sooner termination hereof, pay all taxes, fees and assessments on real estate imposed on the demised premises. In the event of the expiration of the term or any sooner termination hereof, Lessee shall at no time have any further liability thereof.

Lessee further covenants and agrees to pay for all water, gas, power electric current and all other utilities served to the demised premises during the term hereof.

Lessee shall also pay all personal property taxes levied upon the personal property on the demised premises during the term of this lease.

Any notices or demands required or permitted by law, or any provision of this lease, shall be in writing, and if the same is to be served upon Lessor, may be deposited in the United States mail, registered or certified, with receipt requested, postage prepaid, and addressed to Lessor at S&S Development, Inc., 365 Windmere Drive, Sterrett, Alabama, 35147, attn.: Steven Schencker or at such address as Lessor may designate in writing,, or, in lieu of mailing any such notice or demand, the same may be personally delivered to said party at such address.

Any such notice or demand to be served upon Lessee shall be in writing and in duplicate and shall be served by deposit in the United States mail, postage prepaid, addressed to Lessee at Dead Ahead Marine Products, Inc., PO Box 380576, Birmingham, Alabama, 35242, or at any address Lessee may designate in writing.

If, at any time during the term hereof, Lessor shall desire to sell the demised premises, or the property of which the demised premises are a part, Lessee shall have the right of first refusal of said property as follows:

Lessor shall give Lessee a notice in writing specifying the terms and conditions upon which he desires to sell said terms and conditions. Within ten (10) days after receipt of such notice, Lessee shall either accept or reject said offer. If Lessee rejects said offer, then Lessor shall be free to sell to any other person upon the terms and conditions specified in said notice. If the sale is to be made on terms and conditions other than so specified, then the right to purchase shall again be offered to Lessee as above set forth. The rejection of any one or more offers by Lessee shall not affect its right of first refusal as to any other sales by Lessor or its successors or assigns.

The Lessor has the option to cancel the lease at any time prior to expiration of the two (2) year lease agreement by notifying Lessee with a sixty (60) day written notice of Lessor's intention to terminate lease. In consideration of exercising Lessor's option to terminate lease, Lessor will pay the Lessee in one lump sum Sixteen Thousand (\$16,000) Dollars cash or cashier's check within sixty (60) days after initial written notification.

As to all land owned or leased by him fronting on Hwy. 280, Lessor agrees that he will not, nor will he allow any other person or entity or any of his lessees, pursuant to other agreements to own or operate in any way, directly or indirectly, any kind of marine products or repair or other business on land which Lessor owns or leases, or on land which Lessor hereinafter owns or leases which land is adjacent to and/or contiguous to the demised premises insofar as land fronting on Hwy. 280 and County Road 41 only is concerned.



Lessee represents and warrants to Lessor that, except with respect to First Real Estate (hereinafter called "Broker"), no agent, broker or other person or entity has represented Lessee in the negotiations for procurement of this lease and that no commissions or compensation of any kind are due to any agent, broker or other person or entity.

All of the covenants, agreements, provisions and conditions of this lease shall inure to the benefit of and be binding upon the parties hereto, their successors, legal representatives and assigns.

Each party agrees to execute upon request a short form of lease for purposes of recordation.

IN WITNESS WHEREOF, the parties have hereunto set their hands and affix their seals this _____ day of _____, 1996.

LESSOR:

Richard Schencker

 date 3/29/96

Steven Schencker

 date 3/29/96

LESSEE:

Dead Ahead Marine Products, Inc.

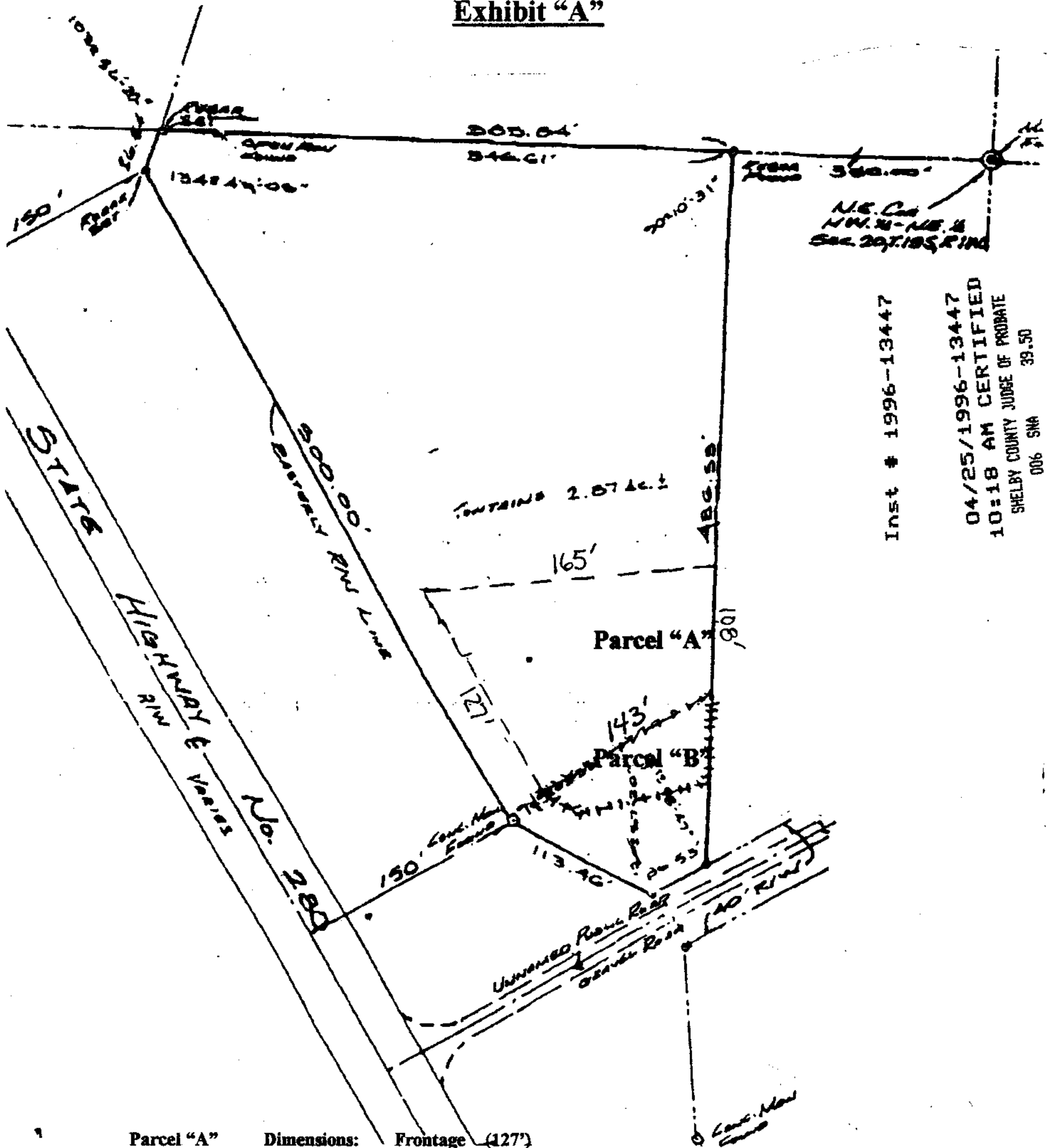
Roger Read

by: 

its: President

date of execution: 29th day of March, 1996

Exhibit "A"



N.E. Cor
NW. 1/4 - NE. 1/4
Sec. 20, T.18S, R.10E

Inst # 1996-13447

04/25/1996-13447
10:18 AM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
006 SNA 39.50

Parcel "A" Dimensions:

Frontage	(127')
Left side	(165')
Rear	(108')
Right side	(143')

