

1505

SPECIAL PURPOSE LEASE

This lease made and entered into this 15 day of October, 19 75, by and between Alfred Earl Bailey and Floyd Ellis Bailey herein referred to as Lessor, (whether one or more), and Quaker Gasoline Stations, Inc. herein referred to as Lessee.

W I T N E S S E T H:

1. PROPERTY LEASE AND TERM:

Lessor hereby subleases to Lessee for the special purpose and limited uses described herein that portion outlined in red on the plat attached hereto as Exhibit "A" on the following described property in Shelby County, State of Alabama:

Commence at the point of intersection of the SW margin of the alley with the SE margin of May Street and being the Northernmost corner of Lot 9, Block A, according to Byers Map of Sterrett, and run in a Southwesterly direction along the East margin of May Street for a distance of 19.15 feet to the point of beginning of the land herein described; thence continue along the same said course South for a distance of 115.85 feet to the North right of way line of Pine Street; thence turn an angle of 90 deg. 00 min. to the left and parallel to the above said alley for a distance of 322.37 feet to a point on the Southerly right of way line of County Road No. 55; thence turn an angle of 160 deg. 14 min. to the left and run in a Northwesterly direction along the South right of way line of County Road No. 55 for a distance of 342.56 feet to the point of beginning; situated in the SW $\frac{1}{4}$ of SW $\frac{1}{4}$, Section 19, Township 18, Range 2 East.

together with such additional area of said property as shall be necessary for the installation, maintenance repair, and operation of the underground gasoline storage tanks, said property being situated at Bailey's Grocery, Route 1, in the City of Sterrett, for a primary term beginning on the 1st day of November, 1975, and terminating on the 31st day of October, 1985. Lessor further agrees that upon expiration of the primary terms of this lease, Lessee shall have the option to renew this lease for an additional five (5) year period. Upon the expiration of said five year term, Lessee shall have the option to renew this lease for a second five (5) year period.

2. SPECIAL USE

Lessee shall have the exclusive right during the term of this lease to use the lease property for the purpose of selling gasoline and the installation, operation, and maintenance of equipment and facilities in connection therewith, and shall use the lease property for no other purpose. Lessor reserves the right to continue to use the lease property for the operation of retail business of its choosing so long as its operation is not in competition with the above described Lessee.

3. IMPROVEMENTS

Lessee agrees to install gasoline dispensing equipment upon the leased property. Such equipment shall be installed in accordance with bills of materials, plans and specifications prepared by or on behalf of Lessee, copies of which shall be furnished to Lessor. Lessee agrees to commence said installation within 90 days after all legal requirements of all Federal, State, City, County and any other governing bodies have been satisfied and all necessary licenses and permits have been issued.

4. RENTAL

Lessee shall pay Lessor as a rental a sum of one dollar (\$1.00) per year payable entirely in advance. Upon failure of Lessee to pay rentals of any part thereof when due, Lessor may, after thirty days' notice in writing to Lessee, if said rentals are not then paid, declare this lease at an end and void. and may re-enter and take possession of said property, and may recover rentals due in any appropriate action at law or may recover the possession of said property



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and damages for the detention thereof by any appropriate remedy at law or in equity, provided, however, that the foregoing right of termination by Lessor because of non-payment of rentals shall not be effective where the non-payment arises out of the application of rentals to an indebtedness allegedly owed by Lessor to Lessee until said rent remains unpaid for a period of thirty days after final determination, by agreement or litigation, that the application of the rental was improper.

5. LESSEE'S EQUIPMENT

All pumps, tanks, machinery, apparatus, and equipment furnished by Lessee to the leased property shall be and remain the property of Lessee, and shall be considered personal property. Lessee shall have the right, at its option, at any time before the expiration or termination of this lease and for a reasonable time thereafter, to remove same at its expense. If the leased property, or any of Lessor's property thereon has been pledged as security by Lessor for any debt owed by Lessor, Lessor agrees to obtain any subordination agreement, exclusion statement, or other instrument required by Lessee to protect its interest in the equipment installed on the leased property by Lessee.

6. TAXES

Lessor shall pay all taxes and assessments, general and special, upon the leased property and Lessee shall pay all taxes and assessments upon machinery, apparatus, equipment and inventory owned by Lessee and located on said property. Upon Lessee's written request, Lessor will furnish Lessee annually, official tax receipts or true copies thereof showing payment before delinquency of all taxes and assessments levied on the leased property.

7. WARRANTY

Except as hereafter provided, Lessor hereby fully warrants the title to the leased property and will defend the same against all claims of all persons, and agrees that Lessee shall have the right at any time to redeem for Lessor by payment, any mortgage debt taxes or other liens thereon in the event of default by Lessor and be subrogated to the rights of the holder thereof and may deduct any such payments from subsequent rentals, commissions, or other sums due Lessor from Lessee, in addition to all other rights and remedies afforded by law. If the property leased by Lessor hereunder is not owned by Lessor in fee simple, but instead is leased or held under some other agreement, then this lease shall be subject to and limited by the terms and conditions in such lease or agreement.

8. USE OF PREMISES

If the use of said property for the sale of gasoline, oil or oil products on said property shall be prohibited or enjoined by lawful authority, or if all or any part of said property is taken in condemnation, or if other circumstances beyond Lessee's control render the property unsuitable for the purpose of Lessee, Lessee may, at its option, by giving to Lessor thirty (30) days notice of its intention so to do, terminate this lease upon payment of all rentals due up to the expiration of said thirty (30) day period.

Lessee shall negotiate settlement with the condemning authority for that portion of the installation and equipment owned by Lessee which is taken in condemnation and where the lease continues in effect, Lessee shall relocate its equipment and improvements on the leased property and otherwise restore that portion of the premises to a condition equal to its prior condition and satisfactory for the purpose of selling gasoline.

9. PERMITS AND LICENSES

Lessor shall fully cooperate in procuring in the name of the Lessor or Lessee or Lessee's nominee, all permits, authorizations, and licenses required or in Lessee's opinion, deemed reasonable necessary or desirable for the conduct on said premises of the business of selling gasoline.

10. NUISANCE

Lessee covenants and agrees that it will not permit any nuisance to be created, maintained, or carried on upon said property.

12. RIGHT TO ASSIGN OR SUBLET

13. PROHIBITION OF OPERATION

14. NOTICES

STATE OF ALA. SHELBY CO.
-1- CERTIFY THIS
INSTRUMENT WAS FILED
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Reed Jay L. 00
Carnegie & Associates
JUDGE OF PROBATE

15. ENTIRETY OF AGREEMENT

16. SUCCESSORS AND ASSIGNS

WITNESS:

Alfred E. Bailey
Guy L. Bailey

WITNESS:

QUAKER GASOLINE STATIONS, INC.

W. A. Quinn
President

QUAKER GASOLINE STATIONS, INC.

Expiry 7-26