

LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into this 19 day of November, ¹⁹⁹³~~1992~~, by and between MARTHA K. BEABOUT ("Landlord") and AUTO SALVAGE POOL, INC. ("Tenant").

1. Grant of Lease. Landlord does hereby demise and let unto Tenant that certain real property situated in Shelby County, Alabama, being more particularly described on Exhibit A attached hereto and incorporated herein by reference, together with any and all improvements located thereon (the "Premises").

2. Use. Tenant is hereby leasing the Premises for occupation and use as a scrap and salvage business, including a site for purchase, storage, auction and/or sale of scrap and salvage from any source whatsoever and purposes similar or reasonably relating thereto and for ~~no other purpose~~ any other lawful purpose during the term hereof.

3. Term. The term of this Lease shall commence as of the date hereof and shall continue in full force and effect for a period of five (5) years (the "Initial Term") unless sooner terminated in accordance with the provisions hereof. Tenant shall have the option, upon written notice to Landlord sixty (60) days prior to expiration of the Initial Term hereof (or any Renewal Term as defined herein) to renew this Lease for up to four (4) successive five (5) year periods (the "Renewal Term(s)"). In the event Tenant elects to renew the term of this Lease as provided in this paragraph 3, each and every term and condition contained herein shall continue in full force and effect during such Renewal Term(s) except that the amount of rent payable hereunder shall increase as set forth in paragraph 4 below.

16809.1

11/17/1994-34320
01:12 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
011 MCD 174.00

PLEASE RETURN ORIGINAL TO:

Bruce A. Rawls
Burr & Forman
3000 SouthTrust Tower
420 North 20th Street
Birmingham, AL 35203

Inst # 1994-34320

4. Rent. In consideration of the lease of the Premises and the other terms hereof, Tenant agrees to pay to Landlord at such address as may be designated by Landlord from time to time an annual rent of Three Thousand (\$33,000.00) divided into twelve (12) monthly installments of Three Thousand Seven Hundred Fifty and 00/100 Dollars (\$3,750.00) on the first day of each month during the Initial Term of this Lease. Payment of rent shall be made hereof the rent due and payable at the same time and in the same manner as set forth above shall be increased as follows:

Renewal Term

A

Monthly Rent

1

\$

)

~~3,000.00~~

3500.00

DHL MKB

2

\$

)

3,250.00

3,750.

3

\$

)

3,500.00

4000.00

4

\$

)

3,750.00

4250.00

5. Quiet Enjoyment. Landlord represents and warrants to Tenant that Landlord is the fee simple owner of the Premises and clear of all mortgages, liens, and encumbrances, and Landlord covenants to keep Tenant in quiet and peaceable possession of said Premises during the Initial Term or any Renewal Term hereof, except in an Event of default (as hereinafter defined) of Tenant and except to the extent limited by any condemnation or eminent domain proceedings. Landlord shall not be liable for any loss or damage to the Premises or contents thereof by fire, theft, or other causes.

6. Inspection and Alterations. Landlord shall be entitled to inspect the Premises at any reasonable time and from time to time to inspect or to cause to be inspected the Premises so long as such inspection does not unduly interfere with Tenant's business. Tenant shall be responsible for making and repairing the roof and exterior walls of any improvements on the Premises, and Landlord shall

promptly notify Landlord in the event that repairs to the roof or exterior walls become necessary. Tenant shall be responsible for maintenance and upkeep of the Premises except as otherwise set forth in this paragraph. Tenant shall keep the Premises in good repair and condition except for reasonable and ordinary wear and tear. Tenant's duties with respect hereto shall include replacement of all broken glass on the Premises, payment of all bills for utilities used on or about the Premises, and maintenance and repair of plumbing and electrical fixtures. Tenant agrees that it shall not make any permanent additions, improvements or alterations to the Premises without prior notice of the same to Landlord.

7. Insurance.

(a) Tenant shall obtain and keep in full force and effect public liability insurance in an amount not less than \$500,000 for injury to or death of one person or as a result of one occurrence and not less than \$1,000,000 for injury to or death of more than one person as a result of one occurrence. Tenant shall also obtain public liability insurance for damage to property in the amount of not less than \$100,000. Such insurance policy or policies shall name Landlord as an additional insured against any liability that may accrue by reason of injury, death or property damage on the Premises.

(b) Landlord shall obtain and keep in full force and effect hazard insurance to protect the improvements on the Premises against loss or damage by fire or other casualty and such other risks as may be included in the standard form of extended coverage, such as vandalism and miscellaneous mischief, in amounts not less than one hundred percent (100%) of the full replacement value. The term "full replacement value" shall mean the actual replacement cost, excluding depreciation and costs of foundation and excavation.

8. Tenant's Default. Any one or more of the following shall constitute an Event of Default under this Lease:

(a) Failure to pay any installment of rent due hereunder within ten (10) days of the date the same becomes due;

(b) Vacation or abandonment of the Premises by Tenant; or

(c) Failure to observe or perform any other term, condition or covenant herein after having received thirty (30) days written notice from Landlord of a violation hereunder.

Upon the occurrence of any Event of Default as enumerated herein, Landlord shall have the right, upon thirty (30) days written notice to Tenant, to terminate the Lease and re-enter and take possession of the Premises. In addition, Landlord shall be entitled to seek any other remedy, legal or equitable, available under the laws of the State of Alabama.

9. Landlord's Default. In the event Landlord shall breach any term or condition of this Lease, Tenant shall have the option to terminate this Lease without notice to Landlord, and Tenant shall have no further obligation to Landlord after the date of such termination. In addition, Tenant shall be entitled to seek any other remedy, legal or equitable, available under the laws of the State of Alabama.

10. Assignment. Either Landlord or Tenant may assign, sublease or otherwise transfer its rights under this Lease without the consent of the other party hereto.

11. Destruction; Condemnation.

(a) In the event that the Premises or any part thereof shall be destroyed or rendered incapable of being used for ~~the purpose required~~ a purpose allowed in paragraph 2 hereof by fire or other casualty, Landlord shall repair and restore the Premises to a tenantable

condition within 180 days following such destruction, or within such longer time as may be reasonable under the circumstances. Notwithstanding the foregoing, in the event of any such destruction, if Tenant does not wish to remain on the Premises, Tenant shall so notify Landlord in writing within thirty (30) days after the occurrence of such destruction, and Landlord and Tenant shall have no further obligations pursuant hereto after the date of termination.

(b) In the event the Premises or any portion thereof is condemned by any public authority, Tenant may, at its option:

- (i) cancel and terminate this Lease at any time within thirty (30) days following notice of such condemnation, or
- (ii) notify Landlord that Tenant desires to remain possessed of so much of the Premises as remains after such condemnation, in which case Landlord shall repair and restore such Premises to a tenantable condition within 180 days following such condemnation, or such longer time as may be reasonable under the circumstances, to allow Tenant to resume and continue the use of the Premises for the same purposes used by Tenant prior to such condemnation, it being understood that such repair and restoration may involve, without limitation, the relocation of some or all of the improvements on the Premises, grading, blacktopping, etc.

(c) In the event Tenant does not desire to terminate this Lease under subparagraphs (a) or (b) above, upon the occurrence of any such destruction or condemnation, Tenant's rent shall be reduced in the same proportion that the square footage of the Premises

rendered untenable bears to the square footage of the Premises demised by this Lease. In the case of destruction, upon repair and restoration of the Premises, the rent payable hereunder in accordance with paragraph 4 hereof shall be reinstated.

12. Attorneys' Fees and Costs. In the event Landlord or Tenant violates any term or condition hereof and either or both parties incur legal fees and/or court costs in connection with attempting to enforce this Lease, the prevailing party shall be entitled to collect such expenses from the non-prevailing party.

13. Non-Disturbance and Attornment. In the event that Landlord sells the Premises to any third party, or in the event the Premises are transferred, by operation of law or otherwise, to any person or entity other than Tenant, the transferee of the Premises shall be bound by the terms and conditions of this Lease, and upon Tenant's request, such transferee shall sign an agreement satisfactory to Tenant agreeing to be so bound and agreeing to undertake all the obligations of Landlord hereunder, and to allow Tenant to continue to enjoy the use and possession of the Premises as herein provided. Tenant hereby agrees that in the event of such a transfer, Tenant shall attorn to such third party transferee as landlord hereunder, and shall make all payments due and perform all obligations pursuant hereto to and for the benefit of such transferee from and after Tenant's receipt of incidence satisfactory to it of such transfer.

14. Termination. This Lease shall terminate upon the occurrence of any one of the following:

(a) the Premises shall be wholly or partially rendered untenable and Tenant shall elect to terminate this Lease pursuant to paragraph 11 hereof;

(b) Tenant shall notify Landlord in writing that it intends to terminate the Lease thirty (30) days after the date of such notice; or

(c) either party shall be in default under the terms hereof, and in accordance with paragraphs 8 or 9 hereof, the non-defaulting party shall elect to terminate this Lease.

15. Miscellaneous.

(a) This Lease shall be binding upon and inure to the benefit of Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns.

(b) This Lease constitutes the entire agreement between the parties hereto and shall supersede any prior agreement between the parties, whether written or oral.

(c) If any provision hereof shall be deemed invalid or unenforceable, such provision shall be severed from this Lease, and the remaining provisions hereof shall continue in full force and effect.

(d) This Lease shall be governed by and construed in accordance with the laws of the State of Alabama.

IN WITNESS WHEREOF, the parties hereto have caused this Lease Agreement to be duly executed as of the day and year first above written.


MARTHA K. BEABOUT

AUTO SALVAGE POOL, INC.

By: 
Its: President

STATE OF ALABAMA
SHELBY COUNTY

Before me, a notary public in and for said county in said state, personally appeared Martha K. Beabout, whose name is signed to the foregoing, and who is known to me, and acknowledged before me on this day that, being informed of the contents of the conveyance, she executed the same voluntarily.

Given under my hand and seal this 19 day of November, ~~1992~~ ¹⁹⁹³.

Vandy Kay Lowery
Notary Public

My Commission Expires: MY COMMISSION EXPIRES APRIL 10, 1997

witness Clarence H Barnett

STATE OF ALABAMA
SHELBY COUNTY

Before me, a notary public in and for said county in said state, personally appeared _____, whose name as _____ of Auto Salvage Pool, Inc., an Alabama corporation, is signed to the foregoing assignment, and who is known to me, and acknowledged before me on this day that, being informed of the contents of the conveyance, she, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and seal this 19 day of November, ~~1992~~ ¹⁹⁹³.

Vandy Kay Lowery
Notary Public

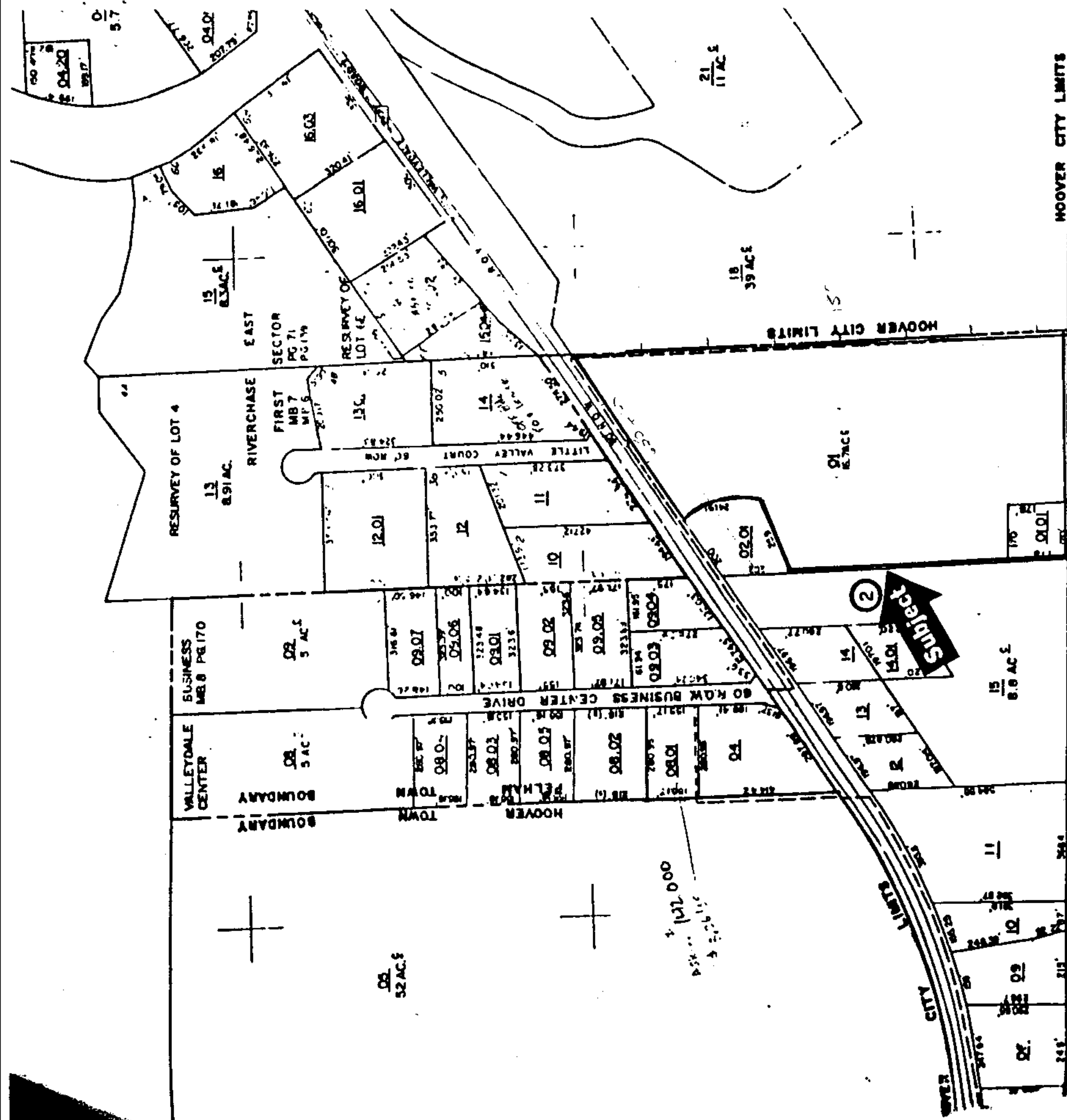
My Commission Expires: MY COMMISSION EXPIRES APRIL 10, 1997

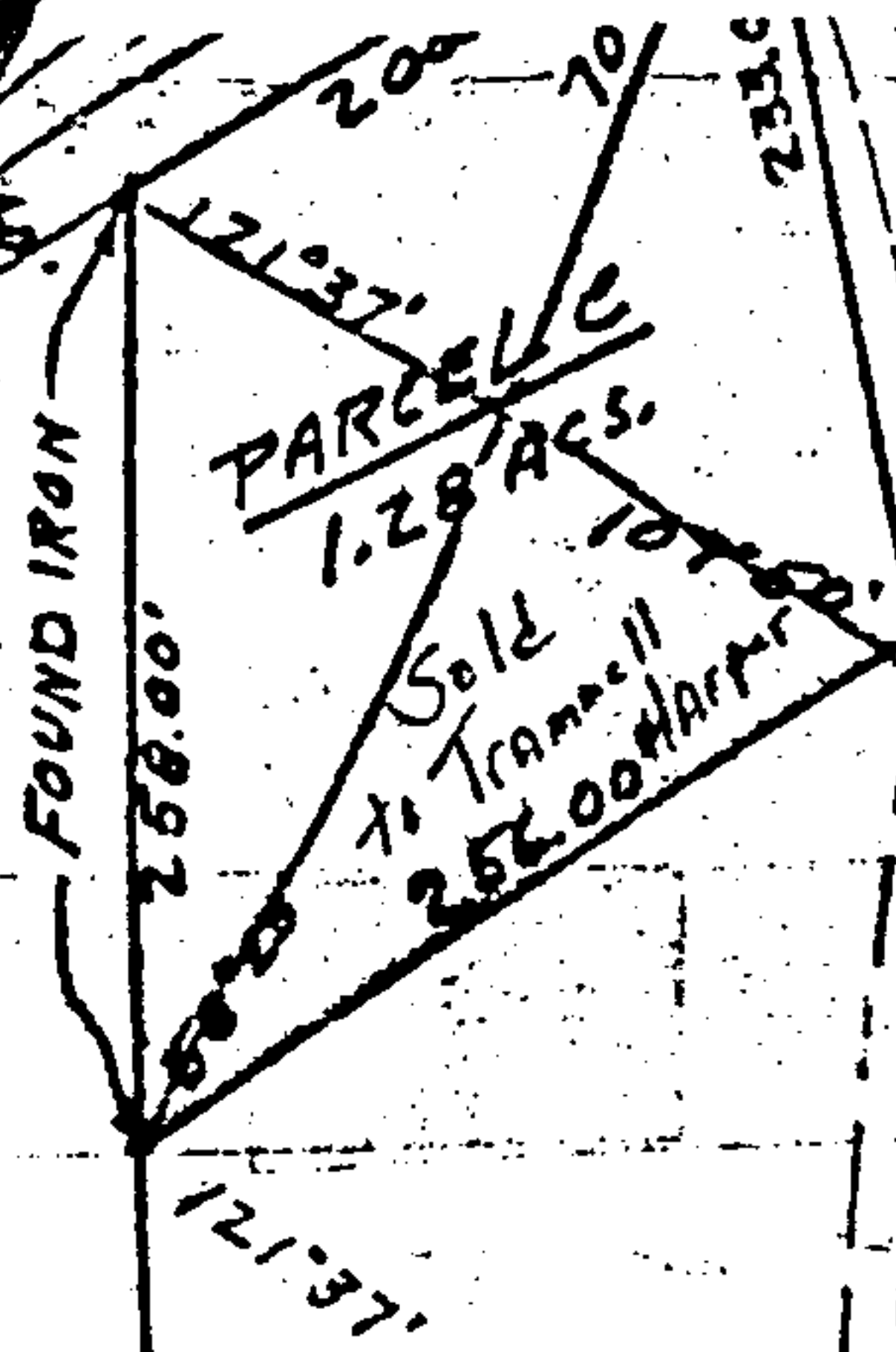
witness - Clarence H Barnett

EXHIBIT A

LEASED PREMISES

The Premises leased by Martha K. Beabout, as Landlord, to Auto Salvage Pool, Inc., as Tenant, according to the accompanying Lease Agreement is all that property owned by Martha K. Beabout and located on Valleydale Road, as represented by the map attached to this Exhibit A as Exhibit A-1 LESS AND EXCEPT that certain "Parcel A" shown on Exhibit A-2, which represents the homestead of Landlord. The parties have not had the Premises surveyed in connection with the execution of this Lease Agreement, but it is their intent that so much of Landlord's property as described above shall be subject to the Lease Agreement, but with the understanding that the Landlord's homestead, which is reflected on Exhibit A-2 as "Parcel A" shall not be included within the description of the Premises.





PARCEL B
12.27 ACS.

E. 1/2 OF E. 1/2 OF S.W. 1/4 OF
SEC. 30, T. 19 S., R. 2 W.

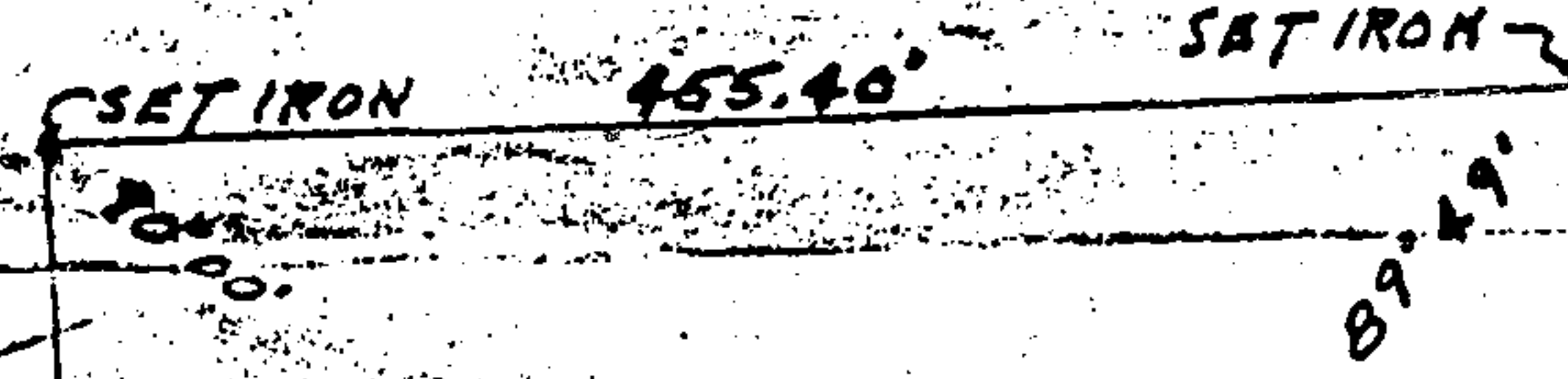
POWER LINE

Inst # 1994-34320

11/17/1994-34320
01:12 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
011/18 144.08

1030.00'
772.00'

CHERT ROAD



PARCEL A
5.46 ACS.

147.10'
1/4 SECTION LINE

530.00'

OLD 2" PIPE

SECTION
IN 7

FOUND IRON

92.11'

211.00'

FOUND IRON

92.20'

455.20'