

may be terminated by either party by giving written notice to the other party at least one (1) year prior to the effective date of termination, but in any event this lease shall terminate on the 30th day of September, 1989 as hereinabove set forth. However, none of the above provisions with respect to notice and termination shall prevent the renewal of this lease by mutual agreement between the parties hereto at any time in the future.

1. The rent during said term shall be One Dollar (\$1.00) and the agreements and conditions to be met and performed by the Lessee, and Lessor, as herein set forth.

2. The Lessor agrees that the Lessee shall enjoy the above-described premises during said term free from the adverse claims of any person.

3. The Lessee agrees to make no unlawful or offensive use of the premises.

4. That the Lessee shall have the right at its own expense and cost to place such buildings and improvements on the above-described real estate as the Lessee deems necessary for conducting the fair and other objects and business carried on by the Lessee on said Fair Grounds with prior approval of Lessor. It being understood and agreed, however, that any and all buildings and improvements placed on the property by the Lessee shall remain on said property and cannot be removed by the Lessee, and that any and all buildings and improvements placed on said property by the Lessee shall, at the end of this lease or its sooner termination, be in all respects the property of and belong to the Lessor.

However, it is, respectfully suggested by the Lessor, the current governing body of Iredell County, to any successor governing body of this county, that should a termination of this lease occur sooner than the expiration date as hereinabove provided, that possible consideration be given to the Kiwanis Club, Inc. of Statesville, North Carolina, for capital expenditures made after the effective date of this lease which become the property of the Lessor.

5. It is agreed and understood that due to the prohibitive costs of insurance, that neither Lessor nor Lessee will carry hazard insurance on the buildings located on the leased premises. In the event any of said buildings should be destroyed (or partially destroyed), Lessor and Lessee shall mutually agree whether or not said buildings should be replaced (or repaired) and if it is to be replaced or repaired the method of so doing.