

IT IS FURTHER UNDERSTOOD AND AGREED between the parties hereto that in the event any installment of principal and interest is in default for a period of fifteen (15) days after said payment is due, then the Seller may, at his option, declare this contract null and void and retain the payments made hereupon as rent.

IT IS ALSO UNDERSTOOD AND AGREED between the parties that at such time as the Purchaser has paid to the Seller the total consideration hereinabove provided, together with interest, the Seller covenants and agrees and binds himself, his heirs, executor, administrator, and assigns, to execute and deliver to the Purchaser, his heirs or assigns, a general warranty deed to the premises above described conveying a fee simple title thereto, free of all liens and encumbrances, except taxes or other assessments, water rates and other governmental charges when the same shall become due. In the event that the Purchaser does not pay the taxes, assessments or other charges when they become due, the Seller may pay such charges due upon the premises and charge the Purchaser for the same by adding the amount paid to the principal indebtedness herein, which sum shall draw interest from the date paid at the rate of seven (7%) per cent per annum. To facilitate the paying of such charge, the Purchaser agrees to pay the Seller one-twelfth (1/12) of the estimated charges each month to be held in escrow for the payment of such charges when due.

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IT IS ALSO UNDERSTOOD AND AGREED that the Purchaser will insure the premises against loss by fire and lightning with extended coverage at its full insurable interest. The Seller shall have the option to select the insurance company. The Purchaser agrees to pay all insurance premiums when the same shall become due and shall not permit the insurance to lapse during the term of this contract by failure to pay said insurance premiums. In the event that the Purchaser does not pay said insurance premium before the date on which said insurance policy would lapse for nonpayment of premiums, the Seller may pay said premiums due thereon and charge the Purchaser for the same by adding the amounts of such premiums to the principal indebtedness herein, which sum shall draw interest from the date paid at the rate of seven (7%) per cent per annum. To facilitate the paying of such premiums, the purchaser agrees to pay the Seller onetwelfth of the annual premium each month, to be held in escrow for the payment of such premium when due.

IT IS ALSO AGREED between the parties hereto that the Purchaser is to remain in possession of the premises until default as hereinabove set forth, and the Purchaser

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