

proceeds in excess of those paid to the mortgagee shall be paid to Purchaser and Seller as their interests may appear. Purchaser shall be entitled to all allowable deductions for income tax purposes.

6. Default. The Purchaser covenants that in the event any of the sums set forth above shall not be paid when due or in the event the Purchaser fails and neglects to carry out any of the terms, conditions and obligations set forth in this Bond for Title, the Seller shall give written notice duly transmitted by certified United States Mail addressed to the last known mailing address of the Purchaser notifying the Purchaser of such default, and if the Purchaser fails to remedy such default within thirty (30) days after receipt of written notice, the Seller may declare this Bond for Title terminated, null and void, and all sums paid hereunder by the Purchaser shall be deemed forfeited with the right of the Seller to retain the same in satisfaction of rental of the premises and, in such event, the Seller shall be discharged in law and equity from any liability to deliver the aforementioned Warranty Deed, and shall have the right to enter upon and take possession of the premises, excluding the right of all persons who may be occupying the same, without suit or equitable remedy. In the event this Bond for Title is placed in the hands of an attorney for collection, the Purchaser agrees to pay a reasonable attorney's fee together with all costs of collection.

7. Encumbrances and Conveyance. Seller hereby agrees and covenants that so long as this Bond for Title is in effect, he shall not make or cause to be made any mortgage, deed of trust, conveyance of other instrument or agreement having the effect of a lien or encumbrance upon or conveyance of any interest in the subject real property.

8. Time and Definition of Words. Time is of the essence of this Agreement. The words "Seller" and "Purchaser" as used herein shall include the masculine and feminine gender, singular and plural, and shall include any person, partnership or corporation as the context may require.