

in which the Seller is paying to the Purchaser rental payments, the Purchaser shall be responsible for the mortgage payments except the \$2,000.00 balloon payment due January 1, 1983 on the second mortgage to Linus G. Williams.

10. INSURANCE. Seller shall retain fire casualty and liability insurance on the premises until transfer of the deed. Seller covenants and warrants that in the event of loss due to fire or other casualty during the term of the contract, that Purchaser shall be reimbursed to the full extent of its investment. Seller further covenants and agrees that they will have the Purchaser made a loss payee on said insurance policy and shall furnish proof of same.

11. In the event Seller fails to make the monthly payments required by paragraph 9 herein, fails to make any and all repairs required to be performed by the Seller or fails to maintain adequate insurance as required by paragraph 10 herein, the Purchaser may at its option deduct any such amounts or expenses from any payments to be made by the Purchaser to the Seller at Closing as set forth in paragraph 2 herein.

12. MISCELLANEOUS.

(a) This agreement shall be construed and interpreted under the laws of the State of South Carolina.

(b) All rights, powers and privileges conferred hereunder upon the parties shall be cumulative but not restrictive to those given by law.

(c) No failure of either party to exercise any power given either power hereunder or to insist upon strict compliance by either