

due of approximately \$32,000.00. Also a second mortgage held by Dorothy J. Martin in the original amount of \$21,000.00 dated Dec. 12, 1978 on which there is a balance due of approximately \$6500.00.

Lessor further agrees that the monthly rental herein stated will be applied in payment of said mortgages, taxes and insurance.

5. REPAIRS. It is covenanted and agreed by the parties hereto that the Lessor will make all necessary repairs to the house not caused by breakage or misuse by the Lessee during the first year of this lease, and thereafter the Lessee shall make all repairs to the house and appliances.

6. INSURANCE. The Lessor agrees to keep the leased premises insured against damage by fire or other loss and in the event the house is destroyed by fire, this lease shall be terminated at the option of the Lessee or if it is partially destroyed by fire, the rent payable by the Lessee shall be abated while the repairs are being made.

The Lessor further agrees to pay the property taxes during the term of this lease.

7. INDEMNIFICATION. The Lessee agrees hereby to indemnify and save the Lessor harmless from any and all actions, liabilities, losses or litigation expenses arising out of, or connected with, Lessee's occupancy or use of the leased premises, and which results from any alleged action or negligence of the Lessee, tenants or invitees, or from any condition existing or occurring on the premises during the term of this lease.

8. DEFAULT. In the event of the failure of Lessee to make any rental payment when due or to comply with any agreement or covenant herein made, and should Lessee remain so in default for a period of fifteen (15) days after written notice thereof to Lessee, or in the event that Lessee is placed in voluntary or involuntary bankruptcy or receivership, or is placed in any sort of insolvency or reorganization due to insolvency proceeding under the State or Federal Law, then, and in any of such events, Lessor, at Lessor's option, may (a) declare the

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