ercs 1150 ave 581

having a present balance as of the date of this Lease and Option in the amount of \$38,476.69. Such mortgage debt bears interest at the rate of eight and three quarters per cent and requires monthly installments in the amount of \$309.91.

- b. Landlord covenants that they will make the monthly installments upon the existing American Federal mortgage and keep such mortgage current in all respects.
- 12. Landlord covenants to take no action which would violate in any way the terms and conditions of the outstanding mortgage from Seller to American Federal Savings & Loan Association.
- 13. In the event that the Tenant delivers monthly payments to the Landlord pursuant to the terms and conditions of the within Lease and Option and the acts of the Landlord cause American Federal to add any type of late payment charges or to cancel its mortgage by reason of payments being in arrears, then the Landlord shall be liable to Tenant for all damages sustained by the Tenant. Such damages shall include the cost of any additional interest or late charges caused by the delinquent payments. On the other hand if any additional interest or late charges arise out of the failure of the Tenant to make payments promptly, then the Landlord shall not be liable to the Tenant for any damages sustained by the Tenant.
- 14. Landlord does hereby agree to grant to Tenant the Option and right to purchase the leased premises, on the terms and conditions set forth below, on or before the 31st day of May,

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