

Disposition of insurance or of proceeds thereof.

In case, prior to delivery of deed, there be loss or damage by fire or other casualty of or to any improvements upon the premises in an amount as adjusted equal to less than 25% of the total amount of insurance then covering such casualty, purchaser shall, upon performing h□ part under this contract, be entitled to a credit on account of the purchase price of the amount of money obtained or to be obtained by seller from such insurance for such loss or damage; and in case the amount so adjusted shall equal 25% or more of the total amount of such insurance purchaser may, at h□ option, be credited with such insurance money, h□ option to be exercised not later than _____ days after the loss or damages shall be adjusted and purchaser notified of the amount; and the time for payment of the price, if purchaser elects to perform the contract, shall be extended for _____ days after the exercise of such option. The amount of any credit of insurance money shall be applied first to reduce pro rata, the deferred payments, if any, secured by purchase money mortgage. If purchaser shall not exercise last mentioned option, this contract shall be automatically terminated. If the loss or damage shall not be adjusted within _____ months from the date of this contract, purchaser at his option may terminate this contract. The loss or damage shall be deemed adjusted within the meaning of this contract when the amount has been agreed on and the insurers are ready, able and willing to pay it. In case there is no insurance sufficient to cover such casualty and the loss or damage shall equal 5%, or more, of the value of the improvements, the purchaser may terminate this contract.