

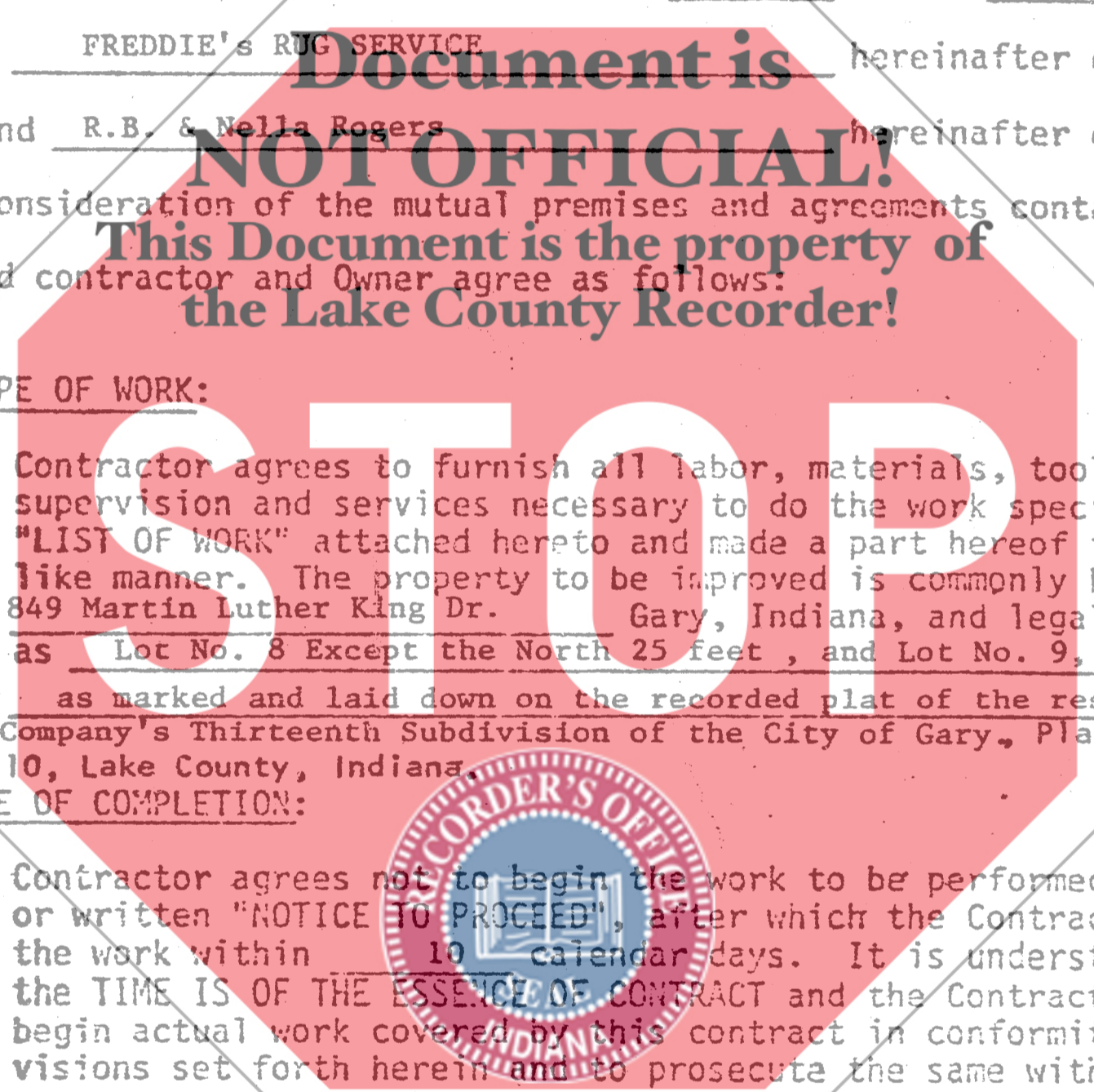
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REHABILITATION CONTRACT

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THIS AGREEMENT, made and entered into this 29th day of November 19 79,  
by and between FREDDIE'S RUG SERVICE hereinafter called the  
"Contractor" and R.B. & Nella Rogers hereinafter called the  
"Owner". In consideration of the mutual premises and agreements contained herein  
the undersigned contractor and Owner agree as follows:



STATE OF INDIANA, S. J.  
LAKE COUNTY  
RECORDER'S OFFICE  
JAN 24 9 49 AM '80  
WILLIAM BILSHN JR.  
RECORDER

I. SCOPE OF WORK:

1) Contractor agrees to furnish all labor, materials, tools, equipment, supervision and services necessary to do the work specified in the "LIST OF WORK" attached hereto and made a part hereof in a workman-like manner. The property to be improved is commonly known as 849 Martin Luther King Dr. Gary, Indiana, and legally described as Lot No. 8 Except the North 25 Feet, and Lot No. 9, in Block No. 4, as marked and laid down on the recorded plat of the resubdivision of Gary Land Company's Thirteenth Subdivision of the City of Gary, Plat Book 19, page 10, Lake County, Indiana.

II. TIME OF COMPLETION:

1) Contractor agrees not to begin the work to be performed until receipt or written "NOTICE TO PROCEED", after which the Contractor shall begin the work within 10 calendar days. It is understood and agreed the TIME IS OF THE ESSENCE OF CONTRACT and the Contractor agrees to begin actual work covered by this contract in conformity with the provisions set forth herein and to prosecute the same with all due diligence, so as to complete the entire work under this contract within the days stipulated after the date for commencement of work.

III. CONTRACT SUM AND PAYMENT SCHEDULE:

- 1) Owner hereby agrees to pay Contractor for the performance of the contract the sum of \$ 974.48 to be paid in accordance with one of the following provisions:
  - a) One lump sum within five (5) days after the work has been completed and approved by authorized Building Inspectors of the Department of Housing Conservation (DHC) and other concerned Governmental Agencies when required.
  - b) One or two progress payments, each totaling eighty (80) percent of the value of the work completed after fifty percent (50%) or more of the work contracted for has been completed. The balance of the contract price shall be paid upon completion of all work, final inspection and approval by the Owner, DHC, other concerned Governmental Agencies and parties, and upon submission of waiver's of mechanic's liens by the Contractor, Sub-Contractors, suppliers and materialmen.
  - c) A certificate of partial completion must be executed by the owner prior to disbursement of progress payment.
  - d) Where applicable the choice of schedule for payment shall be determined by the Owner of Grantor, Contractor or Lending Institution.

IV. FINANCING:

1) Owner hereby agrees to furnish contractor prior to commencement of said construction work satisfactory evidence that the financing of the work has been provided for and that payment will be made in accordance with the above designated schedule or payment.



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V. DISPUTES:

- 1) In the event of any dispute, arising under this Contract upon the request of either party, an individual shall be appointed by the Contractor, and an individual shall be appointed by the Owner, and the two (2) so appointed shall select a third individual. These three shall comprise an arbitration committee to settle any dispute between Owner and Contractor. The decision of a majority of the arbitration committee shall be final and binding as to the Owner and Contractor. The cost of the arbitration shall be equally shared by the Owner and the Contractor. This section shall not be construed to deny either Owner or Contractor any other legal means of redress.

VI. DELAY OF WORK:

- 1) It is understood and agreed that should the Contractor be obstructed or delayed in the commencement, prosecution or completion of the work under this Contract by any act, or delay of the Owner and/or concerned Governmental Agency, escrowee or mortgagee, then the time herein fixed for the completion of said work will be extended for a period equivalent to the time lost by reason of such acts.
- 2) It is otherwise understood that no extension of time will be granted to the Contractor unless he, immediately upon knowledge of the causes of unavoidable delay, first notifies the Owner in writing, stating the approximate number of days he expects to be delayed.
- 3) The Contractor must also make a request in writing to the Owner for an extension of time within ten (10) days after the cessation of the delay. Compliance by the Contractor with the requirements of this section are conditions precedent to the granting of an extension of time and it is hereby agreed that in case of failure to comply with said requirements, the Contractor shall not be entitled to an extension of time.

VII. ESCROWEE AND MORTGAGEE:

- 1) Contractor hereby agrees to comply with the regulations of escrowee and mortgagee, where applicable, and upon request to enter into agreements with the escrowee and/or mortgagee with regard to disbursement of funds.

VIII. GENERAL CONDITIONS:

- 1) The following general conditions shall be a part of this Contract:
  - a) Rehabilitation Loan and Grant. The Owner proposes to pay for the work by means of a 115 Grant or 512 Loan from the United States, payable through the Department of Housing Conservation of the City of Gary, Indiana (LPA), and the Contractor agrees that no payment shall be due him until the work is completed, inspected and approved by the LPA, and the LPA disburses the Loan or Grant. The Contractor will cooperate with the Owner by furnishing lien waivers, releases and other documents as required by the LPA.
  - b) Indemnification. The Contractor agrees, but not by way of limitation, to protect, indemnify and hold harmless the Owner and the LPA, its officers, commissioners and employees, against any and all loss, claims or suits (including costs and attorney's fees) for or on account of injury to or death of persons, sickness, disease or loss, damaged or destruction of property belonging to either the Owner or others (the Contractor hereby agreeing to repair or replace such property if requested to do so by the Owner) and non-compliance with the Fair Labor Standards Act of 1933 occurring to reason of the act or neglect of the Contractor, his employees or agents (including Subcontractors) in connection with the performance of this Contract. The Fair Labor Standards Act of 1933 occurring to reason of the act or neglect of the Contractor, his employees or agents (including Subcontractors) in connection with the performance of this Contract.
  - c) Insurance. Before commencing work the Contractor shall furnish the LPA with certificates showing that the following insurance is in force. Policies shall be submitted for approval of the LPA and shall be endorsed



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... policies will not be cancelled or changed until  
ten days after written notice of change or cancellation has  
been delivered to the LPA. Coverage shall be least as follows:

	<u>Class of Coverage</u>	<u>Bodily Injury</u>	<u>Property Damage</u>
(1)	Manufacturer's & Contractors	\$100,000/200,000	\$100,000
(2)	Independent Contractor's	\$100,000/200,000	\$100,000
(3)	Product incl. Completed Operations	\$100,000/200,000	\$100,000
(4)	Hold Harmless (Contractual)	\$100,000/200,000	\$100,000
(5)	Auto Owned, Hired or Leased	\$100,000/200,000	\$100,000
(6)	Workmen's Compensation	Statutory	\$ 50,000

If any such insurance is due to expire during the construction period,  
the Contractor shall not permit the coverage to lapse and new certifi-  
cates shall be furnished to the LPA.

- d) Liens and Waivers of Liens. The Contractor agrees to waive, and does hereby waive and relinquish, all right to lien upon the real estate herein-above described and the building to be erected thereon in accordance with the terms of this Contract, and the Contractor expressly agrees that no lien shall attach to the real estate, building structure or any other improvement of the Owner, either on behalf of the Contractor herein or on behalf of the subcontractors, the mechanics, journeymen, laborers, materialmen, or persons performing labor upon or furnishing materials and machinery for such property or improvement of said Owner, and the said Contractor does hereby expressly waive all right to any such lien under the laws of the State of Indiana for and on behalf of themselves and all other such persons furnishing labor and materials, as foresaid, in any form or manner whatsoever for the erection, construction and completion of said rehabilitation of said dwelling house, it is further agreed that this Contract may be filed and recorded in the Recorder's Office of Lake County, Indiana, and said that the filing and recording of same shall be constructive notice of its content and of this waiver of said lien to all parties or persons whomever. Further Contractor shall furnish an affidavit at the completion of its work that the contents and conditions of this paragraph have been complied with, and shall furnish such affidavit to the Owner before final payment is made hereunder. Further, the Contractor shall, at Owner's request, post a notice that conforms to the Indiana Statutes on "No Lien Contracts."
- e) Changes in the Work. No modifications of this Contract shall be made except by written instrument, signed by the Contractor, accepted by the Owner and approved by the LPA.
- 1) The cost or credit to the Owner resulting from a Change in the Work shall be determined in one or more of the following ways:
    - .1 By mutual acceptance of a lump sum property itemized;
    - .2 By unit prices stated on the Contract Documents or subsequently agreed upon; or
    - .3 By cost and a mutually acceptable fixed or percentage fee.
- f) General Guaranty. The Contractor shall remedy any defect due to faulty material or workmanship and pay for any damage to other work resulting therefrom which shall appear within the period of one (1) year from final payment. Further, Contractor will furnish Owner with all manufacturer's and supplier's written guarantees and warranties covering materials and equipment furnished under this Contract. Unless otherwise specified all materials shall be new and both materials and workmanship shall be of good quality. The Contractor shall not employ any unfit person on the premises nor anyone not skilled in the work assigned him.
- g) The Subcontractors and Assignments. No subcontractors or assignment of the Contract shall be made without the written consent of the Owner and the approval of the LPA.



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h) Permits and Codes. The Contractor will secure at his own expense all necessary permits and licenses required to do the work and to comply with all building and code regulations and ordinances whether or not covered by the specifications and drawings for the work.

i) Equal Employment Opportunity. (Contracts subject to Executive Order 11246). During the performance of this Contract, the Contractor agrees as follows:

- Document is NOT OFFICIAL!**  
This Document is the property of the Lake County Recorder
- (1) The Contractor will not discriminate against employee or applicant for employment because of race, creed, color or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. The Contractor agrees to post in conspicuous place, available to employees and applicants for employment, notice to be provided by the municipality setting forth the provisions of this nondiscrimination clause.
  - (2) The Contractor will, in all solicitations and advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, or national origin.
  - (3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the property owner, advising the labor union or worker's representative of the Contractor's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
  - (4) The Contractor will comply with all provision of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
  - (5) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations and orders of the Secretary of Labor or the Secretary of Housing and Urban Development pursuant thereto, and will permit access to his books, records, and accounty by the property owner, the Secretary of Housing and Urban Development and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
  - (6) In the event of the Contractor's noncompliance with the nondiscrimination clause of this Contract or with any of such rules, regulations or orders, this Contract may be cancelled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965 or by rule, regulations or order of the Secretary of Labor, or as otherwise provided by law.
  - (7) The Contractor will include the provisions of paragraphs (a) through (f) in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 Executive Order 11246 of September 24, 1965 so that such provisions will be binding upon each subcontractor or purchase order as the property owner may be direct as a means of enforcing such provisions, including sanctioned for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the property owner, the Contractor may request the United States to enter into litigation to protect the interest of the United States.



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- 3) Responsibilities of Owner. The owner will permit the Contractor to use at the site without cost existing utilities such as light, heat, power and water necessary to carrying out and completion of the work. Further, Owner will cooperate with the Contractor to facilitate the performance of the work, including the removal and replacement of rugs, covering and furniture as necessary.
- k) Occupancy Provision. The premises are to be occupied/vacant during the course of the construction work.
- l) Condition of Premises. The Contractor agrees to keep premises clean and orderly during the course of the work and remove all debris at the completion of the work. Materials and equipment that have been removed and replaced as part of the work shall belong to the Contractor unless stated otherwise.
- m) Interest of LPA Personnel and Local Public Officials. No member of the governing body of the LPA who exercises any functions or responsibilities in connection with the administration and/or Community Development IBMCO05, no other officer or employee of the LPA or public official of the City of Gary, who exercises such functions or responsibilities, and no member of the City Council of the City of Gary shall have any interest, direct or indirect, in this Contract.
- n) Contract Documents. The Contract shall consist of this Contract, the Bid and Proposal, the General Conditions as herein above set out, and the specifications of the work to be done completed as shown on Schedule A attached and the drawings, if any, are identified as follows:
- o) "Contractor agrees to comply with the LPA specification Booklet instructing the contractor concerning bidding, General conditions, minimum standards; and special requirements."

**IX. LIENS:**

- 1) It is further understood and agreed that the Contractor will furnish the owner waivers of mechanics' liens of Sub-Contractors and materialmen who have done work on or furnished material for said contract. Upon final payment under the contract the Contractor shall furnish to the Owner a waiver of liens duly signed by the Contractor.

**X. SALES OR USE TAX:**

- 1) Any sales or use tax expense arising under this contract shall be borne by the Contractor.

**XI. DEFAULT:**

- 1) In the event Contractor fails to furnish materials or execute work in accordance with the provisions of this Contract, or fails to proceed with or complete the work within the time limit specified in this Contract, or if the provisions of the Contract are otherwise violated by the Contractor, the Owner upon ten (10) calendar days written notice to the Contractor, shall have the right to terminate the Contract. Said notice shall contain the reason for the Owner's intent to declare the Contractor in default under the agreement. In the event the Contractor is declared to be in default and his right to proceed under the agreement terminated, said Contractor shall be liable to the Owner for any damages resulting to Owner by reason of said default.
- 2) In case of default by the Contractor, the Owner may procure the materials and/or services to complete work contracted for from other sources and hold the Contractor responsible for any excess expense occasioned thereby.

**XII. NON-LIABILITY:**

- 1) The parties hereto agree to hold the LPA (DHC) harmless for any damages concerning the undertaking and execution of this agreement.
- 2) The parties further state that to the best of their knowledge no member of



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the LPA (LHC), and no officer, employee, or agent of said agency who exercises any functions or responsibilities in connection with the carrying out of the Project to which this Contract pertains, has any personal interest, direct or indirect in this Contract.

XIII. CONTRACT:

- 1) The executed contract documents shall consist of the following:
  - a. Bid and Proposal
  - b. The Specification Booklet
  - c. The Rehabilitation contract
  - d. List of Work

IVX. BENEFIT:

- 1) This Contract shall be binding upon the parties hereto, their heirs, personal representatives and successors.

XV. CONDITION FOR VALIDITY OF AGREEMENT:

The agreement is contingent upon the receipt by the Owner of a Section 115 Federal Grant or Section 312 Loan in an amount sufficient to cover the cost of the rehabilitation work described herein. If the Federal Grant or Loan is not approved, this Agreement is null and void.

IN WITNESS WHEREOF, the Contractor has executed this Bid and Proposal and Contract and the Owner has executed acceptance and the LPA has executed their approval upon the dated hereinafter set out.

CONTRACTOR

FREDDIE'S RUG SERVICE  
 Names of Contractor  
 Signature of Contractor  
 1968 W. 11th Ave., Gary, IN  
 Address of Contractor

ACCEPTANCE OF OWNER

R.B. & Nella Rogers  
 Name of Owner(s)  
 Signature of Owner(s)  
 849 Martin Luther King Dr., Gary, IN  
 Address of Owner(s)

STATE OF INDIANA )  
 )SS  
 COUNTY OF LAKE )

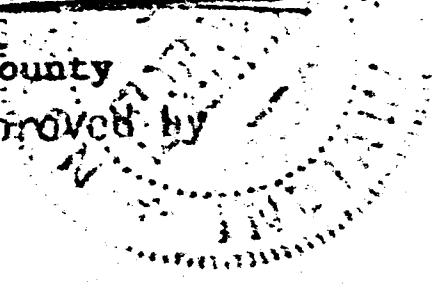
Before me, the undersigned, A Notary Public in and for said County and State, This 29th day of Nov. 19 79 personally appeared: Freddie's Rug Service as Contractor, and acknowledge the execution of the foregoing contract. In witness whereof, I have hereto subscribed my name and affixed my official seal. My Commission Expires May 24 19 80.

*[Signature]*  
 Raymond Williams—Lake County

Before me, the undersigned, A Notary Public in and for said County and State, This 29th day of November 19 79 personally appeared: R.B. Rogers as Owner, and the Department of Housing Conservation, the City of Gary, Indiana by Kenneth Goodwin its Acting Director, and acknowledge the execution of the foregoing contract. In witness whereof, I have hereto subscribed my name and affixed my official seal. My Commission Expires May 24 19 80.

*[Signature]*  
 Raymond Williams—Lake County

This instrument was prepared by Nelson Roberts, Financial Officer and approved by Attorney Julian Allen, 2009 Broadway, Gary, Indiana.





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GUARANTEE

FREDDIE'S RUG SERVICE

\_\_\_\_\_ , hereinafter referred to as Contractor,  
 hereby agrees that all material and workmanship effected by the Contractor on  
 premises located at 849 Martin Luther King Dr. Gary, Lake County, Indiana  
 shall be guaranteed for one (1) year from the date of acceptance by the Owner.  
 Neither the final acceptance or final payment shall relieve the Contractor for ne-  
 gligences or faulty materials and any defects due to negligence or faulty materials  
 shall be remedied by the Contractor at his expense upon written notice by the pro-  
 perty Owner. This guarantee is in lieu of all other warranties, expressed or implied,  
 or fitness or mercantibility or any consequential loss or damages.  
 In the event a dispute arises as to the cause of damage to said premises within one  
 (1) year from date of acceptance said dispute shall be subject to binding arbitra-  
 tion. The Contractor and Owner shall each appoint one (1) person to arbitrate the  
 dispute along with one (1) additional party mutually agreed upon by the representa-  
 tive of the Contractor and Owner. The decision of the three (3) man Arbitration  
 Committee shall be binding upon the Contractor and Owner.



DATE: \_\_\_\_\_

Owner  
 \_\_\_\_\_  
 TITLE  
 \_\_\_\_\_  
 FREDDIE'S RUG SERVICE  
 \_\_\_\_\_  
 NAME OF COMPANY  
 \_\_\_\_\_  
 1968 W. 11th Ave., Gary, IN  
 \_\_\_\_\_  
 ADDRESS