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1105 Gostlin  
Hammond  
46327

NOVATION: SUBSTITUTION OF OBLIGATION AND PARTIES

AGREEMENT made and entered into this 21st day of November, 1984, by and between Hoyt Jernigan, Steven S. Quist, and Nicholas Nimerala, Jr.

Recitals

Hoyt Jernigan, Steven S. Quist, and Nicholas Nimerala, Jr. on the 1st day of May, 1981, entered into a certain agreement for the conditional sale of real estate, a copy of said agreement being attached hereto and marked "Original Agreement," whereby Hoyt Jernigan agreed to sell and Steven S. Quist and Nicholas Nimerala, Jr. agreed to buy the following described parcel of real estate:

Lots 45 and 46, Block 1, F.R. Mott's Second Addition to Hammond, as shown in Plat Book 2 page 9, in Lake County, Indiana

and more commonly known as 1105 Gostlin, Hammond, Indiana.

The parties to this original agreement now desire to extinguish the obligations of the original agreement and replace said contract with a new agreement. The parties to the original agreement further desire that Nicholas Nimerala, Jr. not be made a party to the new agreement and that Steven S. Quist become the sole obligor under the terms of the new agreement.

IT IS THEREFORE AGREED:

Extinguishment of Old Agreement

Hoyt Jernigan, Steven S. Quist, and Nicholas Nimerala do hereby extinguish the original contract described above and replace it with the contract attached hereto and marked "New Agreement." This Agreement supersedes the original contract and all rights and obligations under the original contract are extinguished. It is understood by all parties that the former contract as described above is completely at an end, and that all contract rights will henceforth flow from the new agreement alone.

Executed at East Chicago, Indiana, on the day and year above written.

Hoyt Jernigan  
Hoyt Jernigan

Steven S. Quist  
Steven S. Quist

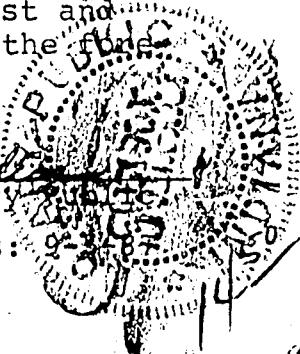
Nicholas Nimerala, Jr.  
Nicholas Nimerala, Jr.

STATE OF INDIANA )  
                          ) SS:  
COUNTY OF LAKE )

Before me the undersigned, a Notary Public for Lake County, State of Indiana, personally appeared Hoyt Jernigan, Steven S. Quist and Nicholas Nimerala, Jr. and acknowledged the execution of the foregoing instrument this 21st day of November, 1984.

Diane Kavadias  
Diane Kavadias, Notary Public  
My Commission Expires: \_\_\_\_\_

STATE OF INDIANA/SS: NO.  
LAKE COUNTY  
FILED FOR RECORD  
NOV 21 1 10 PM '84  
RODOLPH CLAY RECORDERS  
RECORDED





THIS CONTRACT, made and entered into by and between HOYT JERNIGAN (hereinafter called "Seller") and STEVEN S. QUIST (hereinafter called "Buyer"),

WITNESSETH:

Seller hereby agrees to and does sell to Buyer, and Buyer hereby agrees to and does purchase from Seller, the following described real estate (including any improvement or improvements now or hereafter located on it) in Lake County, Indiana, (such real estate, including improvements, being hereinafter called the "Real Estate"):

Lots 45 and 46, Block 1, F.R. Mott's Second Addition to Hammond, as shown in Plat Book 2 page 9, in Lake County, Indiana.

Commonly known as: 1105 Gostlin  
Hammond, Indiana

upon the followings covenants, terms and conditions:

I. The Purchase Price and Manner of Payment

1. The Purchase Price. As the purchase price for the Real Estate, Buyer agrees to pay to Seller and Seller agrees to accept from Buyer the sum of TWENTY-THREE THOUSAND NINE HUNDRED ONE and 72/100 Dollars (\$ 23,901.72 ).

2. The Manner of Payment. The sum of Five Hundred and 00/100 Dollars (\$500.00) shall be paid monthly beginning December 1, 1984 and on the same date of each month thereafter, until the remainder of the purchase price, with interest as herein provided, has been paid in full.

The unpaid balance of the purchase price shall bear interest at the rate of 10% per annum, such interest to be computed monthly, in advance, on first day of each month upon the principal sum unpaid at the beginning of such period. The amount of interest so found due shall be deducted from the amount of aggregate payments made during the succeeding period and the balance of the aggregate of such payments shall be credited against the principal.

All payments due hereunder shall be made to Hoosier State Bank, 5255 Hohman Avenue, Hammond, Indiana or at such other place as Seller shall designate in writing.

II. Prepayment of Purchase Price

Buyer shall have the privilege of paying without penalty, at any time, any sum or sums in addition to the payments herein required. It is agreed that no such prepayments, except payment in full, shall stop

the accrual of interest on the amount so paid until the next succeeding computation of interest after such payment is made. Interest shall not accrue after the date on which Buyer makes any payment that constitutes full payment of the purchase price.

### III. Taxes, Assessments, and Insurance

1. Taxes. Buyer agrees to assume and pay the taxes on the Real Estate beginning with the installment payable November, 1984 and all installments of taxes due and payable thereafter.

2. Assessments. Buyer agrees to pay any assessments or charges upon or applying to the Real Estate for public or municipal improvements or services which, after the date of this Agreement, are constructed or installed on or about the Real Estate or otherwise serve the Real Estate.

3. Penalties. Buyer agrees to pay any penalties, whether in the form of interest or otherwise, in connection with the late or untimely payment of such taxes, assessments or charges.

4. Insurance. Buyer agrees to keep the improvements included in the Real Estate insured under fire and extended coverage policies and to pay premiums on such insurance policies as they become due. Such insurance shall be carried in a company or companies approved by Seller and in an amount not less than the balance of the purchase price due hereunder. Such policy or policies shall be issued in the name of Seller and Buyer, as their respective interests may appear, and shall be delivered to and retained by Seller during the continuance of this contract.

5. Seller's Right to Perform Buyer's Covenants. If Buyer fails to perform any act or to make any payment required of him by this Article III, Seller shall have the right at any time, without notice, to perform any such act or to make any such payment, and in exercising such right, to incur necessary and incidental costs and expenses, including attorney fees. Nothing in this provision shall imply any obligation on the part of Seller to perform any act or to make any payment required of Buyer.

The exercise of the right by Seller shall not constitute a release of any obligation of Buyer under this Article III or a waiver of any remedy given Seller under this contract, nor shall such exercise constitute an estoppel to the exercise by Seller of any right or remedy of his for a subsequent failure by Buyer to perform any act or make any payment required by him under this Article III.

Payments made by Seller and all costs and expenses incurred by him in connection with the exercise of such right shall, at the option of Seller, either (a) be payable to Seller by Buyer within 30 days after demand, or (b) be added to principal. In any event such payments and such costs and expenses shall bear interest from the respective dates of making payment or incurring costs and expenses.

#### IV. Possession

Seller shall deliver to Buyer full and complete possession of the Real Estate upon the execution of this contract.

#### V. Evidence of Title

If Buyer is not in default under this contract, Seller shall furnish Buyer an owner's title insurance policy disclosing marketable title to the Real Estate to a date which is the earlier of (a) a date (after the date of this contract) specified by Buyer in a notice to Seller or (b) a date 60 days prior to the date the final installment under this contract is due.

A title insurance policy furnished under this contract shall be in the amount of the purchase price and shall be issued by an insurer satisfactory to Buyer.

Any further title evidence shall be at the expense of Buyer, provided, however, that the cost of additional title evidence necessitated by the acts or omissions of Seller or by any judicial proceeding affecting the Real Estate shall be borne by Seller.

Seller covenants and agrees that upon the payment of all sums due under this contract and the prompt and full performance by Buyer of all his covenants and agreements herein made, Seller will convey or cause to be conveyed to Buyer, by Warranty Deed, the above described Real Estate subject to restrictions and easements of record as of a date on or before the date of this contract and all taxes and assessments which are Buyer's obligations.

#### VI. Seller's Right to Mortgage Real Estate

Seller shall have the right to obtain, without Buyer's consent, a loan or loans secured by mortgage on the Real Estate, and the right to renew any such loan or loans. Seller agrees, however, that the aggregate principal balances of all such loans shall never exceed the unpaid balance of the purchase price for the Real Estate under this contract. If Seller encumbers the Real Estate by a mortgage, Buyer shall have the right to make any omitted payment or payments and to deduct the amount thereof from payments due under this contract. Seller agrees, however, that he will pay all such mortgage loans when due or at such time as Buyer pays in full all sums due under this contract, and Seller shall obtain valid releases of all such mortgage loans when they are paid.

#### VII. Assignment of Contract

Buyer may not sell or assign this contract, Buyer's interest therein, or Buyer's interest in the Real Estate, without the written consent of Seller; provided, however, that any such consent shall not be unreasonably withheld, and that no assignment shall operate to relieve either party from liability hereon.

VIII. Use of the Real Estate by Buyer, Seller's Right to Inspection and Buyer's Responsibility for Injuries

1. Use. The Real Estate may not be rented, leased or occupied by persons other than Buyer. Buyer may make alterations, changes and make additional improvements without the written consent of Seller having first been obtained. Buyer shall use the Real Estate carefully, and shall keep the same in good repair at his expense. No clause in this contract shall be interpreted so as to create or allow any mechanics, labor, materialmen, or other creditors of Buyer or of an assignee of Buyer to obtain a lien or attachment against Seller's interest herein. Buyer shall not commit waste on the Real Estate. In his occupancy of the Real Estate, Buyer shall comply with all applicable laws, ordinances, and regulations of the United States of America, of the State of Indiana, and of the City and County where the Real Estate is situated. In the event of Buyer's breach of this covenant and a re-entry by Seller, Buyer shall deliver the Real Estate to Seller in as good condition as they are now, ordinary wear and tear, acts of God and public authorities excepted.

2. Seller's Right of Inspection. Seller shall have the right to enter and inspect the Real Estate at any reasonable time.

3. Buyer's Responsibility for Accidents. As a part of the consideration hereof, Buyer assumes all risk and responsibility for accident or damage to person or property arising from the use of or in or about the Real Estate.

IX. Seller's Remedies on Buyer's Default

It is expressly agreed by Buyer that time is of the essence of this Contract. Upon the occurrence of any Event of Default, as hereinafter defined, and at any time thereafter, the entire Contract Balance, and all accrued, unpaid interest thereon, shall, at the option of Seller, become immediately due and payable without any notice, presentment, demand, protest, notice of protest, or other notice of dishonor or demand of any kind, all of which are hereby expressly waived by Buyer, and Seller shall have the right to pursue immediately any and all remedies, legal and equitable, as are available under applicable law to collect such Contract Balance and accrued interest, to foreclose this Land Contract, and as may be necessary or appropriate to protect Seller's interest under this Contract and in and to the Real Estate. The following shall each constitute an "Event of Default" for purposes of this Contract:

(a) Default by Purchaser for a period of ten (10) days in the payment of (i) any installment of the Purchase Price when due under the terms of this Contract, (ii) any installment of real estate taxes on the Real Estate or assessment for a public improvement which by the terms of this Contract are payable by Buyer, or (iii) any premium for insurance required by the terms of this Contract to be maintained by Buyer;

(b) Default, for a period of thirty (30) days after written notice thereof is given to Buyer, in the performance or observation of any other covenant or term of this Contract;

(c) Lease or encumbrance of the Real Estate or any part thereof, other than as expressly permitted by this Contract, or the making of any levy, seizure or attachment thereof or thereon or a substantial, uninsured loss of any part of the Real Estate;

(d) Buyer (i) institutes or consents to any proceedings in insolvency, or for the adjustment, liquidation, extension or composition or arrangement of debts or for any other relief under any insolvency law or laws relating to the relief or reorganization of debtors', (ii) files an answer admitting bankruptcy or insolvency or in any manner is adjudged insolvent, or (iii) makes an assignment for the benefit of creditors or admits in writing inability to pay debts as they become due; provided, however, this paragraph (d) shall not apply to any proceeding in bankruptcy;

(e) Any part of Real Estate or all or a substantial part of the property or assets of Buyer is placed in the hands of any receiver, trustee or other officers or representatives of any court, or Buyer consents, agrees or acquiesces to the appointment of any such receiver or trustee;

(f) Desertion or abandonment of the Real Estate, or any part thereof, by Buyer;

(g) Actual or threatened alteration, demolition or removal of any improvements which are a part of the Real Estate, except as expressly allowed by the terms of this Contract;

(h) Sale, transfer, conveyance or other disposition of Buyer's interest in this Contract or other disposition of Buyer's interest in this Contract or Buyer's interest in the Real Estate, or any part thereof, without Seller's prior written consent.

In the event Buyer deserts or abandons the Real Estate or commits any other willful breach of this Contract which materially diminishes the security intended to be given to Seller under and by virtue of this Contract, then, it is expressly agreed by Buyer that, unless Buyer shall have paid more than Four Thousand Eight Hundred Dollars (\$4,800.00) of the Purchase Price, Seller may, at Seller's option, cancel this Contract and take possession of the Real Estate and remove Buyer therefrom, or those holding or claiming under Buyer without any demand and to the full extent permitted by applicable law. In the event of Seller's cancellation upon such default by Buyer, all rights and demands of Buyer under this Contract and in and to the Real Estate shall cease and terminate and Buyer shall have no further right, title or interest, legal or equitable, in and to the Real Estate and Seller shall have the right to retain all amounts paid by Buyer toward the Purchase Price as an agreed payment for Buyer's possession of the Real Estate prior to such default. Such retention shall not bar Seller's right to recover damages for unlawful detention of the Real Estate after default, for any failure to pay taxes or insurance, for failure to maintain the Real Estate at any time, for waste committed thereon or for any other damages suffered by Seller, including reasonable attorneys' fees incurred by Seller in enforcing any right hereunder or in removing any encumbrance on the Real Estate made or suffered by Buyer.

All of Seller's remedies shall be cumulative and not exclusive. Failure of Seller to exercise any remedy at any time shall not operate as a waiver of the right of Seller to exercise any remedy for the same or any subsequent default at any time thereafter.

Before Seller shall pursue any of his right or remedies under this Article IX, he shall first give Buyer written notice of the default complained of and Buyer shall have thirty (30) days from the posting of such notice to correct any default; additionally, thirty (30) days' notice shall be required in the case of any default in payment of any monies agreed to be paid by Buyer under this Contract.

X. General Agreements of Parties

All covenants hereof shall extend to and be obligatory on the heirs, personal representatives, successors and assigns of the parties. When applicable, the singular shall apply to the plural and the masculine to the feminine or neuter. Any notices to be given hereunder shall be deemed sufficiently given when (1) served on the person to be notified or (2) placed in an envelope directed to the person to be notified at his last known address and deposited in a United States Post Office mail box postage prepaid.

Unless the rate of interest is otherwise specifically stated, interest provided by this Contract shall be computed at the rate set forth in paragraph 2 of Article I of this contract or if no rate is there set forth at the rate of 10% per annum.

IN WITNESS WHEREOF, the Seller and Buyer have executed this instrument in duplicate on this 21st day of November, 1984.

Steven S. Quist  
Steven S. Quist, Buyer

Hoyt Jernigan  
Hoyt Jernigan, Seller

STATE OF INDIANA )  
                          ) SS:  
COUNTY OF LAKE )

Before me, a Notary Public for Lake County, State of Indiana, personally appeared Steven S. Quist and Hoyt Jernigan and each acknowledged the execution of the foregoing instrument.

Signed and sealed this 21st day of November, 1984.

Diane Kavadias  
Diane Kavadias, Notary Public

My Commission Expires: 9-5-87

