

792711

5716 W. 45<sup>th</sup>  
Gary 46408

LAND CONTRACT

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THIS LAND CONTRACT ("Contract") has been executed this 16 day of February, 1985, by Eleanor B. Leese ("Vendor"), and Arthur L. and Linda Russell ("Purchasers"):

WITNESSETH that the parties agree as follows:

Vendor hereby sell to Purchasers, and Purchasers hereby purchase from Vendor, the following described real estate, together with all improvements thereon or belonging thereto, located in Lake County, Indiana ("Real Estate"), being more particularly described as follows:

Lots six (6) and seven (7), in Block seven (7), J. R. Brant's Forty-fifth Avenue Gardens, as shown in Plat Book 21, page 19, in Lake County, Indiana.

More commonly known as 5716 West 45th Avenue, Gary, Indiana.

all upon the following covenants, terms and conditions:

I. Purchase Price and Manner of Payment.

A. Purchase Price. The Purchase Price for the Real

Estate shall be the sum of Thirty-one Thousand Five Hundred Dollars (\$31,500.00) ("Purchase Price"), which Purchasers jointly and severally agree to pay Vendor in accordance with the terms and conditions of this contract, without relief from valuation and appraisement laws and with reasonable attorneys' fees after default and referral to an attorney for collection.

B. Manner of Payment. The Purchase Price shall be paid in the following manner:

1. The principal balance of the Purchase Price ("Contract Balance") in the amount of Thirty-one Thousand Five Hundred Dollars (\$31,500.00) shall be paid to Vendor by Purchasers, together, with interest at the rate of ten percent (10%) per annum ("Per Annum Rate"), as follows:

With interest computed from March 1, 1985, on the monthly unpaid Contract Balance at the Per Annum Rate, in equal monthly installments of Two Hundred Dollars (\$200.00) per month for twelve (12) consecutive months, which installment payments shall commence on March 1, 1985 and shall continue thereafter on the 1st day of each successive calendar month to and including

STATE OF INDIANA  
LAKE COUNTY  
FILED  
FEB 21 9 56 AM '85  
RECORDING  
RUDDERMAN & ASSOCIATES  
RECORDERS

25<sup>00</sup>

February 1, 1986. Thereafter, on the 1st day of March, 1986, the entire Contract Balance, together with all accrued interest thereon, shall be paid in full. However, in the event the Purchasers are not able, after a reasonable and diligent effort, to obtain conventional fixed rate FHA or comparable mortgage loan financing for a period of 30 years at an interest rate not to exceed 14% per annum with a loan fee not to exceed 4 points, Vendor agrees to execute a new real estate contract to take effect on March 1, 1986, providing for amortization of the unpaid Contract Balance, together with accrued interest as of February 28, 1986, at an interest rate of 10% per annum for a period of 30 years. This new real estate contract shall provide for terms similiar to those contained in this document and shall provide for the Purchasers, on an annual basis to make a reasonable and diligent effort to obtain conventional FHA or comparable fixed rate mortgage loan financing, for 30 years, with a interest rate not to exceed 14% per annum with a loan fee of not greater than 4 points. This new contract shall also provide that in the event Purchasers fail to make a reasonable and diligent effort to obtain the requisite financing, that Vendor shall have the right to secure said financing on the Purchasers' behalf.

2. In the event Purchasers are delinquent beyond the 15th day of any month in which an installment payment required under the terms of this contract is due, Vendor shall have the right to assess a five percent (5%) penalty charge on the entire amount due and owing for that particular month.

3. Purchasers may make prepayments of any amount due hereunder at any time and without penalty or premium. No partial prepayment of the Contract Balance shall relieve Purchasers from continuing to make scheduled payments as they become due and payable. All payments made by Purchasers, including prepayments, shall be applied first to interest due and payable and the balance, if any, to principal.

4. All payments shall be made to Vendor at 4828 West 73rd Avenue, Merrillville, Indiana 46410, or to such other place or persons as Vendor may direct by written notice to Purchasers.

remedy and each and every such right or remedy shall be cumulative and in addition to any other right or remedy available under this contract.

In any judicial proceeding to enforce this contract, Purchasers specifically waive, to the extent they lawfully may do, their right, if any, to a hearing preliminary to a judicial order for immediate possession of the Real Estate to be granted to Vendor under applicable law.

Vendor and Purchasers agree that in the event Purchasers default and suit is brought to enforce this contract or seek termination of the contract, the parties agree that the issue of whether Purchasers have made a substantial down payment requiring judicial foreclosure of the land contract shall be determined by the court appointing a qualified real estate appraiser (M.A.I. qualified or equivalent) to appraise the property as of the date of Purchasers' default with the charges of the appraiser being added to the court costs in the suit. In the event Purchasers have paid to Vendor on the principal balance of this contract a sum equal to or more than fifteen (15%) percent of the fair market value of the property determined by such an appraisal, the Purchasers shall be determined to have made a substantial down payment and a judicial foreclosure shall be appropriate. In the event the Purchasers' payments are less than fifteen (15%) percent of the fair market value so determined, Purchasers shall be determined to not have made a substantial down payment and judicial foreclosure shall not be required.

All sums payable under this contract are payable with accrued interest and without relief from valuation or appraisal laws. In addition to any other sum payable by Purchasers under this contract, Purchasers shall pay any reasonable expense, including but not limited to attorneys' fees, cost of foreclosure reports or other title evidence, fees of appraisers or other expenses or fees incurred by Vendor in connection with the exercise of any right or remedy under this contract, and the preparation and delivery of notice.

XII. Definitions of Default.

The following shall constitute an "Event of Default" for purposes of this Contract:

A. Default by Purchasers for a period of greater than thirty (30) days in the payment of:

1. any installment of the Purchase Price when due under the terms of this contract;

2. 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 Purchasers; or,

3. any premium for insurance required by the terms of this Contract to be paid by the Purchasers;

B. Default, for a period of ten (10) days after written notice thereof is given to Purchasers, 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 any levy, seizure or attachment thereof or thereon or a substantial, uninsured loss of any part of the Real Estate;

D. Purchasers:

1. institute or consent to any proceedings in insolvency or bankruptcy, or for the adjustment, liquidation, extension or composition or arrangement of debts or for any other relief under any bankruptcy or insolvency law or laws relating to the relief or reorganization of debtors;

2. are adjudicated a bankrupt, file an answer admitting bankruptcy or insolvency or in any manner are adjudged insolvent; or,

3. make an assignment for the benefit of creditors or admit in writing inability to pay debts as they become due;

E. Any part of Real Estate or all or a substantial part of the property or assets of Purchasers are placed in the hands or any receiver, trustee, or other officers or representatives of any court, or Purchasers consent, agree, or acquiesce to the appointment of any such receiver or trustee;

F. Desertion or abandonment of the Real Estate, or any part thereof, by Purchasers;

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 Purchasers' interest in this Contract or Purchasers' interest in the Real Estate, or any part thereof, without Vendor' prior written consent.

XIII. Additional Covenants and Representations of Vendor.

Upon payment by Purchasers of the installments under provisions of this Contract, and the performance by Purchasers of all Covenants and Conditions which by the terms of this Contract are to be performed by Purchasers, Vendors agree and covenants to convey the Real Estate to Purchasers by general warranty deed subject only to easements and restrictions of record as of the date of this Contract; highways and legal rights-of-way; to the rights of persons in possession; to a lien of all taxes and assessments payable by Purchasers hereunder; and to any other encumbrances which by the terms of this Contract are to be paid by Purchasers.

XIV. Indemnification.

If Vendor shall incur or expend any sums, including, but not limited to, reasonable attorneys' fees whether in conjunction with any action or proceedings or not, to enforce the terms and provisions of this Contract, or to protect or enforce Vendor' rights hereunder, or to recover any amount due under this Contract, all such sums shall become immediately due and payable by Purchasers. All such sums shall be added to the Contract Balance and shall be the obligation of the Purchasers to pay prior to obtaining title to the Real Estate.

XV. General Agreement of Parties.

This Contract shall extend to and be binding upon the heirs, personal representatives, successors and assigns of the parties. When applicable, use of the singular form of any word

also shall mean or apply to the plural. Any notices to be given hereunder shall be deemed sufficiently given when:

A. actually served on the person to be notified, or notified at the following address and deposited in the United States mails by certified or registered mail, postage prepaid.

1. If to Vendor, at the address to be designated by Vendor in writing.

2. If to Purchasers, at: 5716 West 45th Avenue, Gary, Indiana 46401. Such address may be changed by any party by written advice as to the new address delivered to the other parties as above provided.

Whenever consent is required of any party hereunder for the occurrence of any act, such consent shall not unreasonable be withheld.

XVI. Recording.

This agreement, or a memorandum thereof, may be recorded by Purchasers, at Purchasers' expense.

IN WITNESS WHEREOF, Vendor and Purchasers have executed this instrument on the 16 day of February, 1985.

VENDOR

PURCHASERS

Eleanor Leese  
Eleanor Leese  
B.

Arthur L. Russell  
Arthur L. Russell

Linda Russell  
Linda Russell

VENDOR'S ACKNOWLEDGEMENT

State of Indiana )  
County of Porter ) SS:

Before me, a Notary Public in and for said County and State, personally appeared Eleanor<sup>B</sup>Leese who acknowledged the execution of the foregoing Land Contract.

Witness my hand and Notary Seal this 16 day of February, 1985.

My Commission Expires: 6-10-88

Robert J. Sakl  
Notary Public  
Resident of Porter County

PURCHASERS' ACKNOWLEDGEMENT

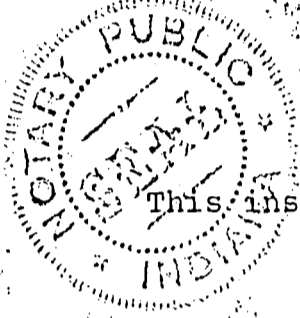
State of Indiana )  
                          ) SS:  
County of \_\_\_\_\_)

Before me, a Notary Public in and for said County and State, personally appeared Arthur L. Russell and Linda Russell who acknowledged the execution of the foregoing Land Contract.

Witness my hand and Notary Seal this 16 day of February, 1985.

My Commission Expires:  
6-10-88

Randall J. Zromkoski  
Notary Public  
Resident of Park County



This instrument prepared by: Randall J. Zromkoski  
BLACHLY, TABOR, BOZIK & HARTMAN  
401 Indiana Federal Building  
Valparaiso, Indiana 46383  
(219) 464-1041

II. Taxes and Insurance.

A. Taxes. Seller agrees to pay and discharge any taxes due for the year 1984, payable in 1985 and any taxes for 1985, payable in 1986 pro rated to the date of this contract. Commencing on the first day of the first full month following the date of this Contract, Buyer agrees to pay to the Seller, per month, a sum equal to one-twelfth (1/12) of the annual real estate taxes due for 1985, payable 1986, which shall be held by Seller and applied to the pro rata share of real estate taxes owed by the Buyer for the year 1985, payable in 1986. Buyer further agrees that upon notice of submission of evidence of any increase in taxes that said monthly payment will be increased in the amounts sufficient so that Buyer is in effect paying one-twelfth (1/12) of the subtotal due for real estate taxes on the above-described real estate each month to Seller. Seller covenants that each installment of said real estate taxes will be paid in full in the month that they are due. Seller shall provide to Buyer a copy of the tax statement showing payment of taxes as proof of payment thereof in July and December of each year.

B. Assessments. Purchasers shall pay all assessments for municipal and other improvements becoming a lien after March 1, 1985. Vendor covenant and agree to pay all such assessments becoming a lien prior to such date.

C. Insurance. It is agreed that the Purchasers shall obtain, and give adequate proof of payment for the first year's premiums, for an insurance policy covering the real estate which is the subject matter of this contract under a multi-peril policy in a company approved by Vendor, which approval shall not be unreasonably withheld. Such insurance shall provide hazard insurance coverage against loss by fire, lightning, wind, storm, and other perils insured against an extended coverage rider to fire policies in an amount not less than the Contract Balance or the full extent of Purchasers' insurable value, whichever is less, ("Required Insurance"). The insurance required under this paragraph shall be issued in the names of Vendor and Purchasers



as their respective interests appear, and shall provide that the insureds may not cancel or materially change coverage without ten (10) days prior written notice to the Vendor. Said insurance, together with all additional or substituted insurance shall contain appropriate riders or loss payable clauses for the protection of the interests of all parties concerned, including the first mortgagee, if any. At all times, such insurance shall at least comply with the insurance required by the first mortgage.

It is further agreed that commencing on the first day of the first full month following the date of this contract, Purchasers shall pay to Vendor, per month, a sum equal to one-twelfth (1/12) of the annual premium due for said insurance policy payable in 1986 which shall be held by Seller and applied to the premiums due for insuring said property in 1986. Purchasers further agree that upon notice and submission of evidence of any increase in the premium due for said insurance that said monthly payment will be increased in an amount sufficient so that Purchasers are, in effect, paying one-twelfth (1/12) of the sum total due for the annual premium covering said insurance on the above-described real estate each month to Vendor. Vendor covenants that each premium payment for said insurance will be paid in full in the months that they are due. Vendor shall provide to Purchasers a copy of the receipt showing payment of the premium and proof of payment within thirty (30) days of the due date of each premium installment. In the event this contract is terminated pursuant to its terms, any monies held by Vendor in escrow to pay insurance pursuant to this section shall be promptly refunded to the Purchasers.

Except as otherwise may be agreed in writing, any insurance proceeds received as payment for any loss of or damage to the Real Estate covered by Required Insurance shall be applied to restoration and repair of the loss or damage in such fashion as Vendor reasonably may require, unless such restoration and repair is not economically feasible or there exists an uncured Event of Default by Purchasers under this Contract on the date of

receipt of such proceeds, in either of which events, the proceeds may be applied, at Vendor' option, toward prepayment of the Contract Balance, with any excess to be paid to Purchasers.

D. Payment by Vendor. If Purchasers fail to perform any act or to make any payment required of Purchasers under this Agreement, Vendor 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 attorneys' fees. Nothing in this provision shall imply any obligation on the part of Vendor to perform any act or to make any payment required of Purchasers.

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

Payments made by Vendor and all costs and expenses incurred by him in connection with the exercise of such right shall, at the option of Vendor, either (i) be payable to Vendor by Purchasers within thirty (30) days after demand, or (ii) be added to the Contract Balance.

### III. Possession.

Vendor shall give Purchasers full and complete possession of the Real Estate, and the right to any rental income therefrom (which shall be pro-rated as of the date of possession), as of the date of execution of this Contract.

### IV. Evidence of Title.

Vendor has furnished Purchasers with evidence of title to the Real Estate, satisfactory to Purchasers, which shows a merchantable title to the Real Estate in Vendor as of the date thereof. Any further evidence or assurance of title shall be obtained at the expense of Purchasers. Vendor shall have the right to retain possession of any abstract of title to the Real Estate or Preliminary Letter of Title Insurance until the entire

Purchase Price, and all accrued interest thereon, has been paid in full.

Upon payment in full of the Purchase Price as recited herein, Vendor will furnish to Purchasers, at Vendor's sole expense, an owner's policy of title insurance in the amount of the Purchase Price called for herein showing merchantable title in Vendor.

V. Warranties of Vendor.

Vendor hereby warrants that Vendor has good and merchantable title to the Real Estate, free and clear of any and all liens, leases, restrictions, and encumbrances, except as follows:

- A. Easements and restrictions;
- B. Current real estate taxes not yet delinquent;
- C. Highways and legal rights-of-way;
- D. Ditches and drains.

Vendor further represents and warrants the following as of the date hereof; Vendor has made no contract to sell all or a part of the Real Estate to any person other than the Purchasers; Vendor has not given to any person an option, which is presently exercisable, to purchase all or any part of the Real Estate; there are no unpaid claims for labor done upon or material furnished for the Real Estate in respect of which liens have been or may be filed; the improvements upon the Real Estate are all located entirely within the bounds of the Real Estate, and there are no encroachments thereon; there are no existing violations of municipal, village or county zoning ordinances or other restrictions applicable to the Real Estate; there is no judgment of any court of the State of Indiana or of any court of the United States that is or may become a lien on the Real Estate; and Vendor are neither principal nor surety on any bond payable to the State of Indiana.

VI. VENDOR'S RIGHT TO MORTGAGE REAL ESTATE

Vendor shall ~~not~~ <sup>L.R. A.R. 65h.</sup> have the right without Purchasers' consent, to encumber the Real Estate with a mortgage. Any such mortgage by its terms shall be subordinated to the rights of

Purchasers under this Contract. In all events, the balance due in respect of any such mortgage at no time shall exceed the unpaid balance of the Purchase Price. If Vendor encumbers the Real Estate by a mortgage, or the Real Estate is on the date of this Contract so encumbered, and Vendor defaults thereunder, Purchasers shall have the right to cure such default and to deduct the cost thereof from the next payment or payments due under this Contract. Vendor shall pay all amounts due under any such mortgage when due and shall pay, discharge and obtain the release of any such mortgage upon Purchasers' payment in full of the Contract Balance and all interests accrued thereon.

VII. Transfer of Purchasers' Interest--Condemnation.

Purchasers' interest in this Contract and Purchasers' interest in the Real Estate may not be sold, assigned, pledged, mortgaged, encumbered or transferred by Purchasers without the written consent of Vendor. If the Real Estate or any part thereof is taken or damaged pursuant to an exercise or threat of exercise of the power of eminent domain, the entire proceeds of the award or compensation payable in respect to the part so taken or damaged are hereby assigned to and shall be paid directly to Vendor. Such proceeds shall be applied, at Vendor's option and without premium, in part or entirely as a prepayment of the Contract Balance or to restoration of the Real Estate; provided, however, that if by electing to apply part of any such award or compensation against the Contract Balance, the Contract Balance is paid in full, then Vendor shall pay the balance to Purchasers.

VIII. Mechanic's Liens.

Purchasers shall not permit any Statement or Intention to hold a Mechanic's Lien to be filed against the Real Estate nor against any interest or estate therein by reason of labor, services or materials claimed to have been performed or furnished to or for Purchasers. If such Statement of Intention to hold a Mechanic's Lien shall be filed, Vendor, at Vendor's option, may compel the prosecution of an action for the foreclosure of such Mechanic's Lien by the lienor. If any such Statement of Intention to hold a Mechanic's Lien shall be filed an an action

commenced to foreclose the lien, Purchasers, upon demand by Vendor, shall cause the lien to be released at Purchasers' expense by the filing of a written undertaking with a surety approved by the court and obtaining an order from the Court releasing the property from such lien. Nothing in this instrument shall be deemed or construed to constitute consent to, or a request to any part for, the performance of any labor or services or the furnishing of any materials for the improvement, alteration or repairing of the Real Estate; nor as giving Purchasers the right or authority to contract for, authorize or permit the performance of any labor or services or the furnishing of any material that would permit the attaching of a valid mechanic's lien.

IX. Indemnification and Release.

Regardless of whether or not separate, several, joint or concurrent liability may be imposed upon Vendor, Purchasers shall indemnify and hold harmless Vendor from and against all damages, claims and liability arising from or connected with Purchasers' control or use of the Real Estate, including without limitation, any damage or injury to person or property. This indemnification shall not include any matter for which the Vendor are effectively protected against by insurance. If Vendor shall become a party to litigation commenced by or against Purchasers, then Purchasers shall indemnify and hold Vendor harmless. The indemnification provided by this paragraph shall include all legal costs and attorneys' fees incurred by Vendor in connection with any such claim, action, or proceeding. Purchasers hereby release Vendor from all liability for any accident, damage or injury caused to person or property, from any cause whatsoever, on or about the Real Estate.

X. Use of the Real Estate by Purchasers; Vendor' Right of Inspection; Purchasers' Responsibility for Accidents.

A. Use. The Real Estate shall not be rented, leased or occupied by persons other than the Purchasers and their immediate family without the express writted permission of the

Vendor. None of the improvements now or hereafter located on the Real Estate shall be materially changed, remodeled, or altered without the prior written consent of Vendor. No additional improvements shall be placed on the Real Estate without the prior written consent of Vendor. Purchasers, at Purchasers' expense, shall use the Real Estate and the improvements thereon carefully and shall keep the same in good repair. Purchasers shall not commit waste on the Real Estate and, with respect to the occupancy and use of the Real Estate, shall comply with all laws, ordinances, and regulations of any governmental authority having jurisdiction thereof.

B. Vendor's Right of Inspection. Until the Purchase Price and all interest thereon is paid in full, Vendor from time to time and at reasonable times, peaceably may enter and inspect the Real Estate.

C. Purchasers' Responsibility for Accidents. Purchasers assume all risk and responsibility for accident, injury or damage to person and property arising from Purchasers' use and control of the Real Estate and the improvements thereon. Purchasers shall insure such risk by carrying standard liability insurance, in such amounts as are satisfactory to Vendor, insuring the Vendor's liability as well as the Purchasers'.

XI. Vendor's Remedies on Purchasers' Default.

It is expressly agreed by Purchasers that time is of the essence of this Contract. If Purchasers fail, neglect or refuse to make any payment under this Contract when due or to perform any of Purchasers' promises, terms and conditions when and as required under this Contract, Vendor may exercise any of the following remedies:

A. Vendor shall have the right to declare this Contract forfeited and terminated, and upon such a declaration, all right, title and interest of Purchasers in and to the Real Estate shall immediately cease and Purchasers shall then be considered as a tenant holding over without permission and Vendor shall be entitled to re-enter and take immediate possession of the Real Estate and to evict Purchasers and all persons claiming

under him and to an immediate assignment of any rents payable to Purchasers as a result of their having leased all or part of the real estate which is the subject matter of this Contract.

B. Separately or in conjunction with their rights under A. above, as Vendor may elect, Vendor shall have the right to file in a court of competent jurisdiction an action to have this Contract forfeited and terminated and to recover from Purchasers all or any of the following:

1. possession of the Real Estate;
2. any installment due and unpaid at the time of filing of the action and becoming due and unpaid from that time until possession of the Real Estate is recovered;
3. interest on the principal from the last date to which interest was paid until judgment or possession is recovered by Vendor, whichever shall occur first; provided, however, that this shall not be construed as allowing Vendor to recover any interest which would be included under Item B. 2. above;
4. the cost of repair of any physical damage or waste to the Real Estate other than damage caused by ordinary wear and tear, acts of God and public authorities;
5. any other amounts (other than payment of the purchase price) which Purchasers are obligated to pay under this contract.

C. In addition to any other remedy under this contract, Vendor shall have such other remedies as are available at law or in equity.

D. In any case, Vendor shall have the right to retain (without prejudice to their right to recover any other sums from Purchasers, or to have any other remedy, under this contract) all payments made by Purchasers to Vendor and all sums received by Vendor as proceeds of insurance or as other benefits or considerations, in each case made or received under this contract.

E. The exercise or attempted exercise by Vendor of any right or remedy available under this contract shall not preclude Vendor from exercising any other right or remedy so available, nor shall any such exercise or attempted exercise constitute or be construed to be an election of remedies, so that no such right or remedy shall be exclusive of any other right or