

#5-4213 Gerlach Realty Exchange
1939 Martha St Munster

THIS FORM HAS BEEN APPROVED BY THE INDIANA STATE BAR ASSOCIATION FOR USE BY LAWYERS ONLY. THE SELECTION OF A FORM OF INSTRUMENT, FILLING IN BLANK SPACES, STRIKING OUT PROVISIONS AND INSERTION OF SPECIAL CLAUSES, CONSTITUTES THE PRACTICE OF LAW AND MAY ONLY BE DONE BY A LAWYER.

R-56525

CHICAGO TITLE INSURANCE COMPANY

845680 CONTRACT FOR CONDITIONAL SALE OF REAL ESTATE

THIS CONTRACT, made and entered into by and between BERNICE F. GERLACH, Executrix of the Estate of Helen S. Strong---, (hereinafter called "Seller") and GARY L. BATES and JANET L. BATES, husband and wife---, (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"):

Part of the Northwest Quarter (NW $\frac{1}{4}$) of the Northwest Quarter (NW $\frac{1}{4}$) of Section thirty-three (33), Township 35 North, Range 9 West of the 2nd. P. M. in the Town of St. John, Indiana, commencing 33 rods (544.5 feet) south from the Northwest Corner thereof and running thence South 12 rods (198.0 feet), thence East 22 rods (363.0 feet) to an Iron Pipe, thence North 12 rods (198.0 feet) to an Iron Pipe, thence West 22 rods (363.0 feet) to the place of beginning, EXCEPTING therefrom the North 90.0 feet as shown in Deed Record 538, page 470, on Nov. 16, 1935, as recorded in the Office of the Recorder of Lake County, Indiana, and also EXCEPTING therefrom the Easterly 96.89 feet.

The above parcel of land after the two EXCEPTIONS contain 0.6597 acres more or less and subject to the Right of Way of U.S. Route 41 (Wicker Avenue).

(Commonly known as 9405 Wicker Avenue, St. John, Indiana 46373) upon the following covenants, terms and conditions:

Section 1. The Purchase Price and Manner of Payment.

1.01. **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 Fifty Thousand Dollars (\$ 50,000.00).

1.02. **The Manner of Payment.** The purchase price shall be paid in the following manner:
(a) The sum of Five Thousand Dollars (\$ 5,000.00)

upon the execution and delivery of this Contract. The receipt of such sum is hereby acknowledged by Seller, leaving an unpaid balance of the purchase price in the sum of Forty-Five Thousand Dollars (\$ 45,000.00).

That amount, as it is reduced by payments and expenses of Buyer properly credited under this Contract, and as it is increased by payments and expenses of Seller properly made and incurred under this Contract, is hereinafter called the "Unpaid Purchase Price".

(b) The Unpaid Purchase Price shall bear interest at the rate of eleven per cent (11 %) per annum. Interest at such rate shall begin to accrue from the date of this Contract, or from the date payments made and costs and expenses incurred by Seller are added to the Unpaid Purchase Price pursuant to this Contract, as may be applicable.

(c) The Unpaid Purchase Price and interest on it shall be paid in monthly installments in the amount of Four Hundred Forty-one Dollars and Six Cents Dollars (\$ 441.06), beginning April 1, 1986. Subsequent installments shall be paid on the same day of each month thereafter until March 1, 1991, at which time the Unpaid Purchase Price, with accrued but unpaid interest, shall be paid in full.

(d) Buyer shall have a grace period of seven (7) days from the due date of any installment required under this Contract within which to pay such installment. If such installment is not actually received by Seller within the grace period, then a late charge in a sum equal to five per cent (5%) of such installment shall accrue and be immediately due and payable.

(e) Each installment received by Seller shall be applied: first to accrued late charges, then to interest accrued to the due date of such installment, and then to the reduction of the Unpaid Purchase Price. Interest shall be computed in arrears unless both Seller and Buyer initial here _____, in which case interest shall be computed in advance.

(f) Each payment under this contract shall be sent to Seller at the following address: c/o Gerlach's Realty Exchange, Inc., 1939 Martha Street, Munster, IN 46321, or at such other address as Seller shall designate in writing.

Section 2. Prepayment of Purchase Price.

2.01. 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 Unpaid Purchase Price.

Section 3. Taxes, Assessments, Insurance, and Condemnation.

3.01. **Taxes.** Buyer agrees to assume and pay the taxes on the Real Estate beginning with the installment payable May, 1987, together with all installments of real estate taxes due and payable thereafter, and Seller agrees to pay all taxes on the Real Estate due prior to said installment. Buyer, upon written notice to Seller, and at Buyer's expense, may contest on behalf of the parties any changes in the assessed value of the Real Estate. Seller shall forward or cause to be forwarded to Buyer, when received, a copy of all statements for taxes and any assessments on the Real Estate which are payable by Buyer hereunder; and Buyer shall provide to Seller, upon request, evidence of payment of such taxes and assessments.

3.02. **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 Contract, are assessed or charged to the Real Estate. Seller agrees to pay any

STATE OF INDIANA
TAXES COUNTY
FILED FOR RECORDED
MAR 19 9 55 AM '87
RUDOLPH SHILAY
RECORDER

16.00

such assessments or charges, to and including the date of this Contract.

3.03. **Penalties.** The parties hereto agree 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, for which they are responsible under this Section 3.

3.04. **Insurance.** At all times during the period of this Contract, Buyer shall: (a) keep the improvements located upon the Real Estate insured under fire and extended coverage policies in an amount not less than the Unpaid Purchase Price, and (b) obtain standard liability insurance with coverages in amounts not less than Fifty Thousand Dollars (\$50,000.00) per person and One Hundred Thousand Dollars (\$100,000.00) per occurrence, and (c) pay premiums on such insurance policies as they become due. Such policies of insurance shall be carried with a company or companies approved by Seller and properly authorized by the State of Indiana to engage in such business. Such policies of insurance shall also be issued in the name of Seller and Buyer, as their respective interests may appear, and shall provide that the insurer may not cancel or materially change coverage without at least ten (10) days prior written notice to Seller. Buyer shall provide Seller with such proof of insurance coverage as Seller from time to time shall reasonably request. Except as otherwise agreed in writing, any insurance proceeds received as payment for any loss of, or damage to, the Real Estate covered by such insurance, shall be applied to restoration and repair of the loss or damage in such fashion as Seller reasonably may require, unless such restoration and repair is not economically feasible, or there exists an unsecured Event of Default by Buyer under this Contract on the date of receipt of such proceeds. In either of such events, the proceeds may be applied, at Seller's option, toward prepayment of the Unpaid Purchase Price, with any excess to be paid to Buyer.

3.05. **Rights of Parties to Perform Other's Covenants.**

(a) If one of the parties hereto (hereinafter called "Responsible Party") fails to perform any act or to make any payment required by this Section 3, the other party (hereinafter called "Nonresponsible Party") shall have the right at any time and 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 the Nonresponsible Party to perform any act or to make any payment required of the Responsible Party under the terms of this Contract.

(b) The exercise of such right by a Nonresponsible Party shall not constitute a release of any obligation of the Responsible Party under this Section 3 or a waiver of any remedy available under this Contract; nor shall such exercise constitute an estoppel to the exercise by a Nonresponsible Party of any right or remedy of his for a subsequent failure by the Responsible Party to perform any act or make any payment required by him under this Section 3.

(c) Payments made and all costs and expenses incurred by a Nonresponsible Party in connection with the exercise of such right shall, at his option, either (i) be paid to him by the Responsible Party within thirty (30) days after written demand therefor; or (ii) on the date the next installment payment is due under this Contract, following written notice, be added to the Unpaid Purchase Price, if Buyer is the Responsible Party, or applied to reduce the Unpaid Purchase Price, if Seller is the Responsible Party.

(d) In the event a Nonresponsible Party makes any such payments or incurs any such costs and expenses, the amount thereof shall bear interest at the rate provided under Section 1 of this Contract, from the respective dates of making the same, until paid in full, or to the date such amounts are added to, or applied against, the Unpaid Purchase Price.

3.06. **Condemnation.** From the date hereof, Buyer shall assume all risk of loss or damage by reason of condemnation or taking of all or any part of the Real Estate for public or quasi-public purposes, and no such taking shall constitute a failure of consideration or cause for rescission of this Contract by Buyer. Should all or any part of the Real Estate be condemned and sold by court order, or sold under the threat of condemnation to any public or quasi-public body, the net amount received for the damage portion shall be retained by Buyer, and the net amount received for the Real Estate value shall be paid to Seller and applied as a reduction of the Unpaid Purchase Price. The authority and responsibility for negotiation, settlement, or suit shall be Buyer's. If Buyer incurs expenses for appraisers, attorneys, accountants or other professional advisers, whether with or without suit, such expenses and any other applicable costs shall be deducted from the total proceeds to calculate the "net amount" and shall be allocated proportionately between the amount determined as damages and the amount determined for value of the Real Estate. If no determination is made of separate amounts for damages and Real Estate value, then the net amount shall be divided equally between Buyer and Seller, with Seller's amount to be applied as a reduction of the Unpaid Purchase Price.

Section 4. Possession.

4.01. **Delivery of Possession.** Seller shall deliver to Buyer full and complete possession of the Real Estate ~~on or before~~ upon closing _____, 19____. After such possession date, Seller shall pay to Buyer _____ Dollars (\$_____) per day for each day Seller withholds possession of any portion of the Real Estate from Buyer, and such amount shall be applied to a reduction of the Unpaid Purchase Price. Such payment, however, shall not serve to extend the date upon which possession must be delivered to Buyer. Buyer's right of possession shall continue until terminated pursuant to Section 9. All utilities shall be paid by Seller to the date possession is given.

~~4.02. Crops. All crops which have been planted upon the Real Estate prior to _____, 19____, shall belong to Seller, and Seller shall have the right of ingress and egress across the Real Estate for the purpose of harvesting such crops. All other crops shall belong to Buyer.~~

Section 5. Evidence of Title.

(If title evidence is furnished herewith, strike Subsection 5.02)

~~5.01. Seller has furnished Buyer:~~

~~An Abstract of Title.~~

~~An Owner's title insurance policy (strike one)~~

~~disclosing marketable title to the Real Estate to _____, 19____, subject, nevertheless, to the following exceptions:-~~

(If title evidence is to be furnished after execution of this Contract, strike Subsection 5.01)

5.02. If Buyer is not in default under this Contract, Seller will furnish Buyer:

~~An Abstract of Title~~

~~An Owner's title insurance policy (strike one)~~

disclosing marketable title to the Real Estate to a date which is the earlier of (a) a date after execution of this Contract specified by Buyer in a notice to Seller or (b) a date 60 days prior to the date the final payment under this Contract is due.

5.03. **Title Insurance.** 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.

5.04. **Additional Title Evidence.** Any additional 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 shall be borne by Seller.

5.05. **Conveyance of Title.** 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 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 the date of this Contract and all taxes and assessments which are Buyer's obligations.

Section 6. Seller's Right to Mortgage the Real Estate.

6.01. **Mortgage Loan.** Without Buyer's consent and without obligation to Buyer except as set forth in this Section 6, Seller shall have the right to retain, obtain, renew, extend or renegotiate a loan or loans secured by mortgage(s) on the Real Estate (all instruments evidencing a loan(s) and a mortgage(s) securing it is hereinafter called "Loan"), provided that the terms of each loan do not conflict with the provisions of Section 6 or any other provision of this Contract. Seller shall pay each loan when due.

6.02. **Provisions of Loan.** Each Loan made by Seller shall:

(a) be in such principal amount that the aggregate principal balance of all Loans shall not exceed the Unpaid Purchase Price for the Real Estate;

(b) have total periodic payments which do not exceed the periodic payments by Buyer under this Contract, and shall provide for the regular amortization rate of the principal of Seller's Loan which exceeds the amortization rate of the Unpaid Purchase Price of this Contract.

be considered the same as a promissory note secured by a real estate mortgage, and Seller's remedy shall be that of foreclosure in the same manner that real estate mortgages are foreclosed under Indiana law and Seller may not avail himself of the remedies set forth in Subsection 9.041 or 9.042. If this Subsection 9.043 is applicable, then Seller may declare all of the sums secured by this Contract to be immediately due and payable, and Seller may immediately institute legal action to foreclose this Contract and Buyer's interest in the Real Estate. The parties agree that after Buyer has paid \$5,000.00 of the purchase price (which price means the original purchase price set forth in Subsection 1.01), then Buyer shall have substantial equity in the Real Estate.

9.05. **Seller's Additional Remedies.** In addition to the remedies set forth above, upon the occurrence of an Event of Default, Seller shall be entitled to:

- (a) Retain (without prejudice to his right to recover any other sums from Buyer, or to have any other remedy under this Contract), as an agreed payment for Buyer's use of the Real Estate prior to the Event of Default, all payments made by Buyer to Seller and all sums received by Seller as proceeds of insurance or as other benefits or considerations pursuant to this Contract.
- (b) Request that a receiver be appointed over the Real Estate in accordance with Indiana law providing for real estate mortgage foreclosures.
- (c) Enforce any right without relief from valuation or appraisal laws.

Section 10. Seller's Default and Buyer's Remedies.

10.01. If Seller fails to convey the Real Estate as required by this Contract, Buyer may institute legal action against Seller for specific performance, in which case Seller hereby acknowledges that an adequate remedy for default in such case does not exist at law; or Buyer may pursue such other remedy as is available at law or in equity.

10.02. If, after seven (7) days notice from Buyer, Seller fails to make any payment required of him under this Contract or to perform or observe any other of his covenants or agreements, Buyer shall be entitled to institute legal action against Seller for such relief as may be available at law or in equity. Nothing in this subsection shall interfere with or affect Buyer's right to any reduction, set-off or credit to which Buyer may be entitled in the event of Seller's failure to pay amounts required of him pursuant to this Contract.

Section 11. General Agreements.

11.01. If Seller consists of more than one person, the persons signing this Contract as Seller shall be jointly and severally bound.

11.02. If Buyer consists of more than one person, the persons signing this Contract as Buyer shall be jointly and severally bound.

11.03. Use of the masculine gender in this Contract shall comprehend, as appropriate, the feminine gender or the neuter gender as well.

11.04. A memorandum of this Contract may be recorded and shall be adequate notice of the provisions of this Contract as though the entire instrument had been recorded.

11.05. Each party is entitled to recover his reasonable attorney fees, costs, and expenses incurred by reason of enforcing his rights hereunder, including the expenses of preparing any notice of delinquency, whether or not any legal action is instituted.

11.06. For purposes of listing the Real Estate for sale by Buyer, Buyer shall be deemed to be the "fee titleholder" as this term is used in the Indiana Real Estate License Laws.

11.07. The failure or omission of either party to enforce any of his right or remedies upon any breach of any of the covenants, terms or conditions of this Contract shall not bar or abridge any of his rights or remedies upon any subsequent default.

11.08. Any notices to be given hereunder shall be in writing and 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.

Section 12. Additional Covenants.

*** See Items 12.01 and 12.02 on attached Addendum.

The provisions contained in the attached Addendum hereto are and for all purposes shall be deemed to be part of this Agreement as though herein fully set forth.

IN WITNESS WHEREOF, Seller and Buyer have executed this contract in duplicate on this 14th day of

March, 19 86.

Bernice F. Gerlach
Bernice F. Gerlach, Executrix SELLER
of the Estate of Helen S. Strong
SELLER

Gary L. Bates
Gary L. Bates BUYER
Janet L. Bates
Janet L. Bates BUYER

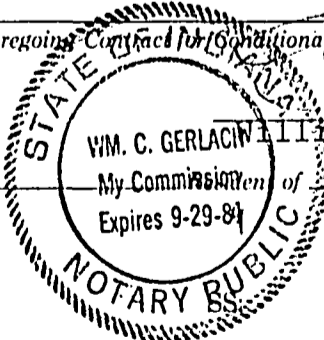
STATE OF INDIANA
COUNTY OF LAKE

SS:

Before me, a Notary Public in and for said County and State, on this 14th day of March, 19 86
personally appeared Gary L. Bates and Janet L. Bates,
and Bernice F. Gerlach

and acknowledged the execution of the above and foregoing Contract for Conditional Sale of Real Estate to be his voluntary act and deed.
WITNESS my hand and Notarial Seal.

My commission expires: 9/29/91



William C. Gerlach Notary Public
Lake County

STATE OF
COUNTY OF

Before me, a Notary Public in and for said County and State, on this _____ day of _____, 19____
personally appeared _____

and acknowledged the execution of the above and foregoing Contract for Conditional Sale of Real Estate to be his voluntary act and deed.
WITNESS my hand and Notarial Seal.

Notary Public

My commission expires: _____ Resident of _____ County

This Instrument was prepared by Thomas J. Scully III, 506 Ridge Road, Munster, IN 46321, Attorney at Law.

ADDENDUM TO CONTRACT FOR CONDITIONAL SALE OF
REAL ESTATE BETWEEN BERNICE F. GERLACH,
Executrix of the Estate of Helen S. Strong,
SELLER, and GARY L. BATES and JANET L. BATES,
BUYER.

12.01 Taxes and Insurance Deposits.

The Buyer agrees to pay in advance each month with the payment for principal and interest, an amount equal to the monthly estimate for real estate taxes and insurance; and the Seller agrees to hold and escrow said funds and to apply the same to the payment of taxes and insurance. In the event the sums which are in escrow are inadequate to pay the amount of taxes and insurance then due and payable, the Buyer agrees forthwith to make such additional deposits as are required to do so.

12.02 Real Estate Taxes.

The real estate taxes for 1985 payable 1986 shall be the responsibility of the Seller. The parties agree that their respective liability for taxes for 1986 payable 1987 shall be prorated to March 14, 1986 upon receipt of the tax bill.

DATED this 14th day of March, 1986.

Bernice F. Gerlach
Bernice F. Gerlach, Executrix
of the Estate of Helen S. Strong

Gary L. Bates
Gary L. Bates

Janet L. Bates
Janet L. Bates

This instrument was prepared by: Thomas J. Scully III
Attorney at Law
506 Ridge Road
Munster, IN 46321