

FILED

CONTRACT FOR CONDITIONAL SALE OF REAL ESTATE

AUG 4 1988

KEY # 9-368-2
Cora M. Antone
AUDITOR, LAKE COUNTY

Ambr. Changes made JC
990772

THIS CONTRACT, made and entered into by and between THERESA M. COWAN, (hereinafter called "Seller") and

LESLIE SMITH, (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"):

The part of the east one half on the Northwest Quarter of Section 9 Township 34 north, range 8 west of the second principle meridian described as follows: commencing at a point on a line which is parallel with and 321.70 feet due east of the west line of said east half of the northwest quarter of said section 9 said point being the intersection of said line with the centerline of the Joliet Crown Point Road, thence northwesterly along said centerline 22.50 feet to the point of beginning thence northeasterly a distance of 201.80 feet to a point on the southerly right of way line of the Pittsburgh, Cincinnati, Chicago and St. Louis Railroad which point is 45 feet southeasterly of the intersection of said right of way line and the line that runs parallel with and 321.70 feet due east of the west line of the east 1/2 of the northwest 1/4 of said section 9, thence southeasterly along the southerly right of way line of the P.C.C. & S.L. Railroad a distance of 352.68 feet thence northwesterly along the centerline of the Joliet Crown Point Road a distance of 282.07 feet to the point of beginning; containing 0.653 acres more or less all in Lake County, Indiana.

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-One Thousand Dollars (\$ 51,000.00).

1.02. **The Manner of Payment.** The purchase price shall be paid in the following manner:
(a) The sum of Three Thousand Dollars (\$ 3,000.00)

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-Eight Thousand Dollars (\$ 48,000.00).

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 Nine per cent (9%) 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 Five Hundred Dollars (\$ 500.00), beginning June 1st, 19 88. Subsequent installments shall be paid on the same day of each month thereafter until Paid in Full ~~X~~ 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 monthly unless both Seller and Buyer initial here ---, in which case interest shall be computed ---.

(f) Each payment under this contract shall be sent to Seller at the following address: 731 Scott Ct., Crown Point, IN 46307, 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. Taxes to be prorated.

3.01. **Taxes.** Buyer agrees to assume and pay the taxes on the Real Estate beginning with the installment payable May, 19 89, 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

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(c) provide for prepayment in full at Seller's option, whether with or without premium, at any time.

6.03. **Notice of Loan.** Contemporaneously with the execution of a Loan, Seller shall give Buyer written notice and inform Buyer in reasonable detail of the principal amount of the Loan, the name and address of the mortgagee, the installments payable under the Loan, and such other terms as Buyer may reasonably request.

6.04. **Default of Loan.** In the event of Seller's default of a Loan, Buyer shall have the right, on behalf of Seller, to make loan payments or to cure other defaults. Seller shall, upon written demand of Buyer, pay to Buyer the amount of any such payments and the costs incurred by Buyer in curing other defaults (including in such costs Buyer's attorney fees) plus interest at the rate under this Contract, interest on such amount or costs being computed from date of payment or incurring of such costs until paid. Buyer shall have the option to deduct the amount of such payments, costs, and interest from payments payable under this Contract.

6.05. **Releases.** Upon payment in full by Buyer of all amounts payable under this Contract, Seller shall pay in full all amounts payable under Loan(s) at the time outstanding and obtain and record, or cause to be recorded, a valid release of Loan(s) so paid.

6.06. **Encumbrance.** Seller represents that the Real Estate (is) (is not) encumbered with a Loan. If encumbered, Seller represents that the information regarding said Loan is as follows:

- (a) Name of lender None
(b) Unpaid balance of Loan -0-

Section 7. Assignment of Contract or Sale of Interest in Real Estate.

7.01. **Assignment or Sale.** Buyer may not sell or assign this Contract, Buyer's interest therein or Buyer's interest in the Real Estate, without the prior written consent of Seller. Seller agrees to consent to such assignment or sale if (a) such assignment or sale shall not cause a Loan on the Real Estate to be declared due and payable, or be called for full payment, or subject Seller to an increase in the interest rate of such Loan, and (b) the financial ability of the prospective assignee or purchaser from Buyer is at least equal to that of Buyer.

7.02. **Notice of Assignment or Sale.** If Buyer wishes to assign Buyer's interest in this Contract or sell Buyer's interest in the Real Estate, Seller shall be furnished in writing a notice containing the full name, address, place of employment, telephone number of the prospective assignee or purchaser from Buyer, as well as a financial statement showing their assets, liabilities and income and expenses. Within fourteen (14) days of such notice, Seller shall either approve or disapprove in writing the assignment or sale based solely on the criteria herein, and if disapproved, specify the reason or reasons for such disapproval. If Seller fails to act within fourteen (14) days after such notice, Seller's approval shall be deemed given.

7.03. **Liability.** No assignment or sale shall operate to relieve either party from liability hereon.

Section 8. Use of the Real Estate by Buyer; Seller's Right to Inspection.

8.01. **Use.** The Real Estate (may) (~~may not~~) be leased or occupied by persons other than Buyer without prior written consent of Seller, which consent shall not be unreasonably withheld.

8.02. **Improvements.** Buyer may materially alter, change, or remove any improvements now or hereafter located on the Real Estate, or make any additional improvements, only with prior written consent of Seller, which consent shall not be unreasonably withheld. Buyer shall not create, or allow any mechanics, laborers, materialmen, or other creditors of Buyer or an assignee of Buyer to obtain, a lien or attachment against Seller's interest herein. Buyer agrees that the Real Estate and any improvements thereon are, as of the date of this Contract, in good condition, order, and repair, and Buyer shall, at his own expense, maintain the Real Estate and any improvements in as good order and repair as they are in on the date of this Contract, ordinary wear and tear, and acts of God or public authorities excepted. Buyer shall not commit waste on the Real Estate, and, with respect to occupancy and use, shall comply with all laws, ordinances and regulations of any governmental authority having jurisdiction thereof.

8.03. **Inspection.** Seller shall have the right to enter and inspect the Real Estate at any reasonable time.

8.04. **Buyer's Responsibility for Accidents.** Buyer assumes all risk and responsibility for injury or damage to person or property arising from Buyer's use and control of the Real Estate and any improvements thereon.

Section 9. Buyer's Default and Seller's Remedies.

9.01. **Time.** Time is of the essence of this Contract.

9.02. **Buyer's Default.** Upon the occurrence of any Event of Default, as hereinafter defined, Seller shall have the right to pursue immediately any remedy available under this Contract as may be necessary or appropriate to protect Seller's interest under this Contract and in the Real Estate.

9.03. **Event of Default.** The following shall each constitute an Event of Default for purposes of this Contract:

- Failure by Buyer for a period of Thirty (30) days [not less than seven (7) days] to pay any payment required to be made by Buyer to Seller under this Contract when and as it becomes due and payable.
- Lease or encumbrance of the Real Estate or any part thereof by Buyer, other than as expressly permitted by this Contract.
- Causing or permitting by Buyer of the making of any levy, seizure or attachment of the Real Estate or any part thereof.
- Occurrence of an uninsured loss with respect to the Real Estate or any part thereof.
- Institution of insolvency proceedings against Buyer, or the adjustment, liquidation, extension or composition or arrangement of debts of Buyer or for any other relief under any insolvency law relating to the relief of debtors; or, Buyer's assignment for the benefit of creditors or admission in writing of his inability to pay his debts as they become due; or, administration by a receiver or similar officer of any of the Real Estate.
- Desertion or abandonment by Buyer of any portion of the Real Estate.
- Actual or threatened alteration, demolition, waste or removal of any improvement now or hereafter located on the Real Estate, except as permitted by this Contract.
- Failure by Buyer, for a period of thirty (30) days after written notice is given to Buyer, to perform or observe any other covenant or term of this Contract.

9.04. **Seller's Remedies.** Upon the occurrence of an Event of Default, Seller shall elect his remedy under Subsection 9.041 or 9.042 (unless Subsection 9.043 is applicable).

9.041. Seller may declare this Contract forfeited and terminated, and upon such declaration, all right, title and interest of Buyer in and to the Real Estate shall immediately cease and Buyer shall then be considered as a tenant holding over without permission and Seller shall be entitled to re-enter and take immediate possession of the Real Estate and to eject Buyer and all persons claiming under him. Further, Seller shall have the right to institute legal action to have this Contract forfeited and terminated and to recover from Buyer all or any of the following:

- possession of the Real Estate;
- any payment 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;
- interest on the Unpaid Purchase Price from the last date to which interest was paid until judgment or possession is recovered by Seller, whichever shall occur first; provided, however, that this shall not be construed as allowing Seller to recover any interest which would be included under Subsection 9.041 (b) above;
- due and unpaid real estate taxes, assessments, charges and penalties which Buyer is obligated to pay under this Contract;
- premiums due and unpaid for insurance which Buyer is obligated to provide under this Contract;
- the reasonable cost of repair of any physical damage or waste to the Real Estate other than damage caused by ordinary wear and tear and acts of God or public authorities; and
- any other amounts which Buyer is obligated to pay under this Contract; or

9.042. Seller may declare all of the sums secured by this Contract to be immediately due and payable, and Seller may institute legal action to recover same. When all of such sums are paid to Seller, Seller shall convey or cause to be conveyed to Buyer, by Warranty Deed, the 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 obligation.

9.043. In the event Buyer has substantial equity in the Real Estate when an Event of Default occurs, then this Contract shall

