

Carlisle & Donaldson
101 N. Main St.
Ch. Pl. 46307

5

997248

OPTION AGREEMENT

THIS OPTION AGREEMENT is made and entered into this 30th day of August, 1988, by and between Richard J. Wontorski and Linda S. Wontorski, (hereinafter called "Optionor"), and Charles Sapp and Cindy Sapp, (hereinafter called "Optionee"), **WITNESSETH**

THAT:

1. Grant of Option. In consideration of the option payments set forth in Paragraph 2 of this Option, the covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Optionor hereby grants to Optionee the exclusive and irrevocable option to purchase the Property, legally described as follows:

35-74-14
Lots 14 and 15, Block 4, V. H. Messenger's Subdivision, City of Hammond, as shown in Plat Book 2, Page 43, Lake County, Indiana.

FILED

SEP 13 1988

Anna M. Antos
AUDITOR LAKE COUNTY

LILLIAN A. BLASTICK
RECORDER, LAKE COUNTY
CROWN POINT, INDIANA 46307
SEP 14 9 43 AM '88

2. Option Terms. Optionee shall pay Optionor the sum of \$ 5,000.00 as consideration for this Option. Optionee, in accordance with Paragraph 11, below, shall exercise this Option by tender to Optionor the sum of \$ 26,500.00, which shall be the Purchase Price of such real property described in Paragraph 1, above. Such purchase price shall be paid in cash, and adjusted for credit and debits due Optionee at closing. The Option consideration required herein shall be applied to the purchase price if such Option is exercised. In the event this Option is not exercised, Optionee shall not receive any refund of such Option consideration.

3. Option Period. This Option shall run for a period of ninety-six (96) months, commencing August 30, 1988, and expiring August 30, 1996 (the "Expiration Date").

4. During the term of the Option, Optionor shall have the right to rent, lease or permit any new occupancy of all or any part of the Property, provided, however,

518

1000

that such leases not exceed ninety-six (96) months in duration. Optionor may enter into any other material agreements affecting the Property provided that such agreements are pursuant only to Seller's duty to maintain such property as established in Item 6, below.

5. During the term of the Option, Buyer's representatives (including its counsel and independent auditors) shall be permitted to examine, during normal business hours, the Property and all tax returns, mortgage documents, title papers and other records and papers relating to the property; and Buyer's representatives shall be provided with all such information (in writing or by interview with such personnel as Optionee may request) with respect to the Property as Buyer's representatives may reasonably request.

In addition, the Optionee is authorized to have an immediate license to enter upon the Property for the purpose of making all necessary preliminary engineering tests, including but not limited to, core boring and other soil tests, as Optionee may desire. Optionee agrees to restore the Property to original condition if the closing does not take place.

6. During the term of the Option, Optionor shall exercise its best efforts to preserve intact the Property; maintain the Property in as good repair, order and condition as at the date hereof, reasonable wear and use and damage by fire or other casualty excepted; and comply with the terms and provisions of all existing leases or other obligations, if any, affecting the Property.

7. Optionor shall provide Optionee with an owner's title insurance policy showing good and marketable title to said Property, said owner's title insurance policy being in the amount of the Option Purchase Price, described above. Said owner's title insurance policy shall be ordered the date said Option is exercised. Any other expenses of title search shall be the expense of Optionee.

8. Optionor agrees that it shall be solely responsible for the payment of any brokerage fees or commissions incurred by the parties to this Option in connection with the grant of the Option or the sale of the Property. Optionor agrees to indemnify and hold Optionee harmless from all liability for the payment of a commission

to any broker or brokers utilized by Optionor or Optionee, as the case may be, in connection with the conveyance, transfer and assignment of the Property.

9. Fire or Other Casualty. If the Property or any improvements thereon shall, prior to the Expiration Date, be damaged or destroyed by fire or any other cause, and such damage shall not have been repaired or reconstructed prior to the Expiration Date, Optionee shall receive the proceeds of any insurance payable in connection therewith, plus a cash payment by Optionor of the deductible amount, if any, under Seller's insurance policy or policies and thereupon retain all of its rights under this Option. Optionor agrees to advise Optionee of the present insurance coverage upon the Property, to keep said policy or policies in full force and effect through the date of closing under the Agreement, and to promptly advise Optionee of any damage to the Property.

10. Corporate Authority. Optionor represents and warrants to Optionee that Optionor has been duly incorporated, is validly existing and in good standing under the laws of the State of Indiana, that Optionor has all necessary power and authority to enter into this Option, and that the execution of this Option and the consummation of the transactions contemplated hereby constitute the valid and binding obligations of the Optionor in accordance with its terms.

11. Exercise of Option. This Option shall be exercised by Optionee, its nominee or assignee, delivering three (3) copies of the Agreement executed by Optionee to Optionor on or prior to the expiration Date. Upon receipt of the three (3) executed copies of the Agreement, Optionor shall promptly execute and date the Agreement, deliver one (1) fully-executed copy of the Agreement to Optionee, and deposit one (1) fully-executed copy of the Agreement with the Escrow Agent.

12. Notice. Any notice given or any document delivered pursuant to this Option shall be by written notice personally delivered or mailed by registered or certified mail, return receipt requested, to:

Optionor:

Richard J. and Linda S. Wontorski

Optionee:

Charles and Cindy Sapp
8204 Wicker Park Drive
Highland, IN 46322

Such notice or delivery shall be effective, if mailed, on the mailing of such notice or document, or if personally delivered, on the receipt thereof by the party being served with such notice or document.

13. Binding Effect. This Option Agreement shall run with the Property and be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Optionee reserves the right (i) to designate a nominee to exercise this Option; and (ii) to assign all of Buyer's rights hereunder or under the Agreement.

IN WITNESS WHEREOF, Optionee and Optionor have caused this document to be signed by their duly authorized officers as of the day and year first above written.

Richard J. Wontorski
Richard J. Wontorski,
Optionor

Charles Sapp
Charles Sapp, Optionee

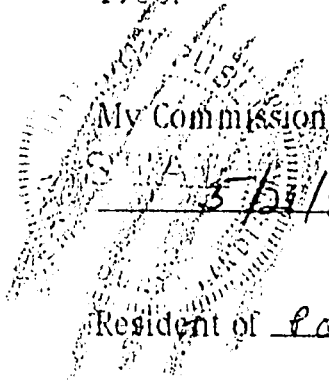
Linda S. Wontorski
Linda S. Wontorski,
Optionor

Cindy Sapp
Cindy Sapp, Optionee

STATE OF INDIANA, COUNTY OF LAKE, SS:

Before me, a Notary Public in and for said County and State, personally appeared the above-named RICHARD J. WONTORSKI, LINDA S. WONTORSKI, CHARLES SAPP & CINDY SAPP, who acknowledged that THEY did sign the foregoing instrument and that the same is THEIR free act and deed individually, ~~and as such officer, and the free act and deed of said corporation.~~

WITNESS my hand and Notarial Seal this 30th day of August,
1988.



My Commission Expires:

5/23/90

Elaine L. Kolb
(signature) Notary Public

ELAINE L. KOLB
(printed)

Resident of PORTER County, Indiana.

STATE OF INDIANA, COUNTY OF _____, SS:

Before me, a Notary Public in and for said County and State, personally
appeared the above-named _____
_____, who acknowledged that _____ did sign the foregoing
instrument and that the same is _____ free act and deed individually and
as such officer, and the free act and deed of said corporation.

WITNESS my hand and Notarial Seal this _____ day of _____,
1988.

My Commission Expires:

(signature) Notary Public

(printed)

Resident of _____ County, Indiana.

This instrument prepared by: Marc H. Donaldson, Attorney at Law.