

999589

Justin Walker Assoc.  
PO Box 9145  
N. Grand 46322

CONTRACT FOR SALE OF REAL ESTATE

THIS CONTRACT, made and entered into by and between AMERICAN TRUST AND SAVINGS BANK, an Indiana banking corporation, (hereinafter called the "Seller") and JUSTIN WALKER ASSOCIATES, INC., an Indiana corporation (hereinafter called the "Purchaser").

WITNESSETH

The Seller hereby agrees to and do sell to the Purchaser and the Purchaser hereby agrees to do and purchase from the Seller the following described real estate in the County of Lake, Town of Whiting, and State of Indiana, (hereinafter called the 'Real Estate'), to-wit:

Lots 1, through 6, both inclusive, Block 1, Davidson's Blvd. Addition to Whiting, Lake County, Indiana, and commonly known as the Illiana Hotel, 1204 119th Street, Whiting, Indiana.

Key # 29-63-1

upon the following covenants, terms and conditions:

1. As the purchase price for the real estate, Purchaser agrees to pay to Seller and the Seller agrees to accept from the Purchaser, the sum of One Hundred Fifty Thousand Dollars (\$150,000.00); that the following items of personal property are included herein and are a part of the sales price, all improvements permanently installed such as electrical and/or gas fixtures, heating equipment and all attachments thereto, central air conditioning, incinerators, window shades, curtain rods, drapery poles and fixtures, venetian blinds, storm doors and windows, linoleum, screens, awnings, TV antennas, and all items which are so attached or built-in, the removal of which would leave the premises in an incomplete or unfinished condition as to exterior or interior decoration or external or internal appearance, and shall be delivered in its present condition, free from all liens or encumbrances, except as above or hereinafter provided. Acceptance of this offer shall constitute a warranty

ILLIANA A. BLASICK  
RECORDER, LAKE COUNTY  
CHROMA POINT  
FILED FOR RECORD  
INDIANA 46307

SEP 27 3 02 PM '88

**FILED**

-1-

SEP 27 1988

*Anna N. Anton*  
AUDITOR LAKE COUNTY

1513

*John*  
*Blasick*  
209  
13.00

that all of said accessories and appliances included herein are fully paid for by Sellers prior to closing of this sale.

2. The Purchaser is to apply for a \$1,000,000 government acquisition and rehabilitation loan at 8% interest. The purchase price of \$150,000.00 shall be paid in full without interest at the time of rehabilitation closing.

The parties recognize the fact of the uncertainty of the time required by Purchaser to complete the necessary application forms and documents required for a government acquisition and rehabilitation loan and therefore agree that this contract term shall be for two (2) years. Seller may at its option extend the contract for an additional one year period of time not too exceed a total of two (2) extensions if the Purchaser shows that it is making a good faith and diligent effort to obtain federal financing for the rehabilitation project. In any event this contract shall not exceed four (4) years in time from date of signing of this contract.

3. Purchaser shall have the privilege of paying without penalty, at any time, any sum or sums in addition to the payments herein required.

4. Seller agrees to furnish Purchaser a Twenty-Five Thousand Dollar (\$25,000.00) line of credit on a construction draw promissory note so that Purchaser can rehabilitate the two (2) commercial offices on 119th Street and three (3) residential apartments on the west side of the building located on the above-described real estate. The construction draw promissory note is to be executed concurrent with the execution of this contract and is to be guaranteed personally by Lee Watson and Randall Hoyle. The interest rate on the \$25,000.00 is to be based on Chicago prime rate plus one (1) point to be adjusted quarterly. The initial interest rate is 8-1/2%. The first payment on the construction draw promissory note shall be \$1,000.00 due and

payable 90 days from date of signing of note and a like sum of \$1,000.00 each month thereafter until paid in full; in the event that the term of the \$25,000.00 note is longer than the rehabilitation closing, then in that event, the balance of the note together with any interest due shall be paid in full at rehabilitation closing. The \$1,000.00 payments shall be applied first to the payment of interest then to principal reduction.

5. Purchaser agrees to keep the real estate insured under fire and extended coverage policies and pay the premiums on such policies effective July 1, 1988, until said time Seller shall pay the costs of insurance.

6. Purchaser shall be entitled to possession of said real estate and the improvements situated thereon immediately.

7. Seller shall pay the general real estate taxes on the real estate for the year 1987 payable in 1988 and the 1988 real estate taxes payable in 1989 shall be prorated from January 1, 1988, to July 1, 1988; said prorating shall be done on the amount of the most recent ascertainable tax bill, and Purchaser shall pay all subsequent taxes levied and assessed upon and against said real estate.

8. Purchaser agrees to pay all assessments against the real estate for municipal or other public improvements completed after the date of this contract.

9. Seller shall furnish to Purchaser, at Seller's expense, at the rehabilitation closing, an Owners' Policy of Title Insurance in the amount of the purchase price, showing good and merchantable title to said real estate subject only to liens and encumbrances caused by the Purchaser and easements and restrictions of record. Any further title evidence shall be at the expense of the Purchaser.

10. Sellers covenant and agree that upon payment in full of the balance of the purchase price by Purchaser and the prompt and

full performance by Purchaser of all its covenants and agreements herein made, Sellers will convey or cause to be conveyed to Purchaser by General Warranty Deed, the above-described real estate free and clear of all encumbrances, other than easements, restrictions of record and real estate tax liens.

11. Purchaser may not sell or assign this contract, Purchaser interest therein or Purchaser's interest in the real estate, without the written consent of Seller, provided however, any consent herein required shall not be unreasonably withheld, and provided that no assignment thereof shall operate to relieve either party from liability thereon.

12. In the event Purchaser shall not pay the \$150,000 as provided in paragraph 2 above the seller's remedies of Purchaser's default are as follows:

Time shall be of the essence of this contract.

If Purchaser fails, neglects or refuses to make any payment under this contract when due or to perform any of Purchaser's covenants, terms and conditions when and as required under this contract:

(1) Seller shall have the right to declare this contract forfeited and terminated, and upon such a declaration, all right, title and interest of Purchaser in and to the real estate shall immediately cease and Purchaser 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 evict buyer and all persons claiming under him;

(2) Separately or in conjunction with his right under item (1) above, as Seller may elect, Seller 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 purchaser all or any of the following:

(a) possession of the real estate;

(b) any installments 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;

(c) interest on the principal from the last date to which interest was paid until judgment or possession is recovered by Seller which ever shall occur first; provided, however, that this shall not be construed as allowing Seller to recover any interest which would be included under item (2) (b) above;

(d) due and unpaid real estate taxes, assessments, charges and penalties which purchaser is obligated to pay under this contract;

(e) premiums due and unpaid for insurance which buyer is obligated to provide under this contract.

(f) the reasonable 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;

(g) any other amounts (other than payment of the purchase price) which purchaser is obligated to pay under this contract.

(3) In addition to any other remedy under this contract, Seller shall have such other remedies as are available at law or in equity.

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

(5) Seller shall have the right to file in a court of competent jurisdiction an action to recover all of the unpaid balance of the purchase price (which upon default by Purchaser

under this contract shall, at the option of Seller, become immediately due and payable) and interest on such unpaid balance until such unpaid balance is paid, together with any taxes, assessments, charges, penalties and insurance premiums paid by Seller under this contract and interest on such amounts until they are paid, unless such amounts (and interest on them) have been added to principal under this contract.

The exercise or attempted exercise by Seller of any right or remedy available under this contract shall not preclude Seller 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 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 Purchaser specifically waives, to the extent he lawfully may do, his right, if any, to a hearing preliminary to a judicial order for immediate possession of the Real Estate to be granted to Seller under applicable law.

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 Purchaser under this contract, Purchaser shall pay any reasonable expense, including attorneys' fees, incurred by Seller in connection with the exercise of any right or remedy under this contract, and the preparation and delivery of notice.

The failure or omission of Seller to enforce any of its right or remedies upon any breach of any of the covenants, terms or conditions of this contract shall not bar or abridge and of its rights or remedies upon any subsequent default.

*[Handwritten signature]*  
RWH  
7/8/71

Before Seller shall pursue any of its rights or remedies under this paragraph, it shall first give Purchaser written notice of the default complained of and Purchaser shall have 30 days from the posting of such notice to correct any default including default in payment of any monies agreed to be paid by Purchaser under this contract.

13. 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 the 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.

IN WITNESS WHEREOF, the Seller and Purchaser have executed this instrument on this 10<sup>th</sup> day of June, 1988.

SELLERS:

AMERICAN TRUST AND SAVINGS BANK

PURCHASERS:

JUSTIN WALKER ASSOCIATES, INC.

BY:

Robert G. Gumbel  
Pres.  
Tridip J. Arunking  
Sec.

BY:

Lee Watson  
LEE WATSON  
Randall W. Hoyle  
RANDALL HOYLE

THIS INSTRUMENT PREPARED BY:

Attorney Donald L. Gray  
1244 119th Street  
Whiting, Indiana 46394  
Tel. (219) 659-1125

*[Handwritten initials]*  
RWT  
7/81