

Alice Knox

File Station In  
**FILED**

MAY 3 1990

098697

===== *Oliver N. Antos*  
CONTRACT FOR CONDITIONAL SALE OF REAL ESTATE  
===== AUDITOR LAKE COUNTY

This Agreement is made and entered into by and between Donald P. Trail and Dorothy A. Trail, Husband and Wife, hereinafter referred to as "SELLERS" and Alice F. Knox, hereinafter referred to as "BUYER".

SELLERS shall sell to BUYER and BUYER shall purchase from SELLERS, the following described Real Estate located within the County of Lake and State of Indiana and all improvements thereon, hereinafter referred to as "REAL ESTATE"; all of which is more particularly described as follows, to-wit:

Lot 33, Monzella Heights, Unit #2, City of East Gary, now known as Lake Station, as shown in Plat Book 41, page 146 as the same appears of record in the Office of the Recorder of Lake County, Indiana.

Commonly known as  
4731 E. 26<sup>th</sup> Ave., Lake Station, IN. 46405  
Key Number: 19-131-12

Subject to all easements, restrictions and encumbrances of record.

upon the following terms and conditions:

1.) PURCHASE PRICE

As and for the PURCHASE PRICE for said REAL ESTATE, BUYER shall pay to SELLERS and SELLERS shall accept from BUYER the sum of Thirty-three Thousand Dollars (\$33,000.00), which amount shall be paid in the following manner; to-wit:

(A) The sum of Four Thousand Five Hundred Ten and xx/100 Dollars (\$4,510.00) (of which any earnest money is a part) shall be paid by BUYER to SELLERS at the time of the execution and delivery of this contract, the receipt of which is acknowledged.



STATE OF INDIANA/S.S. NO.  
LAKE COUNTY  
FILED FOR RECORD  
MAY 3 3 35 PM '90  
ROBERT J. BOGGS, RECORDER



000303

13.00

(B) The remaining UNPAID PRINCIPAL BALANCE of Twenty eight Thousand Four Hundred Ninety and xx/100 Dollars (\$28,490.00), which is approximately the current Mortgage Balance on said property, shall be paid by BUYER to SELLERS at a rate equal to said Monthly Mortgage Payment plus MONTHLY TAX PRORATION and MONTHLY INSURANCE PRORATION on said property, which payment is currently in an amount of approximately Three Hundred Ninety-one and xx/100 Dollars (\$391.00) per month beginning on the 1<sup>st</sup> day of March, 1989 and on the 1<sup>st</sup> day of each and every month thereafter until said Mortgage Balance is paid in full; however, SELLERS agree to pay 1/2 of BUYER'S first monthly payment. The amount of said payment shall be determined pursuant to the terms and conditions of said mortgage and all payments shall be applied first to the payment of the expenses of the BUYER, then to interest, then to principal. There shall be an automatic grace period of thirty (30) days on such payments; however, there shall be late charges of \$15.00 due after the first (1st) Five (5) days plus \$2.00 per day thereafter during and after said grace period and until the total payment for expenses, interest and principal due to that point is paid in full.

(C) All installment payments under this Contract shall be made to SELLERS, or the agent of SELLERS, at the place designated in writing. At this time, SELLERS designate: Clara Goff Realty, 408 E. Garfield, Hobart, until address established.

## 2.) POSSESSION DATE

BUYER shall be entitled to possession of REAL ESTATE Forty-five (45) days after execution of this Contract. Should SELLERS wrongfully withhold possession from BUYER, BUYER shall be entitled to liquidated damages of \$20.00 per day for each day thereafter, which amount shall be applied to the reduction of the unpaid principal balance.

## 3.) TAXES

BUYER shall assume and pay all Real Estate taxes that become due after closing (prorating 1989 taxes payable in 1990) and all taxes and special assessments thereafter. It is understood and agreed that MONTHLY TAX PRORATION paid by BUYER to SELLERS shall be based on the Taxes payable in the previous year and shall be readjusted by May of each year based upon actual taxes paid.

## 4.) SECURITY

As security for the unpaid balance of PURCHASE PRICE, SELLERS shall reserve title in said REAL ESTATE until PURCHASE PRICE is paid and all other terms, conditions and obligations under the Contract are fully performed by BUYER.

5.) INSURANCE

During the life of this Contract, BUYER shall keep the buildings and other insurable improvements included in and about REAL ESTATE insured under Fire and Extended Coverage Insurance and pay MONTHLY INSURANCE PRORATION to SELLERS on said premiums based upon the current premium expenses and adjusted yearly thereafter. Such Insurance shall be carried in a Company or Companies approved by SELLERS and in an amount not less than the Contract principal balance. Such policy or policies shall be issued in the name of SELLERS and BUYER, as their respective interests may appear, and shall be delivered to and retained by SELLERS during the continuance of this Contract.

As a part of the consideration to SELLERS, BUYER shall assume all risk and responsibility for any accident, injury or damage to persons or property as to themselves and all others, in, on or about said REAL ESTATE and premises and shall hold SELLERS harmless from all liability thereof. Further, BUYER, at the sole and exclusive expense of the BUYER, shall obtain and maintain Personal Liability Insurance in an amount not less than \$100,000.00 per person and \$300,000.00 per occurrence, name SELLERS as a named insured on said policy and deliver said policy and proofs of renewal and payment to SELLERS.

6.) CONVEYANCE OF REAL ESTATE

SELLERS shall, upon the payment of PURCHASE PRICE and upon the prompt and full performance of all the terms, conditions and obligations of this Contract by BUYER, convey REAL ESTATE to BUYER by Warranty Deed, subject to easements, restrictions and encumbrances of record and obligations of the BUYER (hereinafter referred to as CONVEYANCE OF REAL ESTATE). Prior to CONVEYANCE OF REAL ESTATE, SELLERS shall furnish to BUYER a Commitment for Title Insurance issued by a Title Insurance Company in the amount of PURCHASE PRICE showing Merchantable Title in SELLERS; the sole and exclusive expense of said Commitment shall be that of the SELLERS. If any Unpermitted Title Exceptions appear, SELLERS shall have a reasonable time after written notification of said defects in which to cure same and show good title. The sole and exclusive expense of any and all Later Date Title Commitments shall be that of the BUYER.

7.) ASSIGNMENT OF CONTRACT

BUYER shall neither sell nor assign this Contract nor let or sublet any of REAL ESTATE prior to CONVEYANCE OF REAL ESTATE without the express, written consent of SELLERS. Any attempted sale, assignment, let or sublet shall be void and of no effect with respect to SELLERS.

8.) USE OF REAL ESTATE AND RIGHT OF INSPECTION

Prior to CONVEYANCE OF REAL ESTATE, BUYER shall:

a.) Not allow REAL ESTATE to be rented, leased or occupied by anyone other than BUYER without the express, written consent of SELLERS,

b.) Make no alterations, changes or improvements to REAL ESTATE without the express, written consent of SELLERS,

c.) Use said premises well and keep the same in good repair at the expense of BUYER. Shall not commit waste thereon and shall at all times use and maintain said premises in accordance with the Laws, Ordinances and Regulations of all Governmental Authorities having Jurisdiction thereof,

d.) Not create or allow any Mechanics, Laborers, Materialmen, or other Creditors of BUYER or Assignees of BUYER to obtain a lien or attachment against REAL ESTATE, and

e.) Allow SELLERS the right, upon reasonable notice and at any reasonable time, to enter in and upon REAL ESTATE for the purpose of inspecting same

9.) THE RIGHT OF THE SELLERS TO MORTGAGE

SELLERS may obtain Loans, secured by a Mortgage in said REAL ESTATE, at any time prior to CONVEYANCE OF REAL ESTATE and renew same from time to time in such sums and for such periods as SELLERS may see fit, not to exceed the unpaid balance due on this Contract. Should SELLERS place a Mortgage on REAL ESTATE and then fail to meet any payment thereon, BUYER shall have the right to make such payment or payments and charge the same against the obligations of the BUYER under this Contract; however, SELLERS shall pay said Mortgage when due; whenever BUYER shall exercise prepayment privileges herein, if any; and when CONVEYANCE OF REAL ESTATE is required under this Contract.

10.) PREPAYMENT WITHOUT PENALTY

BUYER may, at any time prior to CONVEYANCE OF REAL ESTATE, make additional payments against the obligations under this Contract without penalty including total satisfaction of all terms, conditions and obligations under this Contract upon thirty (30) days notice to SELLERS.

11.) CONDEMNATION

BUYER shall assume all risk of loss or damage by reason of condemnation or taking of all or any part of REAL ESTATE for public or quasi-public purposes and no such taking shall constitute a failure of consideration or be cause for recession of this Contract by BUYER. Should all or any part of REAL ESTATE be condemned and sold by Court Order or threat of condemnation to any public or quasi-public body, the award received for the REAL ESTATE DAMAGE PORTION shall be retained by BUYER, and the award received for the REAL ESTATE VALUE PORTION shall be paid to SELLERS and applied as a reduction the Obligations of the BUYER herein. The responsibility and expense for negotiation or settlement or suit shall be that of the BUYER subject to the supervision and approval of SELLERS. If no determination is made of separate amounts for DAMAGE PORTION and VALUE PORTION, then the award shall be applied to the Obligations of the BUYER under this Contract until paid in full with the remainder to BUYER.

12.) UTILITIES.

BUYER shall secure in the name of the BUYER and be responsible for any security deposits and periodic payments of any and all public utilities; including, but not limited to: electrical, telephone, water and sewage.

13.) THE REMEDIES OF THE SELLERS UPON THE DEFAULT OF THE BUYER

TIME IS OF THE ESSENCE IN THIS CONTRACT. The following shall each constitute an EVENT OF DEFAULT:

- a.) Failure by BUYER to make any payments when due under this Contract,
- b.) Leasing, subleasing, assigning or in any other way encumbering any part of REAL ESTATE by BUYER except as set forth herein,
- c.) Causing or permitting by BUYER, the levy, seizure or attachment of any part of REAL ESTATE,
- d.) The occurrence of any uninsured or underinsured loss regarding REAL ESTATE,
- e.) The institution of any type of insolvency proceeding against BUYER,
- f.) The desertion or abandonment by BUYER of any portion of REAL ESTATE for more than Twenty (20) consecutive days,
- g.) Actual or threatened alteration, demolition, waste or other utilization of REAL ESTATE except as set forth herein,
- h.) Institution of any type of proceeding by any Junior lien holder against REAL ESTATE, and/or
- i.) The failure of BUYER to perform or observe any term, condition or obligation of this Contract.

Upon the occurrence of any EVENT OF DEFAULT, SELLERS may take such action as is necessary to protect the interest of the SELLERS in REAL ESTATE and may also elect to either:

Declare this Contract forfeited and terminated; re-enter and take immediate possession of REAL ESTATE; eject BUYER and all others within and about REAL ESTATE; and institute legal action to have the Contract forfeited and terminated and recover from BUYER any and all of the following: possession of REAL ESTATE; any payments due at the time of filing or becoming due from that time to the time possession is retaken; any taxes or assessments which are due prior to taking possession; any and all costs of repair, renovation, re-listing or re-sale; and any and all other payments due under this Contract.

Declare all of the sums secured by this Contract to be immediately due and payable and may institute legal proceeding to recover same. When all obligations of the BUYER under this Contract are paid in full, SELLERS shall convey Title to REAL ESTATE to BUYER subject to the terms and conditions herein.

#### 14.) SUBSTANTIAL EQUITY

Should BUYER have SUBSTANTIAL EQUITY in REAL ESTATE when an EVENT OF DEFAULT occurs, this Contract shall be considered a Promissory Note secured by a Mortgage in REAL ESTATE. The parties stipulate and agree that the reduction of the UNPAID PRINCIPAL BALANCE to 65% of PURCHASE PRICE herein or less shall constitute SUBSTANTIAL EQUITY.

#### 15.) RELIEF FROM VALUATION

All of the rights, duties and obligations in this Contract shall be without regard to relief from valuation or appraisal laws.

#### 16.) APPOINTMENT OF RECEIVERS

The Appointment of a Receiver to take possession of REAL ESTATE, collect rents therefrom, income or profits in money or in kind, and to hold the proceeds subject to Order of Court and for the benefit of SELLERS during foreclosure proceedings is hereby authorized. Said Receiver may be appointed at the sole discretion of the SELLERS and irrespective of the value of the property or its adequacy to secure or discharge the indebtedness due or to become due.

#### 17.) ATTORNEY FEES, COURT COSTS AND ALIKE.

All expenses incurred by SELLERS in the enforcement of the terms and conditions of this Contract; including, but not limited to: Attorney Fees, Court Costs and other expenses of Litigation, shall be the Obligation of the BUYER under this Contract and shall be paid by BUYER.

18.) WAIVER

The failure of the SELLERS to exercise any option under this Agreement shall not constitute a waiver of right to exercise the same at a later date.

19.) PROPERTY ACCEPTED "AS IS"

BUYER, having fully inspected REAL ESTATE herein described, including the improvements thereon and all fixtures and equipment therein, shall accept REAL ESTATE on an "AS IS" basis. Further, there are no representations respecting REAL ESTATE or the sale thereof except as in this agreement contained.

20.) MISC., ETC.

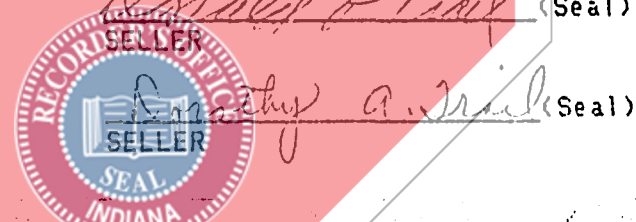
All terms and conditions herein shall extend to and be obligatory upon the heirs, executors, administrators and assigns of the respective parties hereto, if any. The use of plural, singular and gender based wording shall admit that meaning best consistent with the intent and meaning of this Contract as a whole. The terms, conditions and obligations of the BUYER shall be jointly and severally those of the BUYER, and the terms, conditions and obligations of the SELLERS shall be jointly and severally those of the SELLERS. Headings are for identification purposes only and are not to be utilized in determining the intent of the parties.

IN WITNESS WHEREOF, the Parties have hereunto set their Hands and Seals in the County of Lake and State of Indiana on this 7<sup>th</sup> day of February, 1989.

Alice F. Krop (Seal)  
BUYER

Russell P. Trail (Seal)  
SELLER

\_\_\_\_\_  
BUYER (Seal)



This instrument prepared by: Thomas K. Parry  
Attorney at Law

Post Office Box 819  
Crown Point, Indiana 46307-0819  
(219) 662-9779

STATE OF INDIANA  
COUNTY OF LAKE

SWORN AND SUBSCRIBED TO BEFORE ME THIS 7TH DAY OF FEBRUARY, 1989.

Clara L. Goff  
CLARA L. GOFF - NOTARY PUBLIC

MY COMMISSION EXPIRES: 2/5/90