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SPECIAL IMPROVEMENT ASSESSMENT AGREEMENT

THIS SPECIAL IMPROVEMENT ASSESSMENT AGREEMENT ("Agreement"), made and entered into this 29th day of April, 1992, by and between the City of Hammond, by and through its Hammond Redevelopment Commission ("Commission"), and Smith Motors, Inc. of Hammond ("Owner");

WITNESSETH THAT:

WHEREAS, the Commission has adopted a resolution ("Resolution"), pursuant to the provisions of IC 36-7-21 (the "Act"), establishing a special improvement district for redevelopment purposes, to be designated as the Radio Center Industrial Special Improvement District ("District"), which is legally described as follows:

Being a subdivision of a part of the S.W. 1/4 of the S.E. 1/4 of Section 51, Township 35 North Range 9 West of the 2nd P.M. in the City of Hammond, Lake County, Indiana, more particularly described as follows:

Beginning at a point on the West line of said S.W. 1/4 S.E. 1/4 105 feet North of the Southwest corner thereof, thence North along said West line 619.98 feet, thence East at a right angle 253 feet, thence North at a right angle 210.4 feet to the Southerly line of the right of way of the New York, Chicago and St. Louis Railroad Company, thence Southeasterly along said right of way line 587.58 feet, thence South parallel with the West line of aforementioned S.W. 1/4 S.E. 1/4 503.72 feet to a point 105 feet North of the South line of said S.W. 1/4 S.E. 1/4, thence West 744 feet to the place of beginning, containing 11.037 acres more or less.

WHEREAS, in connection with the adoption of the Resolution and in compliance with the provisions of the Act, the Commission has prepared (i) a redevelopment plan ("Plan") for the District; (ii) a map of the boundaries of the District, including zone boundaries, if applicable; (iii) the name and address of each parcel and owner of land within the District and a description of the existing land use and zoning classification of each parcel; (iv) a detailed description of a proposed improvement to be constructed in the District, its estimated cost and the benefits expected to accrue to the property owners within the District; (v) a plan for the application of assessment revenue to the cost of the Project (as herein defined); and (vi) a proposed apportionment of the annual assessment to the parcels of real property within the District; and

WHEREAS, the improvements to be constructed by the Commission within the District will consist of the construction of a roadway with curbs, asphalt pavement, storm sewers and street lights ("Project"); and

Mail to: McHie, Myers, McHie & Enslin
53 Muenich Court
Hammond, IN 46320

AUG 26 1992

James A. ...
AUDITOR LAKE COUNTY

AUG 25 9 38 AM '92

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

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WHEREAS, the Owner is an owner of real property (the "Real Estate"), which Real Estate is located within the District and is legally described as follows:

Lot 3 & 4 and W. 3 Ft. of
Lot 5 - Radio Center
Industrial Subdivision
Key No. 26-35-0398-0003

WHEREAS, the Commission, in connection with the proceedings establishing the District, will certify, pursuant to IC 36-7-21-7(a), a list of assessments to be apportioned under IC 36-7-21-5 and 6 to the Auditor of Lake County, which list will include the assessment apportioned to the Real Estate to be paid by the Owner; and

WHEREAS, in order to procure the funds needed to construct the Project, the Commission intends to issue bonds payable from special improvement assessments assessed on real property located within the District, including an assessment on the Real Estate of Owner; and

WHEREAS, the Commission, without obligating itself to do so, has entered into negotiations with individuals for the private sale and placement of the bonds proposed to be issued, and has tentatively agreed upon the terms of such sale; and

WHEREAS, the Owner, in consideration of the benefits which will be received by the Owner and which will accrue to the Real Estate on account of the construction of the Project, and the benefit derived from the issuance of bonds to pay for a portion of the costs of construction of the improvements therefor, desires to enter into this Agreement on the terms and conditions provided herein;

NOW, THEREFORE, in consideration of the recitals set forth above which are incorporated herein by reference, the benefits to be received by the Owner and accruing to the Real Estate and the mutual promises and representations contained herein, the Commission and the Owner agree as follows:

1. Issuance of Bonds. The Commission shall, upon the completion of the proceedings to establish the District and after compliance with applicable laws, use its best efforts to issue its bonds under the authority of the Act for the purpose of providing funds for the construction of the Project in an amount not to exceed Two Hundred Fifty-Three Thousand (\$253,000) Dollars ("Bonds"), which Bonds shall be payable from the payment of special improvement assessments to be collected from the owners of property within the District, including the Owner, in accordance with the Resolution. The Commission's obligation to issue bonds shall not be conditioned upon each owner of property within the District executing a Special Improvement Assessment Agreement, provided, however, that the Commission reserves the right, in its discretion,

to issue the bonds. The Commission shall use its best efforts to enter into a Special Improvement Assessment Agreement, substantially in the form of this Agreement, with each owner of property within the District.

2. Payment of Assessment Amounts. In addition to any obligation of the Owner to pay the special assessments resulting from the proceedings referred to herein, the Owner, upon and after the issuance of the Bonds, expressly agrees to pay the special improvement assessments assessed against Owner's Real Estate ("Assessment Amounts") to the County Treasurer in the amounts set forth in the tax statements received by the Owner with respect to the Real Estate and within the time allowed by such tax statements for the payment of such Assessment Amounts. The obligation of the Owner to pay the Assessment Amounts shall be absolute and unconditional and shall not be subject to diminution by setoff, counterclaim, abatement or otherwise.

3. Waiver of Owner's Rights. The Owner, for and on behalf of its heirs, personal representatives, successors and assigns, hereby waives any rights Owner may have to challenge any proceedings had by the Commission, the County of Plan Commission or the Common Council of the City of Hammond, Indiana with respect to the establishment of the District the amount of and the apportionment of the annual assessment among the parcels of property within the District, or the issuance of the Bonds, including, but not limited to, any failure of any such entity to follow any procedures required under the provisions of the Act. The Owner further waives Owner's right under IC 36-7-21-7(c) to judicial review of the ordinance establishing the District. The waiver of rights stated in this paragraph shall not be construed as a waiver of any right or remedy which is not expressly stated in this paragraph and shall not be construed as a waiver of any right to contest any other assessment or reassessment of the Real Estate hereinafter made against the Real Estate and Owner agrees, notwithstanding the pursuance of any such right or remedy, that Owner shall pay when due the Assessment Amounts referred to in paragraph 2 hereof.

4. Termination. This Agreement and the obligations of the parties hereunder shall terminate only upon the retirement, redemption or defeasance of the Bonds and any bonds issued to refund the Bonds.

5. Defaults and Remedies. (a) The failure to pay the full amount of any Assessment Amount when due shall constitute an event of default by the Owner under this Agreement. The Commission may pursue any available remedy at law or in equity to enforce payment of the Assessment Amounts.

(b) If any Assessment Amount is not paid in full by the Owner when due, any unpaid amount shall bear interest at a rate of 12% per annum until paid.

(c) The remedies of a party under this Assessment Agreement are cumulative and the exercise of any one or more of the remedies shall not be construed as a waiver of any of the other remedies of such party unless specifically so provided.

(d) All payments due by the Owner hereunder shall be due without relief from valuation and appraisal laws and subject to collection fees and reasonable attorneys' fees in the event of default.

(e) The Owner waives presentment for payment, protest, and notice of protest of the Assessment Amounts due under this Assessment Agreement.

(f) The Owner expressly agrees that Owner's obligation to pay the Assessment Amounts including Owner's obligation to pay any penalties, fees, costs and interest resulting from any failure to pay the Assessment Amounts when due, together with on delinquent payments of assessment amounts and the costs of collection as provided herein, shall constitute a lien on the Real Estate, and the Owner hereby expressly grants to the Commission and the owners of the bonds proposed to be issued a lien on the Real Estate with respect to such obligation. The lien secures all obligations which are due or are to become due hereunder. In the event the Owner fails to pay any Assessment Amount at the time and in the manner provided herein, the Commission shall be entitled, in addition to any remedies provided by law, to foreclose the lien granted herein in the same manner that mortgages are foreclosed in the State of Indiana and to collect all expenses which may be paid or incurred by or on behalf of the Commission in connection with the foreclosure of the lien, including reasonable attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs of procuring all title searches, policies and examinations and similar data and assurances with respect to title as the Commission reasonably may deem necessary to prosecute such suit. To the extent permitted by IC 36-7-25, the lien created herein shall be a property tax lien, and the obligations subject to the lien shall be treated in the same manner as property taxes for purposes of IC 6-1.1-22-13.

6. Amendments. This Agreement may be amended only by the mutual consent of the parties, and where necessary, the consent of the owners of the Bonds, following the adoption of a resolution of the Commission approving the amendment, as provided by law, and by the execution of the amendment by the parties or their successors in interest.

7. Covenant Running with the Land. The Owner expressly acknowledges that this Agreement touches and concerns the Real Estate and that this Agreement is intended to be and shall be a covenant running with the Real Estate, binding upon and enforceable against the Owner, Owner's heirs, administrators, successors and assigns and all persons claiming under or through Owner.

8. Warranties. Owner covenants and warrants that Owner is lawfully seized of the Real Estate in fee simple, has valid and indefeasible title to the Real Estate and has a good and valid right to grant to the Commission the lien on the Real Estate as provided herein.

9. No Other Agreements. Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations and discussions between the parties hereto relative to the subject matter hereof and is a full integration of the agreement of the parties.

10. Paragraph Headings. The paragraph headings and references here are for the convenience of the parties and are not intended to limit, vary, define or expand the terms and provisions contained herein and shall not be used to interpret or construe the terms and provisions of this Agreement.

11. Counterparts. This Agreement may be executed in several counterparts each of which shall be an original and all of which shall constitute but one and the same Agreement.

12. Severability. If any provision of this Agreement, or any paragraph, sentence, clause, phrase or word, or the application thereof, in any circumstances is held invalid, the remainder of the Agreement shall be construed as if such invalid part were never included herein and the Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

13. Applicable Law. This Agreement shall be governed by the laws of the State of Indiana.

IN WITNESS WHEREOF, the Commission and the Owner have caused this Agreement to be executed as of the day and year first written above.

Smith Motors, Inc. of Hammond (Owner)

BY: J. Timothy Roper
Printed: J. Timothy Roper
VICE-
Title: President

ATTEST: June Springer
Printed: June Springer
Title: Secretary

CITY OF HAMMOND by and through its
HAMMOND REDEVELOPMENT COMMISSION

BY: James Davis Sr.

Printed: James Davis, Sr.
President

ATTEST: Margaret Royce Galvin

Printed: Margaret Royce Galvin
Secretary

STATE OF INDIANA
COUNTY OF LAKE

~~ACKNOWLEDGEMENT~~
Document is NOT OFFICIAL!
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the Lake County Recorder!

Before me, a Notary Public in and for said County and State, personally appeared James Davis, Sr., and Margaret Royce Galvin, the President and Secretary of the City of Hammond by and through its Hammond Redevelopment Commission, who acknowledged the execution of the foregoing Special Improvement Assessment Agreement.

Witness my hand and Notarial Seal this 19th day of May, 1993.

Signature: Edwina L. Homolto
Printed: EDWINA L. HOMOLTO
Notary Public

My Commission Expires:

1-15-93

My County of Residence:

Lake

This instrument prepared by James B. Burroughs, Attorney at Law, Ice Miller Donadio & Ryan, One American Square, P.O. Box 82001, Indianapolis, IN 46282