

FILED CONTRACT FOR CONDITIONAL

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SALE OF REAL ESTATE

SAM ORLICH
AUDITOR LAKE COUNTY

THIS CONTRACT, made and entered into by and between PRESTON G. THORPE and BONNIE L. THORPE hereinafter called "Sellers") and JACK A. THORPE (hereinafter called "Buyer").

WITNESSETH:

Sellers hereby agree to and do sell to Buyer, and Buyer hereby agrees to and does purchase from Sellers, 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"):

Lot Twenty-Six (26), Triangle Park, in the City of Hammond, as shown in Plat Book 34, page 62, in Lake County, Indiana

Key# 36-513-26

Commonly known and referred to as: 7207 Birch Avenue, Hammond, Indiana

upon the following covenants, terms and conditions:

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 Sellers and Sellers agree to accept from Buyer the sum of Seventy Thousand Dollars (\$70,000.00), which sum is less than the market value of Eighty-Four Thousand Two Hundred Dollars (\$84,200.00), because the Sellers', as parents of the buyer, decision to make a Fourteen Thousand Two Hundred Dollar (\$14,200.00) GIFT to their son, JACK A. THORPE.

1.02. **The Manner of Payment.** The purchase price shall be paid in the following manner:

(a) The Sum of Ten Thousand Dollars (\$10,000.00) upon the execution and delivery of this Contract. receipt of such sum is hereby acknowledged by Sellers, leaving an unpaid balance of the purchase price in the sum of Sixty Thousand Dollars (\$60,000.00).

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 Sellers 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 Seven and a Half percent (7.5%) 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 Sellers 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 Fifty Six and 21/100 Dollars (\$556.21), beginning the 1st day of September, 1995. Subsequent installments shall be paid on the same day of each month thereafter until September 1, 2010, at which time the Unpaid Purchase Price, with accrued but unpaid interest, shall be paid in full.

(d) Each installment received by Sellers shall be applied: first 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.

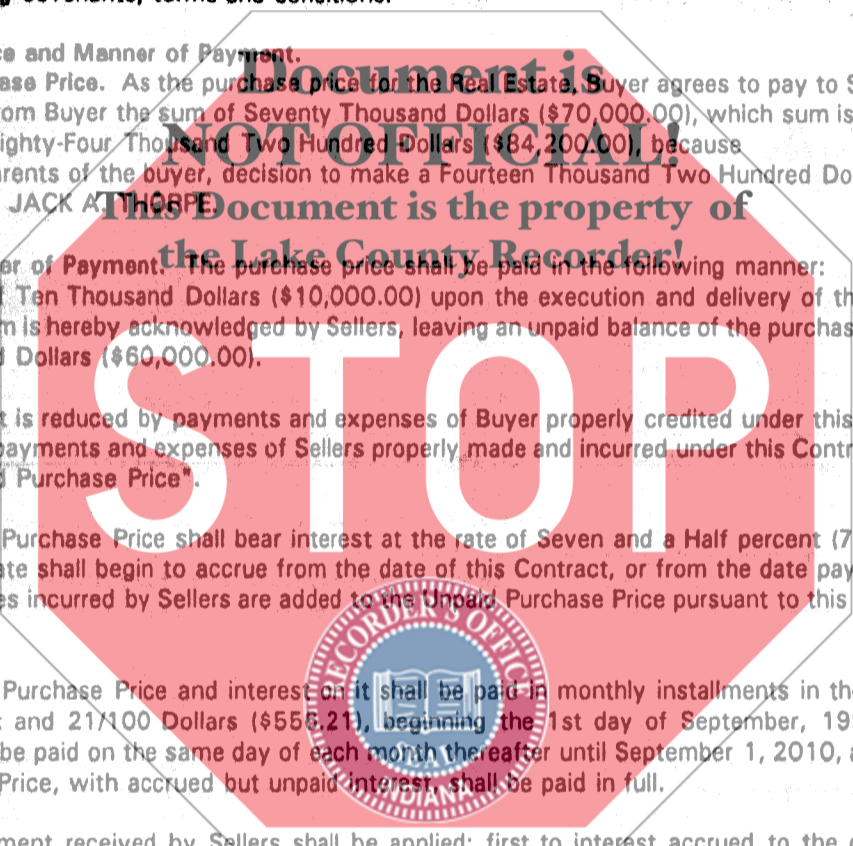
(e) Each payment under this contract shall be sent to Sellers at the following address: 7207 Birch Avenue, Hammond, Indiana, or at such other address as Sellers shall designate in writing.

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.

3.01. **Taxes.** Buyer agrees to assume and pay the taxes on the Real Estate beginning with the installment payable May 10, 1996, together with all installments of real estate taxes due and payable thereafter, and Sellers agree to pay all 1994 taxes due and payable in 1995 on the Real Estate and taxes due in 1996 are to be prorated to date of closing (date this Contract executed). Buyer, upon written notice to Sellers and at Buyer's expense, may contest on behalf of the parties any changes in the assessed value of the Real Estate. Sellers 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 Sellers upon request, evidence of



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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. Sellers agree to pay any other assessments or charges, to and including the date of this Contract.

3.03. Penalties. The parties hereto agree to pay any penalties, whether in the form of interest or otherwise, in connection with the late or untimely payment of such taxes, assessments or charges, for which they are responsible under this Section 3.

3.04. Insurance. At all times during the period of this Contract, Buyer shall: (a) keep the improvements located upon the Real Estate insured under fire and extended coverage policies in an amount not less than the Unpaid Purchase Price, and (b) pay premiums on such insurance policies as they become due. Such policies of insurance shall be carried with a company or companies approved by Sellers and properly authorized by the State of Indiana to engage in such business. Such policies of insurance shall also be issued in the name of Sellers and Buyer, as their respective interest may appear, and shall provide that the insurer may not cancel or materially change coverage without at least ten (10) days prior written notice to Sellers. Buyer shall provide Sellers with such proof of insurance coverage as Sellers from time to time shall reasonably request. Except as otherwise agreed in writing, any insurance proceeds received as payment for any loss of, or damage to, the Real Estate covered by such insurance, shall be applied to restoration and repair of the loss or damage in such fashion as Sellers reasonably may require, unless such restoration and repair is not economically feasible, or there exists an uncured Event of Default by Buyer under this Contract on the date of receipt of such proceeds. In either of such events, the proceeds may be applied, at Sellers' option, toward prepayment of the Unpaid Purchase Price, with any excess to be paid to Buyer.

Section 4. Possession.

4.01. Delivery of Possession. Sellers shall deliver to Buyer full and complete possession of the Real Estate on or before September 1, 1995. Parties agree, because this contract is entered into between parents (Sellers) and son (Buyer), Buyer agrees to permit his parents to continue to reside in the within Real Estate, free and clear of any rent liability until, by mutual agreement, Sellers choose to move out.

Section 5. Evidence of Title.

5.01. If Buyer is not in default under this Contract, Sellers will furnish Buyer:

An Owner's title insurance policy disclosing marketable title to the Real Estate (a) shall be furnished to Buyer at Sellers expense (b) 60 days prior to the date the final payment under this Contract is due.

5.02. Title Insurance. A title insurance policy issued under this Contract shall be in the amount of the purchase price and shall be issued by an insurer satisfactory to Sellers.

5.03. Additional Title Evidence. Any additional title evidence shall be at the expense of Buyer, provided, however, that the cost of additional title evidence necessitated by the acts or omissions of Sellers shall be borne by Sellers.

5.04. Conveyance of Title. Sellers covet and agree that upon the payment of all sums due under this Contract and the prompt and full performance by Buyer of all covenants and agreements herein made, Sellers will convey or cause to be conveyed to Buyer by Warranty Deed, the above described 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 obligations. Warranty Deed shall be held in escrow by Sellers' attorneys Danko & Goldsmith in Whiting, Indiana.

Section 6. Assignment of Contract or Sale of Interest in Real Estate.

6.01. 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 Sellers.

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

Section 7. Use of the Real Estate by Buyer; Sellers' Rights to Inspection.

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

7.02. Improvements. Buyer may materially alter, change, or remove any improvements now or hereafter located on the Real Estate, or make any additional improvements, without prior written consent of Sellers 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 Sellers' 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.

7.03. 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 as of the date of execution of this Contract.

Section 8. Buyer's Default and Seller's Remedies.

8.01. Time. Time is of the essence of this Contract.

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

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

(a) Failure by Buyer for a period of 90 days to pay any payment required to be made by Buyer to Sellers under this Contract when and as it becomes due and payable.

(b) Failure by Buyer, for a period of thirty (30) days after written notices is given to Buyer, to perform or observe any other covenant or term of this Contract.

8.04. Sellers' Remedies. Upon the occurrence of an Event of Default, Sellers shall have any and all rights and

elect their remedy provided by law to recover possession and payment.

8.05. In the event Buyer has substantial equity in the Real Estate when an Event of Default occurs, then this Contract shall be considered the same as a Promissory Note secured by a Real Estate Mortgage, and Sellers'

remedy shall be that of foreclosure in the same manner that Real Estate Mortgages are foreclosed under Indiana Law and Sellers may declare all of the sums secured by this Contract to be immediately due and payable, and Sellers may immediately institute legal action to foreclosure this Contract and Buyer's interest in the Real Estate. The parties agree that after Buyer has paid \$ 43,000.00 of the purchase price then Buyer shall have substantial equity in the Real Estate.

IN WITNESS WHEREOF, Sellers and Buyer have executed this Contract in duplicate on this 25 day of August, 1995.

Preston G. Thorpe
PRESTON G. THORPE, SELLER

Jack A. Thorpe
JACK A. THORPE, BUYER

Bonnie L. Thorpe
BONNIE L. THORPE, SELLER

STATE OF INDIANA)

COUNTY OF LAKE)

Before me, a Notary Public in and for said County and State, on this 25 day of August, 1995, personally appeared PRESTON G. THORPE and BONNIE L. THORPE and acknowledged the execution of the above and foregoing Contract for Conditional Sale of Real Estate to be their voluntary acts and deeds.

WITNESS my hand and Notarial Seal.

Document is NOT OFFICIAL!
This Document is the property of the Lake County Recorder!

Suzanne Goldsmith
SUZANNE GOLDSMITH, Notary Public and Resident of Lake County, Indiana

My commission expires: 11/27/95

STATE OF INDIANA)

COUNTY OF LAKE)

Before me, a Notary Public in and for said County and State, on this 25 day of August, 1995, personally appeared JACK A. THORPE and acknowledged the execution of the above and foregoing Contract for Conditional Sale of Real Estate to be his voluntary act and deed.

WITNESS my hand and Notarial Seal.

Suzanne Goldsmith
SUZANNE GOLDSMITH, Notary Public and Resident of Lake County, Indiana

My commission expires: 11/27/95

This Instrument was prepared by S. Goldsmith, Attorney at Law.

P.O. Box 510
Whiting 46394
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