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Chicago Title Insurance Company

# CONTRACT FOR CONDITIONAL SALE OF REAL ESTATE

THIS CONTRACT, made and entered into by and between Citizens Financial Services, FSB, as Trustee under trust agreement dated January 17, 1996, also known as No. L-1002, (hereinafter called "Seller") and Harold B. Clark, Jr. and Jeanne M. Spiegel, husband and wife, (hereinafter called "Buyer")  
"Each of the above individuals being over eighteen (18) years of age."

**WITNESSETH:**

Seller hereby agrees to and does sell to Buyer, and Buyer hereby agrees to and does purchase from Seller, 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"):

See Attached Schedule "A"

**FILED**

FEB 21 1996

SAM ORLICH  
AUDITOR LAKE COUNTY

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upon the following covenants, terms and conditions:

**Section 1. 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 Seller and Seller agrees to accept from Buyer the sum of Three Hundred Thirty-Five Thousand Dollars and 00/100  
Dollars (\$ 335,000.00)

1.02. **The Manner of Payment.** The purchase price shall be paid in the following manner:  
(a) The sum of Seventy-Five Thousand and 00/100 dollars  
Dollars (\$ 75,000.00)

upon the execution and delivery of this Contract. The receipt of such sum is hereby acknowledged by Seller, leaving an unpaid balance of the purchase price in the sum of Two Hundred Sixty Thousand and 00/100 Dollars  
Dollars (\$ 260,000.00)

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 Seller 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 \* per cent (\*%) 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 Seller are added to the Unpaid Purchase Price pursuant to this Contract, as may be applicable. \*See Section 12

(c) The ~~Unpaid Purchase Price~~ interest shall be paid ~~at the rate of~~ quarterly beginning March 31, 19 96. Subsequent installments shall be paid on the ~~same~~ last day of each ~~month~~ quarter thereafter until December 31, 19 99, at which time the Unpaid Purchase Price, with accrued but unpaid interest, shall be paid in full.

(d) Buyer shall have a grace period of seven (7) days from the due date of any installment required under this Contract within which to pay such installment. If such installment is not actually received by Seller within the grace period, then a late charge in a sum equal to five per cent (5%) of such installment shall accrue and be immediately due and payable.

(e) Each installment received by Seller shall be applied: first to accrued late charge, then 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 ~~and billed quarterly~~ and billed quarterly.

(f) Each payment under this contract shall be sent to Seller at the following address: 707 Ridge Road, Munster, Indiana 46321, or at such other address as Seller 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 amounts 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, 19 97, together with all installments of real estate taxes due and payable thereafter, and Seller agrees to pay all taxes on the Real Estate due prior to said installment. Buyer, upon written notice to Seller, and at Buyer's expense, may contest on behalf of the parties any changes in the assessed value of the Real Estate. Seller 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 Seller, upon request, evidence of 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

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(b) have total periodic payments which do not exceed the periodic payments by Buyer under this Contract, and shall provide for the regular amortization rate of the principal of Seller's Loan which exceeds the amortization rate of the Unpaid Purchase Price of this Contract;

(c) provide for prepayment in full at Seller's option, whether with or without premium, at any time.

6.03. **Notice of Loan.** Contemporaneously with the execution of a Loan, Seller shall give Buyer written notice and inform Buyer in reasonable detail of the principal amount of the Loan, the name and address of the mortgagee, the installments payable under the Loan, and such other terms as Buyer may reasonably request.

6.04. **Default of Loan.** In the event of Seller's default of a Loan, Buyer shall have the right, on behalf of Seller, to make loan payments or to cure other defaults. Seller shall, upon written demand of Buyer, pay to Buyer the amount of any such payments and the costs incurred by Buyer incurring other defaults (including in such costs Buyer's attorney fees) plus interest at the rate under this Contract, interest on such amount or costs being computed from date of payment or incurring of such costs until paid. Buyer shall have the option to deduct the amount of such payments, costs, and interest from payments payable under this Contract.

6.05. **Release.** Upon payment in full by Buyer of all amounts payable under this Contract, Seller shall pay in full all amounts payable under Loan(s) at the time outstanding and obtain and record, or cause to be recorded, a valid release of Loan(s) so paid.

6.06. **Encumbrance.** Seller represents that the Real Estate (is) (is not) encumbered with a Loan. If encumbered, Seller represents that the information regarding said Loan is as follows:

(a) Name of lender Citizens Financial Services, FSB

(b) Unpaid balance of Loan \_\_\_\_\_

### Section 7. Assignment of Contract or Sale of Interest in Real Estate.

7.01. If all or any part of the Real Estate, Buyer's interest therein or Buyer's interest in this Contract is sold or assigned without Seller's prior written consent, the Unpaid Purchase Price, with accrued, but unpaid interest and all other sums due here under shall be due and payable immediately, at Seller's option. No assignment or sale shall operate to relieve either party from liability hereon.

### Section 8. Use of the Real Estate by Buyer; Seller's Right to Inspection.

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

8.02. **Improvements.** Buyer may materially alter, change, or remove any improvements now or hereafter located on the Real Estate, or make any additional improvements, only with prior written consent of Seller, 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 Seller's 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.

8.03. **Inspection.** Seller shall have the right to enter and inspect the Real Estate at any reasonable time.

8.04. **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.

8.05. **Environmental Representations, Warranties, and Covenants of Parties.** The Parties make the following representations, warranties, and covenants:

(a) Seller warrants, represents, and covenants there will not exist during the term of this Contract, any actual or potential contamination of the soil, subsoil, groundwater, or any other portion of the Real Estate by any hazardous or toxic substance or their constituents, or any underground tanks on the Real Estate (other than for the use of heating oil for use and consumption of Buyer on the Real Estate).

(b) Seller warrants, represents, and covenants that the Real Estate is not subject to any federal, state, or local laws, rules, regulations, orders, or decrees, or any other governmental action, which would require the removal, remediation, or containment of any hazardous or toxic substance or their constituents, or any underground tanks on the Real Estate, or the installation of any monitoring or control system, or the performance of any other remedial or corrective action, or the payment of any costs or expenses, or the taking of any other action, in connection with the removal, remediation, or containment of any hazardous or toxic substance or their constituents, or any underground tanks on the Real Estate, or the installation of any monitoring or control system, or the performance of any other remedial or corrective action, or the payment of any costs or expenses, or the taking of any other action, in connection with the removal, remediation, or containment of any hazardous or toxic substance or their constituents, or any underground tanks on the Real Estate.

(c) Buyer covenants to comply at all times during the term of this Contract with all Environmental Laws.

(d) Each of the parties indemnifies the other against, and holds the other harmless from, any claim, action, loss, damage, liability, cost, or expenses (including attorney fees and all reasonable environmental testing expenses such party incurs as a result of the other party's breach of any representation, warranty, or covenants made in this Section 8.05).

8.06. **Indemnification.** In addition to the provision of S8.05, Buyer agrees to indemnify and save harmless Seller from and against any and all claims, liability, damage, costs or expense which Seller may incur by reason of the Buyer's use or occupancy of the Real Estate, or arising out of any act of the Buyer, Buyer's agents, licensees and invitees.

### Section 9. Buyer's Default and Seller's Remedies.

9.01. **Time.** Time is of the essence of this Contract.

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

9.03. **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 15 days ~~(not less than ten (10) days)~~ to pay any payments required to be made by Buyer to Seller under this Contract when and as it becomes due and payable.

(b) Lease or encumbrance of the Real Estate or any part thereof by Buyer, other than as expressly permitted by this Contract.

(c) Causing or permitting by Buyer of the making of any levy, seizure or attachment of the Real Estate or any part thereof.

(d) Occurrence of an uninsured loss with respect to the Real Estate or any part thereof.

(e) Institution of insolvency proceedings against Buyer, or the adjustment, liquidation, extension or composition or arrangement of debts of Buyer or for any other relief under any insolvency law relating to the relief of debtors; or, Buyer's assignment for the benefit of creditors or admission in writing of his inability to pay his debts as they become due; or, administration by a receiver or similar officer of any of the Real Estate.

(f) Desertion or abandonment by Buyer of any portion of the Real Estate.

(g) Actual or threatened alteration, demolition, waste or removal of any improvement now or hereafter located on the Real Estate, except as permitted by this Contract.

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

9.04. **Seller's Remedies.** Upon the occurrence of an Event of Default, Seller shall elect his remedy under Subsection 9.041 or 9.042 (unless Subsection 9.043 is applicable).

9.041. Seller may declare this Contract forfeited and terminated, and upon such declaration, all right, title and interest of Buyer in and to the Real Estate shall immediately cease and Buyer 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 eject Buyer and all persons claiming under him. Further, Seller shall have the right to institute legal action to have this Contract forfeited and terminated and to recover from Buyer all or any of the following:

(a) possession of the Real Estate;

(b) any payment 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 Unpaid Purchase Price from the last date to which interest was paid until judgment or possession is recovered by Seller, whichever shall occur first; provided, however, that this shall not be construed as allowing Seller to recover any interest which would be included under Subsection 9.041 (b) above;

- (d) due and unpaid real estate taxes, assessments, charges and penalties which Buyer 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 and acts of God or public authorities; and
- (g) any other amounts which Buyer is obligated to pay under this Contract; or

9.042. Seller may declare all of the sums secured by this Contract to be immediately due and payable, and Seller may institute legal action to recover same. When all of such sums are paid to Seller, Seller shall convey or cause to be conveyed to Buyer, by Warranty Deed, the 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 obligation.

9.043. In the event Buyer has sustained 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 Seller's remedy shall be that of foreclosure in the same manner that real estate mortgages are foreclosed under Indiana law and Seller may not avail himself of the remedies set forth in Subsection 9.041 or 9.042. If this Subsection 9.043 is applicable, then Seller may declare all of the sums secured by this Contract to be immediately due and payable, and Seller may immediately institute legal action to foreclose this Contract and Buyer's interest in the Real Estate. The parties agree that after Buyer has paid \$ \_\_\_\_\_ of the purchase price (which price means the original purchase price set forth in Subsection 1.01), then Buyer shall have substantial equity in the Real Estate.

9.05. **Seller's Additional Remedies.** In addition to the remedies set forth above, upon the occurrence of an Event of Default, Seller shall be entitled to:

- (a) Retain (without prejudice to his right to recover any other sums from buyer, or to have any other remedy under this Contract), as an agreed payment for Buyer's use of the Real Estate prior to the Event of Default, all payments made by Buyer to Seller and all sums received by Seller as proceeds of insurance or as other benefits or considerations pursuant to this Contract.
- (b) Request that a receiver be appointed over the Real Estate in accordance with Indiana law providing for real estate mortgage foreclosures.
- (c) Enforce any right without relief from valuation or appraisal laws.

**Section 10, Seller's Default and Buyer's Remedies.**

10.01. If Seller fails to convey the Real Estate as required by this Contract, Buyer may institute legal action against Seller for specific performance, in which case Seller hereby acknowledges that an adequate remedy for default in such case does not exist at law, or Buyer may pursue such other remedy as is available at law or in equity.

10.02. If, after seven (7) days notice from Buyer, Seller fails to make any payment required of him under this Contract or to perform or observe any other of his covenants or agreements, Buyer shall be entitled to institute legal action against Seller for such relief as may be available at law or in equity. Nothing in this subsection shall interfere with or affect Buyer's right to any reduction, set-off or credit to which buyer may be entitled in the event of Seller's failure to pay amounts required of him pursuant to this Contract.

**Section 11. General Agreements.**

11.01. This Contract shall bind, and inure to the benefit of, the parties and their heirs, personal and legal representatives, successors and assigns, and shall be interpreted under the laws of the State of Indiana.

11.02. If Seller or Buyer consist of more than one person, each person signing this Contract as seller or Buyer shall be jointly and severally bound.

11.03. Headings are for reference only, and do not affect the provisions of this Contract. Where appropriate, the masculine gender shall include the feminine or the neuter, and the singular shall include the plural.

11.04. A memorandum of this Contract may be recorded and shall be of the same force and effect as though the entire instrument had been recorded.

11.05. Each party is entitled to recover his reasonable attorney fees, costs, and expenses incurred by reason of enforcing his rights hereunder, including the expenses of preparing any notice of delinquency, whether or not any legal action is instituted.

11.06. For purposes of listing the Real Estate for sale by Buyer, Buyer shall be deemed to be the "fee titleholder" as this term is used in the Indiana Real Estate License Laws.

11.07. The failure or omission of either party to enforce any of his right or remedies upon any breach of any of the covenants, terms or conditions of this Contract shall not bar or abridge any of his rights or remedies upon any subsequent default.

11.08. Any notices to be given hereunder shall be in writing and 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.

11.09. In computing a time period prescribed in this Contract, the day of the act or event shall not be counted. All subsequent days, including intervening weekend days and holidays, shall be counted in the period.

**Section 12. Additional Covenants.**

\*The interest rate for each month shall be a rate equal to 100 basis points over the Wall Street Journal Prime Rate for the last business day of the preceeding month.

IN WITNESS WHEREOF, Seller and Buyer have executed this Contract in duplicate on this 26th day of January, 1996.

Brian L. Goins  
 Brian L. Goins, Vice President SELLER

Harold B. Clark, Jr.  
 Harold B. Clark, Jr. BUYER

Jeffrey C. Stur  
 Jeffrey C. Stur, Senior Vice President SELLER

Jeanne M. Spiegel  
 Jeanne M. Spiegel BUYER

STATE OF INDIANA  
 COUNTY OF LAKE  
 SS: 26th day of January, 1996  
 Before me, a Notary Public in and for said County and State, on this 26th day of January, 1996 personally appeared Brian L. Goins, Vice President and Jeffrey C. Stur, Senior Vice President of Citizens Financial Services, FSB 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.

My commission expires: 5/4/97 Resident of Lake

STATE OF INDIANA  
 COUNTY OF LAKE  
 SS: 26th day of January, 1996  
 Before me, a Notary Public in and for said County and State, on this 26th day of January, 1996 personally appeared Harold B. Clark, Jr. and Jeanne M. Spiegel, husband and wife

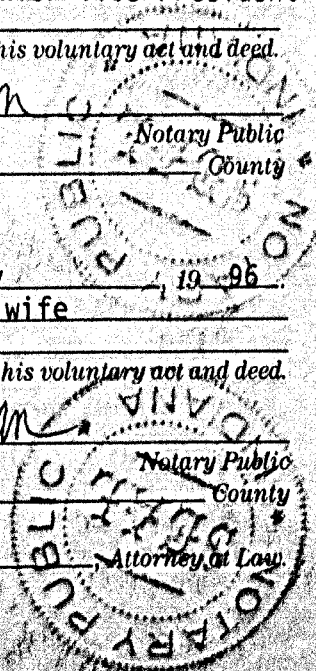
and acknowledged the execution of the above and foregoing Contract for Conditional Sale of Real Estate to be his voluntary act and deed.  
 WITNESS my hand and Notarial Seal.

My commission expires: 5/4/97 Resident of Lake

This Instrument was prepared by Brian L. Goins

Attorney Identification Number 8616-45

Mail To: \_\_\_\_\_





SCHEDULE "A"

PARCEL 1: THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 12, TOWNSHIP 34 NORTH, RANGE 9 WEST OF THE 2ND P. M., IN LAKE COUNTY, INDIANA.

PARCEL 2: PART OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 12, TOWNSHIP 34 NORTH, RANGE 9 WEST OF THE 2ND P. M., IN LAKE COUNTY, INDIANA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT 730.0 FEET EAST AND 460.0 FEET NORTH OF THE SOUTHWEST CORNER OF SAID SECTION 12, THENCE EAST PARALLEL TO THE SOUTH LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, 596.82 FEET TO THE EAST LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, THENCE NORTH ALONG SAID EAST LINE 611.53 FEET TO A POINT 255.4 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, THENCE WEST PARALLEL TO THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, 596.90 FEET TO A POINT 730.0 FEET EAST OF THE WEST LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, SAID POINT BEING ALSO THE NORTH AND SOUTH CENTER LINE OF A 60.0 FOOT ROAD EASEMENT, THENCE SOUTH ALONG SAID CENTER LINE AND PARALLEL TO THE WEST LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, 611.2 FEET TO THE POINT OF BEGINNING.

PARCEL 3: PART OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 12, TOWNSHIP 34 NORTH, RANGE 9 WEST OF THE 2ND P. M., DESCRIBED AS FOLLOWS: COMMENCING AT A POINT IN THE SOUTH LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER WHICH IS 1006.53 FEET EAST OF THE SOUTHWEST CORNER THEREOF, THENCE NORTH PARALLEL TO THE WEST LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER A DISTANCE OF 460 FEET, MORE OR LESS, TO THE SOUTH LINE OF A TRACT CONVEYED BY WARRANTY DEED RECORDED AUGUST 25, 1965 IN DEED RECORD 1299, PAGE 214, THENCE EAST ALONG SAID SOUTH LINE OF SAID CONVEYED TRACT, 320.29 FEET, MORE OR LESS, TO THE EAST LINE OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, THENCE SOUTH ALONG SAID EAST LINE, 460 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, THENCE WEST ALONG THE SOUTH LINE THEREOF, 320.24 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, IN LAKE COUNTY, INDIANA.

PARCEL 4: THE NORTH 255.4 FEET OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 12, TOWNSHIP 34 NORTH, RANGE 9 WEST OF THE 2ND P. M., IN LAKE COUNTY, INDIANA, EXCEPT THE EAST 435.60 FEET OF THE WEST 730.00 FEET OF THE SOUTH 200.00 FEET THEREOF OF THE NORTH 255.40 FEET OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 12, TOWNSHIP 34 NORTH, RANGE 9 WEST OF THE 2ND P. M., IN LAKE COUNTY, INDIANA.

PARCEL 5: THE NORTH 50 FEET AND THE WEST 330 FEET OF LOT 2, OAK KNOLL ACRES, AS SHOWN IN PLAT BOOK 24, PAGE 56, IN LAKE COUNTY, INDIANA.