

61066  
LAWRENCE TITLE INS. CORP.  
ONE PROFESSIONAL CENTER  
SUITE 215  
CROWN POINT, IN 46307

**FILED**

TITLE AFFIDAVIT

APR 29 1996

10  
Clifford R. Gregory, being first duly sworn, upon his oath deposes and says:

**SAM ORLICH**  
**AUDITOR LAKE COUNTY**

That he is the Loan Guaranty Officer of the Department of Veterans Affairs and as such has authority to make this affidavit pursuant to Sections 212 and 1820 of Title 38 U.S. Code, and sections 36:4342 and 36:4520 of the Regulations pursuant thereto, and has personal knowledge of the transaction herein referred to and the facts in connection therewith.

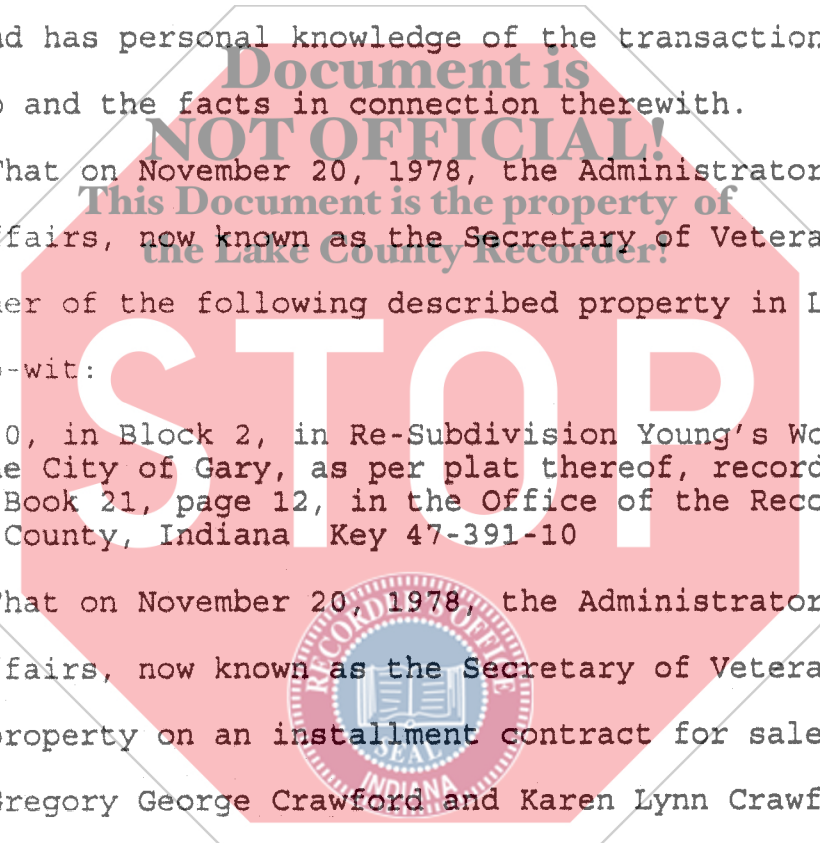
That on November 20, 1978, the Administrator of Veterans Affairs, now known as the Secretary of Veterans Affairs was the owner of the following described property in Lake County Indiana, to-wit:

Lot 10, in Block 2, in Re-Subdivision Young's Woodlands in the City of Gary, as per plat thereof, recorded in Plat Book 21, page 12, in the Office of the Recorder of Lake County, Indiana Key 47-391-10

That on November 20, 1978, the Administrator of Veterans Affairs, now known as the Secretary of Veterans Affairs sold said property on an installment contract for sale of real estate to Gregory George Crawford and Karen Lynn Crawford. The contract was recorded May 5, 1981 as Document No. 627264 in the Lake County Recorder's Office, and a copy of said installment contract attached hereto as Exhibit A.

That the purchase price of the property was \$24,750.00 with a \$1,050.00 down payment.

That on or about June 17, 1982, said Gregory George Crawford and Karen Lynn Crawford assigned all of their right,



96028565

96 MAY - 1 AM 11:53

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

MARKED BY  
RECORDER

001502

2700  
24  
Su

title and interest in the installment contract to Thomas Walls, Jr. and June M. Walls. Said assignment was recorded April 15, 1986 as Document No. 849485 in the Lake County Recorder's Office, and a copy of same is attached as Exhibit B.

That said Thomas Walls, Jr. and June M. Walls failed to pay the monthly installment due January 1, 1986, and all subsequent payments due under said contract.

That because of said failure to make the monthly payments, the Secretary of Veterans Affairs, pursuant to paragraph 15 (a) of said contract, terminated and canceled said contract on January 16, 1987. A copy of the termination notice is attached as Exhibit C.

That at the time of cancellation there was an unpaid balance of \$23,323.66, money was not being escrowed to pay real estate taxes or hazard insurance premiums when due and the account was delinquent in the amount of \$3,344.64.

That at the time of termination of said contract, the property was valued at approximately \$24,000.00.

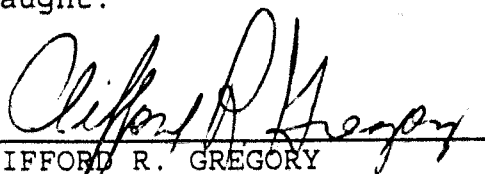
That following said termination, Thomas Walls, Jr. and June M. Walls, vacated the property.

That since said termination the Secretary of Veterans Affairs has not had any demand made upon him by said Gregory George Crawford, Karen Lynn Crawford, Thomas Walls, Jr. or June M. Walls for any interest in or possession to the property described herein.

That this affidavit is being made and may be recorded pursuant to paragraph 17(b) of the contract to make a public

record of the termination and to induce the issuance of a title insurance policy containing no exception because of the aforementioned contract of sale or any liens or title defects arising therefrom.

Further affiant sayeth naught.



CLIFFORD R. GREGORY  
Loan Guaranty Officer



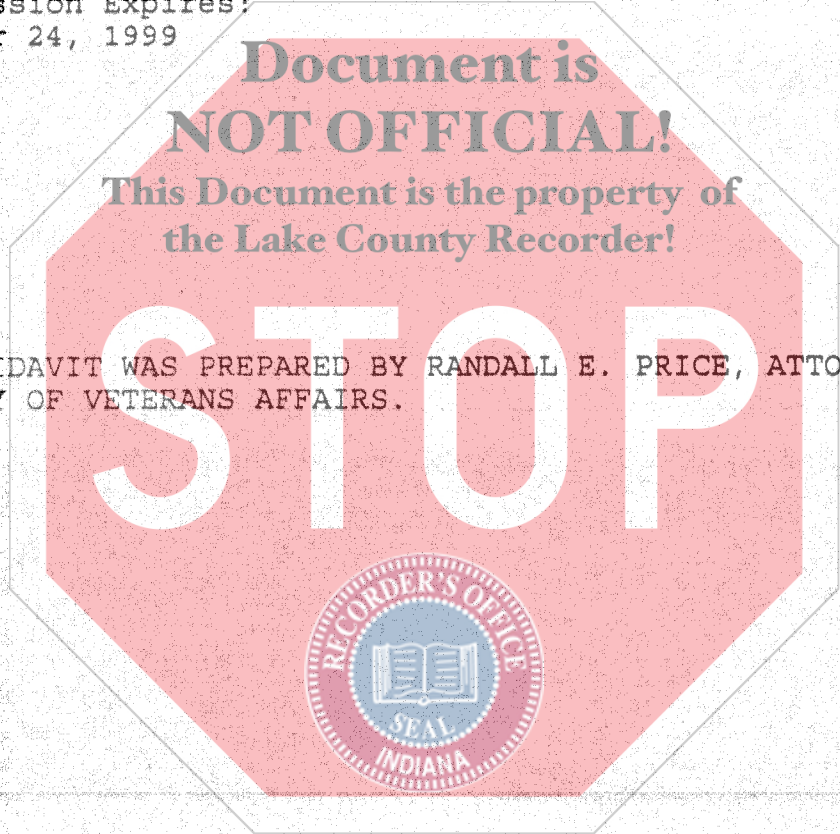
STATE OF INDIANA     )  
                                  )  
COUNTY OF MARION    )    SS:

Subscribed and sworn to before the undersigned, a Notary Public,  
in and for the County of Marion, State of Indiana, this 15th day  
of April, 1996.



\_\_\_\_\_  
Karen M. Hicks, Notary Public  
Resident of Hancock County, Indiana

My Commission Expires:  
September 24, 1999



THIS AFFIDAVIT WAS PREPARED BY RANDALL E. PRICE, ATTORNEY FOR THE  
SECRETARY OF VETERANS AFFAIRS.

NOT PART OF THIS INSTRUMENT. For use in Arizona, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, New Mexico, Oregon, South Carolina, South Dakota, Utah, Washington, Wisconsin, and Wyoming.

**INSTALLMENT CONTRACT FOR SALE OF REAL ESTATE**

1. THIS AGREEMENT, made this *TWENTIETH* day of *NOVEMBER* 19 *78*, by and between the Administrator of Veterans' Affairs, an officer of the United States of America, whose address is Veterans Administration, in the City of Washington, District of Columbia 20420, hereinafter called "Seller," and his successors in such office, as such, and *GREGORY GEORGE CRAWFORD AND KAREN LYNN CRAWFORD* whose mailing address is

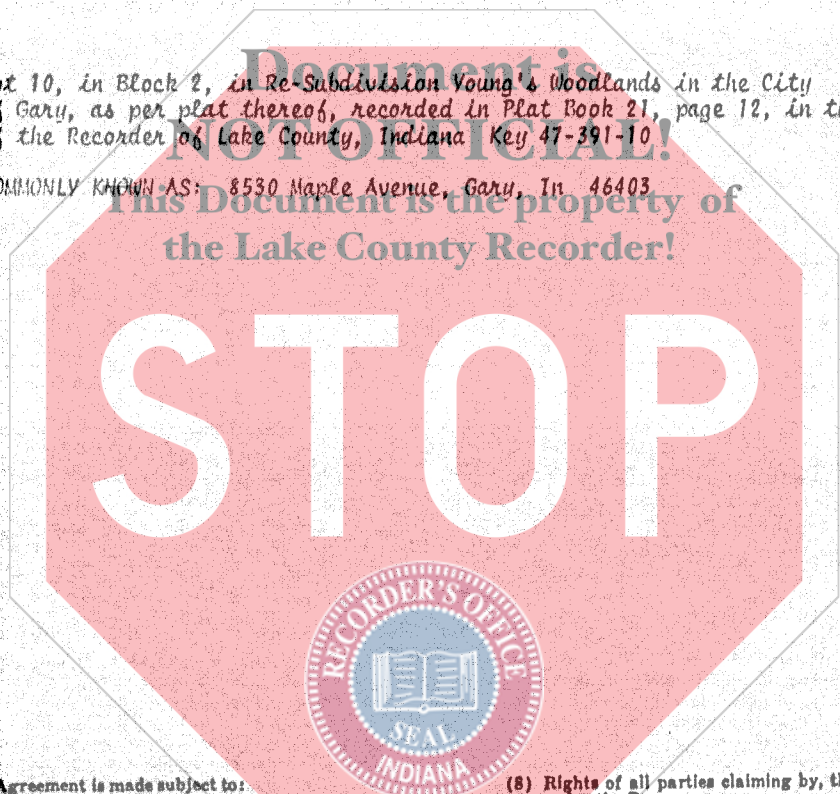
*409 South Hancock Street  
Gary, In 46403*

hereinafter called "Buyer."

2. WITNESSETH: For and in consideration of the sum of one dollar, each to the other in hand paid, and of the mutual covenants and agreements herein, the Seller hereby agrees to sell to the Buyer, and the Buyer hereby agrees to purchase from the Seller, the property and all appurtenances thereto, situated in *the city of Gary* county of *Lake* and State of *Indiana* herein referred to as "the property," and more fully described as follows, to wit:

*Lot 10, in Block 2, in Re-Subdivision Young's Woodlands in the City of Gary, as per plat thereof, recorded in Plat Book 21, page 12, in the Office of the Recorder of Lake County, Indiana Key 47-391-10!*

COMMONLY KNOWN AS: *8530 Maple Avenue, Gary, In 46403*



3. This Agreement is made subject to:

- (1) Existing leases and to rights, if any, of persons in possession, if any.
- (2) The general taxes and special assessments which the Buyer hereinafter covenants to pay.
- (3) Building line and building and liquor restrictions of record.
- (4) Zoning and building laws or ordinances.
- (5) Party wall rights or agreements.
- (6) Roads and highways.
- (7) Covenants, conditions, exceptions, reservations, restrictions, or easements of record.
- (8) Rights of all parties claiming by, through, or under the Buyer.
- (9) Any state of facts which an accurate survey would show.
- (10) All unpaid water and sewage-disposal charges for services rendered after the date of delivery of this Agreement.
- (11) All contracts or agreements, recorded or unrecorded, for furnishing gas, electricity, water, or sewage-disposal service.
- (12) The constitution, bylaws, rules, regulations, restrictions, charges, or assessments of any civic improvement or other association, corporation, or district which affect the property.

The Buyer shall indemnify and save harmless the Seller from all loss and liability that arise by reason of any and all obligations and liabilities existing or arising out of any of the foregoing matters.

4. Buyer shall pay to Seller for the property the sum of TWENTY-FOUR THOUSAND SEVEN HUNDRED FIFTY DOLLARS AND NO/10 Dollars (\$ 24,750.00 ) in lawful money of the United States of America at the Regional Office of the Veterans Administration, an agency of the United States, in the city of Indianapolis Indiana, or at such other place within the United States as the Seller may from time to time designate in writing, at the times, in the amounts, and in the manner following:

ONE THOUSAND FIFTY DOLLARS AND NO/100 dollars (\$ 1,050.00 ) in cash paid prior to or upon the execution and delivery of this Agreement; and the balance of TWENTY-THREE THOUSAND SEVEN HUNDRED DOLLARS AND NO/100 dollars (\$ 23,700.00 ) (herein referred to as "Principal sum" or as "principal") with interest on unpaid principal at the rate of 9 1/2% per annum, from the TWENTIETH day of NOVEMBER 1978, which said principal and interest shall be payable in 360 equal monthly installments as follows:

ONE HUNDRED NINETY-NINE DOLLARS AND 32/100 dollars (\$ 199.32 ) on the first day of JANUARY 1978, and a like sum on the first day of each and every month thereafter until said principal and interest shall have been fully paid. Unless sooner paid, the unpaid balance of principal plus the accrued and unpaid interest shall be due and payable on the FIRST day of DECEMBER 2008. Except as hereinafter otherwise provided, each payment made hereunder shall be credited first on the interest then due as herein provided and the remainder shall be credited upon unpaid principal. Additional payments of principal in any amount not less than the amount of the monthly installments above provided or one hundred dollars, whichever is less, may be made at any time. Prepayment in full shall be credited on the date received. Partial prepayment, other than on an installment due date, need not be credited until the next following installment due date or thirty days after such prepayment, whichever is earlier. At Seller's option the Buyer will pay a "late charge" not exceeding four per centum (4%) of any installment when paid more than fifteen (15) days after due date thereof to cover the extra expense involved in handling delinquent payments.

5. Except as otherwise provided herein, Buyer covenants and agrees: (a) to pay, before delinquency and before accrual of interest or penalty, all taxes for the year 1978 and subsequent years, all installments of special improvement taxes and assessments due and payable in the year 1979 and subsequent years, and all special taxes and assessments hereafter levied or which are not now in collection or which are for improvements not yet completed upon said property, together with all ground rents, water delivery costs and rates, assessments on water or ditch stock or water rights, levies, liens, encumbrances, and other costs or charges appurtenant to or affecting said property or any part thereof, or the full and proper use and enjoyment thereof, or affecting this instrument or the indebtedness hereby evidenced and secured, irrespective of whether the same constitute a lien or encumbrance upon said property, and when requested by the Seller, to deliver to him receipts or certificates, in form satisfactory to him, evidencing such payments; and (b) to maintain hazard insurance of such type or types and amounts as the Seller may from time to time notify Buyer to obtain on the improvements now or hereafter on said premises, and to pay promptly when due any premiums therefor. All insurance shall be carried in companies approved by Seller, and the policies and renewals thereof shall be held by Seller and shall contain, by endorsement or otherwise, appropriate provisions, acceptable to Seller, requiring all losses and refundable unearned premiums to be paid to Seller. In the event of loss Buyer will give immediate notice by mail to Seller, and Seller shall be entitled, but is not under any duty, to make proof of loss, if not made promptly by Buyer. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Seller instead of to Buyer and Seller jointly. Buyer shall promptly assign and deliver to the Seller, if required by him, all other insurance policies now or hereafter issued which cover any of said property.

6. Without limiting or impairing any of the covenants contained in paragraph 5 hereof and in order to provide means for the due performance of certain of said covenants by the Buyer and further assurance to the Seller, the Buyer covenants and agrees hereby to remit to the Seller, at the several times when the Buyer is obligated to make payments hereunder or at such other times as the Seller may require, additional funds in an amount equal to at least one-twelfth (1/12) of the annual amount which the Seller shall from time to time estimate to be necessary to pay the following items, or such of them as the Seller may, in his sole discretion and from time to time, elect to pay therefrom, and of which the Seller notifies Buyer:

- (a) Any of those taxes, assessments, ground rents, water delivery costs and rates, assessments on water or ditch stock or water rights, levies, charges, and encumbrances mentioned in paragraph 5 hereof which the Seller may in his sole discretion and from time to time designate.
- (b) The premiums and costs of any fire and other insurance which the Buyer is obligated to maintain under the provisions of paragraph 5 hereof and which the Seller may in his sole discretion and from time to time designate; and
- (c) Such other similar levies or charges as the Seller in his sole discretion and from time to time may deem it necessary or proper to pay.

From and out of moneys received by the Seller pursuant to the provisions of this paragraph and from and out of any other moneys received by the Seller from the Buyer or for Buyer's account, the Seller may at any time pay the whole or any part of said items indicated in paragraphs 5 and 6 of this Agreement, or any of them, together with any penalties, interest and charges thereon, or may retain for not longer than three (3) years any of such moneys for payment of any of said items, or the Seller may at his sole option apply at any time any or all of such moneys to the payment of any indebtedness owing to him from the Buyer as a consequence of this Agreement. The Seller shall not be required to make any disbursement from said moneys to any agent or insurance company from whom Buyer may directly order insurance. All payments of said items made by the Seller hereunder may be in such amounts as are shown by his own records, or by bills obtained by the Seller, or on the basis of any other information received by the Seller, to be due, payable, past due, or delinquent on account thereof. If requested by the Seller, Buyer shall promptly obtain, approve, and deliver to the Seller all bills for said items. The rights of the Seller to hold, apply, and dispose of said funds for the purposes and in the manner herein provided are irrevocable and absolute prior to full payment of all of the indebtedness of Buyer to the Seller, whether secured or unsecured, and none of said funds may be withdrawn by Buyer so long as any of such indebtedness remains unpaid.

7. All moneys paid to Seller hereunder may be commingled with other funds of the Seller or may be deposited by him with the Treasurer of the United States who is hereby authorized to commingle the same with the general funds of the United States. No interest shall be payable on the funds received by Seller for any purpose pursuant to any provision of this Agreement.

8. Buyer covenants not to commit, permit, or suffer any waste to the property, to keep the property in good repair and not suffer any mechanics' or material men's liens to attach thereto. Buyer further covenants not to abandon said property and not to use, permit, or suffer the use of any of the property for any illegal or immoral purpose, or, without written consent of the Seller, for any purpose other than that for which it is now intended, nor without such consent to effect, permit, or suffer any alteration or removal of, or any addition to, the buildings or improvements now or hereafter situated in or upon the property. Buyer further covenants and agrees to comply with all laws and ordinances which may in any manner affect the property.

9. No part of the property shall be used in the manufacture, sale, or distribution of intoxicating liquors without the written approval of Seller.

10. In the event Buyer fails, neglects, or refuses to perform, in whole or in part, any of the covenants, agreements, or obligations herein provided upon the part of Buyer to be performed, Seller is hereby authorized and empowered, at his option, without notice and at the cost of Buyer, to perform or cause to be performed, any or all of said covenants, agreements and obligations, and to expend such sums of money as may be reasonable therefor, or for any other purpose which in the opinion of Seller is reasonably necessary for the protection of Seller. All such sums of money so expended by Seller, together with interest thereon, at the rate aforesaid, from the several dates of expenditure thereof until paid, shall become so much additional indebtedness under this Agreement and shall be repaid by Buyer to Seller, in lawful money of the United States of America, immediately and without demand, at the same place or places as other sums are payable hereunder, unless Seller shall agree that such sums be otherwise repaid, in which event such repayment shall be made by

Buyer to Seller at such times and in such manner as Seller shall require. Any failure, neglect, or refusal by Buyer to repay such sums as herein provided shall constitute default hereunder. Any payment made under the terms of this Agreement may, at the election of Seller, be applied first to the repayment of any sums Seller shall have expended in accordance with the terms hereof.

11. Buyer hereby assigns, transfers, and sets over to Seller, up to the amount of the total indebtedness of Buyer to Seller hereunder, all of Buyer's right, title, and interest in or to all awards and claims in connection with condemnation of any of the property for public use, or for injury to any portion thereof, and the proceeds of all such awards or claims, after payment therefrom of all reasonable expenses incurred, including fees for attorneys representing Seller in any such proceeding, shall be paid to Seller. Seller is hereby authorized in the name of Buyer to execute and deliver valid acquittances thereof and to appeal from or otherwise appropriately litigate any or all of such awards or claims. Seller shall be under no obligation hereunder to sell or convey all or any part of the property, or right or interest therein which is condemned.

12. All moneys received by Seller under any policy or policies of insurance or any condemnation award or other award or claims after payment therefrom of all reasonable expenses incurred in connection therewith, including fees for attorneys representing Seller, may at the option of Seller, without notice, be used for the purpose of repairing, restoring, or improving the damaged structure upon the property, or may be credited on the indebtedness as Seller may elect.

13. Seller reserves for himself and his employees or agents the right to enter upon the property at any reasonable time during the term of this Agreement for the purpose of inspecting and examining the property or for the purpose of performing any act proper to be performed for the purpose of protecting Seller's right, title, and interest in and to the property or to save it from waste, or for the purpose of exercising any right conferred upon Seller hereunder.

14. Delivery to and acceptance of this Agreement by Buyer shall constitute delivery to and acceptance by Buyer of possession of the property described herein and shall constitute an acknowledgment by the Buyer that he has inspected and examined the property, is satisfied with its condition and Buyer acknowledges that he is buying the property "as is." The Buyer assumes responsibility for injury or death on or arising out of the property and also assumes the risk of loss or damage to the buildings now situated, or hereafter constructed, in or upon said property by fire, casualty, or other happening.

15. Time is of the essence of this Agreement and if default be made and continue for a period of thirty (30) days in the payment of any of the installments of principal, interest, or any other items hereinbefore stipulated, when the same become severally due hereunder, or in the payment of any other sum herein agreed to be paid by Buyer, or if default be made in the performance by Buyer of any other agreement, covenant, or obligation of Buyer hereunder, then in either, or any of said events, the whole unpaid balance due under the terms of this Agreement shall, at the option of Seller, immediately become due and payable and Seller may, at his option, (a) terminate by simple declaration of his election so to do, with or without notice, all of Buyer's rights under this Agreement and all of Buyer's right, title, and interest in the property; or (b) terminate all of Buyer's rights under this Agreement and all of Buyer's right, title, and interest in the property in any appropriate proceeding, legal or equitable; or (c) enforce Buyer's obligations hereunder in any appropriate proceeding, legal or equitable. Buyer agrees to pay all costs and expenses, including a reasonable sum for attorney's fees incurred by Seller in terminating Buyer's rights under this Agreement or claims to the property or in enforcing any or all of the terms of this Agreement, and in appropriate judicial proceedings, if any are initiated to establish or maintain Seller's right or title to, and possession of said property after breach by Buyer, free of any title or claims of Buyer.

16. The provisions of paragraph 15 of this Agreement shall also apply, at the option of Seller, to (a) any violation or breach of any of the covenants, conditions, or restrictions indicated in this Agreement or which may be of record, and (b) to any violation of any laws or ordinances in any manner affecting said property.

17. (a) Upon Seller exercising his right of termination as provided in paragraph 15 hereof, all rights and interest hereby created and then existing in Buyer and in all claiming under Buyer, shall wholly cease and determine. Buyer shall thereupon quit and surrender to Seller, without demand, peaceful possession of said property in as good condition as it is now, reasonable wear and tear alone excepted. In the event Buyer neglects or refuses to surrender such possession it shall be lawful for Seller to enter upon and take possession of said property without notice and remove all persons and their property. (b) Seller may, at his option, cause a written declaration to be recorded in the office of the Recorder of Deeds (or of the Registrar of Titles if the property is registered under the Torrens Law) of the county in which the property is situated, to evidence the exercise of his election to terminate all rights hereunder in accordance herewith. Such declaration when so recorded, shall be, as to all subsequent purchasers or encumbrancers of the property or any part thereof, conclusive proof of default by Buyer and of Seller's election to terminate all rights in the property existing by reason of this Agreement. (c) All moneys paid by Buyer and all improvements constructed in or upon the property shall be retained by Seller as compensation for the use and occupancy thereof by Buyer; consideration for the execution of this Agreement; and liquidated damages to Seller for such default and not as a penalty therefor.

18. Upon receipt of:

(a) Full payment of the balance payable under the terms of this Agreement or

(b) at such earlier time as the Seller in his sole discretion may determine, the Seller shall execute and deliver a Special Warranty Deed conveying to Buyer the aforementioned title to said property, said deed to be identical in its language and effect with VA Form 26-6412A, now currently used in the Veterans Administration, but subject to the exceptions indicated in paragraph 3 hereof, and subject to all applicable National and State statutes and regulations then affecting the transfer of real estate or of any rights therein.

19. If any part of said principal sum or the interest thereon shall not have been paid at the time of the execution and delivery of the deed to said property as provided in paragraph 18 hereof, Buyer shall simultaneously execute and deliver to Seller his promissory note in the sum of such unpaid amount, payable in installments in the same amount as provided in paragraph 4 hereof, and a purchase money mortgage securing same, which shall be a first lien upon said property, said note and mortgage to bear the same date as said deed, the language of said note and mortgage to be subject to Seller's approval; and the detailed provisions of both, so far as not in conflict with this Agreement, to be those contained in the printed forms of such instruments then in common use by the Veterans Administration or any successor in interest thereof in the State wherein the property is situated except that interest, wherever mentioned in said forms, shall be at the same rate as provided in paragraph 4 hereof.

20. Seller's title is satisfactory to Buyer as of the date hereof.

21. Buyer shall pay for all recording, transaction, transfer, conveyance, and other taxes upon this Agreement and upon any deed, note, mortgage, or other instrument executed under the terms and provisions of this Agreement, and all charges and taxes (except income tax) levied against or payable by the mortgagee and the legal holder of said note on account of the indebtedness, the lien, or the evidence of either, whether such be payable in one sum only, or periodically or otherwise, and for all revenue, documentary, or other stamps required to be affixed to any such instrument. Buyer shall also pay the fees for recording the deed and the mortgage when executed.

22. Seller may at any time sell and convey the property, but subject to Buyer's rights under this Agreement; and Seller may assign all of Seller's rights hereunder, without the consent of Buyer. The Buyer shall notify the seller, of an assignment of the Buyer's interest in the contract.

23. Any notices from one party hereto to the other party shall be in writing and delivered in person or forwarded by certified mail. Notices to Buyer shall be addressed to him at the property hereinabove described unless he shall have previously furnished to Seller written notice of a different address, in which event notice shall be sent to the latest address as furnished Seller. Notices to Seller shall be addressed to the Loan Guaranty Officer, Veterans Administration at the office stated in paragraph 4 hereof until Buyer is notified in writing of a changed address. Thereafter he shall address any notice to the last address of which he shall have been notified.

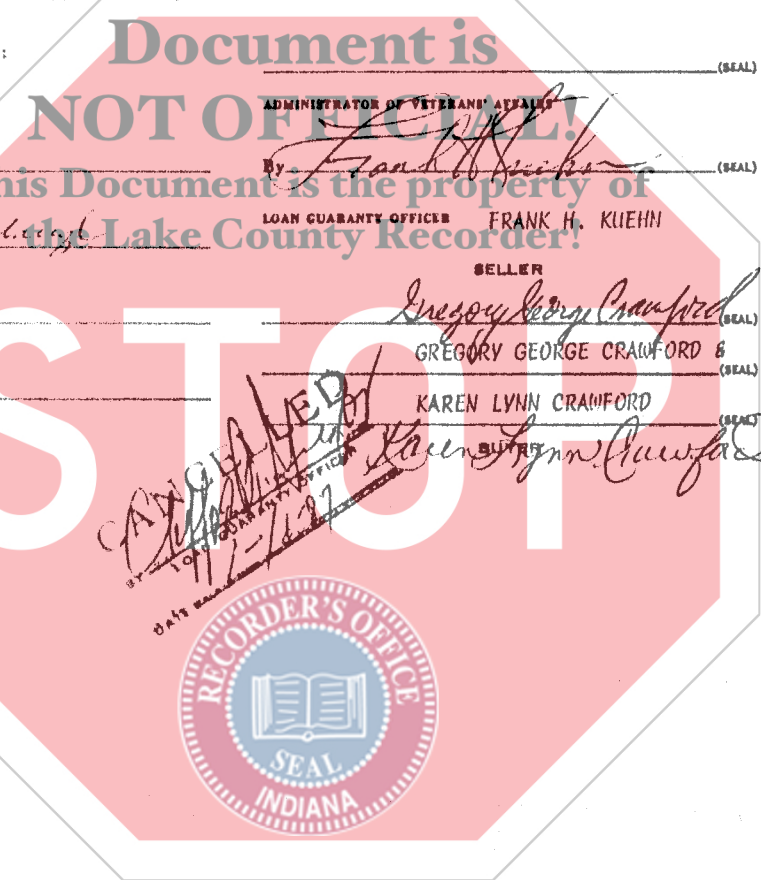
24. Failure or delay of the Seller to enforce any right or to exercise any option hereunder available because of any default shall not operate as a waiver of the right of the Seller to thereafter enforce such right or to exercise such option or any other right or option, for the same or for any subsequent default.

The covenants in this Agreement contained shall be binding upon, and the benefits and advantages hereunder shall inure to, the respective heirs, executors, administrators, successors, and assigns of the parties hereto.

IN WITNESS WHEREOF the parties hereto have executed this Agreement in duplicate by setting their hands and seals hereto as of the day and year first above written.

Signed and sealed in presence of:

*Margaret A. ...*  
(WITNESS)  
*Phyllis ...*  
(WITNESS)



ADMINISTRATOR OF VETERANS' AFFAIRS  
By *Frank H. Kuehn* (SEAL)  
LOAN GUARANTY OFFICER FRANK H. KUEHN

SELLER  
*Gregory George Crawford* (SEAL)  
GREGORY GEORGE CRAWFORD & (SEAL)  
*Karen Lynn Crawford* (SEAL)  
KAREN LYNN CRAWFORD (SEAL)

**CANCELLED**  
BY *[Signature]*  
DATE *11-27-77*





26-1-15916

108258-4

375 5814701

ASSIGNMENT OF INSTALLMENT CONTRACT FOR SALE OF REAL ESTATE

FOR VALUE RECEIVED, ~~we~~ GREGORY GEORGE CRAWFORD & KAREN LYNN CRAWFORD

purchaser(s) under an Installment Contract for Sale of Real Estate, dated NOVEMBER 20th, 1978

from the Administrator of Veterans' Affairs, covering premises

located at 8520 MAPLE AVENUE, GARY LAKE COUNTY, IN 46403

do hereby assign,

transfer and set over to THOMAS WELLS JR. AND JUNE M. WELLS

as

assignee(s) all my/our right, title and interest in and to said contract, together with any sum now on deposit in the Tax and Insurance Account required to be maintained by the terms of said contract and any and all policies of Insurance covering said property.

It is understood and agreed that we, as purchaser(s), remain fully responsible for the performance of all the terms of said contract of sale until the full amount of the purchase price specified therein is paid.

This Document is the property of the Lake County Recorder!

The assignee(s) by the acceptance of this assignment agree to all the terms and conditions of the above described contract of sale and will faithfully perform all the obligations contained therein.



VA COPY

Dated: 6-17-82

*Gregory George Crawford*  
GREGORY GEORGE CRAWFORD

*Karen Lynn Crawford*  
KAREN LYNN CRAWFORD

*Thomas Wells Jr.*  
THOMAS WELLS JR.

*June M. Wells*  
JUNE M. WELLS Assignees

*W. D. ...*  
LOAN ADVISORY OFFICER  
DATE 6-17-82

Address(es): 8520 Maple Avenue, Gary, IN 46403

Note: The above assignment must be signed by all parties named as purchasers in the Installment Contract of Sale and by the assignees. The original thereof should be affixed to the original contract after execution.

TO: Thomas Walls Jr., Maria Walls  
8530 Maple Avenue  
Gary, IN 46403

CERTIFIED MAIL NUMBER: P 144 421 889  
RETURN RECEIPT REQUESTED.

VA LOAN NUMBER: 26-4-15916

DECLARATION OF CONTRACT TERMINATION

On November 20, 1978 you entered into an installment contract with the Administrator of Veterans Affairs to purchase the property located at 8530 Maple Avenue, Gary, IN 46403.

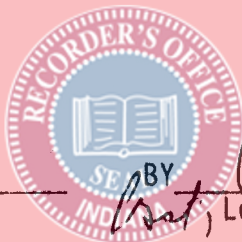
You failed to comply with the terms of the contract. A FINAL NOTICE TO COMPLY WITH CONTRACT was mailed to you on September 25, 1986. It provided that failure to pay the total arrearage within 20 days from the date of that notice would result in the termination of your contract.

You failed to pay the delinquency so you are hereby notified that the INSTALLMENT CONTRACT FOR SALE OF REAL ESTATE has been canceled.

Demand is hereby made upon you to surrender immediate possession to the Administrator of Veterans Affairs by vacating the property and by mailing, or delivering, the keys to the Veterans Administration, 575 North Pennsylvania Street, Indianapolis, IN 46204.

If you fail to give us possession as requested in this letter, we will have no alternative but to bring legal processings against you to obtain possession and also for damages.

DATED: January 16, 1987



Clifford P. Gregory  
Loan Guaranty Officer

NOTE: Address all inquiries to:

ROBERT AMT  
Chief, Property Management Section  
Telephone: (317) 269-7827

263 KK:sks