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LAKE COUNTY

This Instrument Prepared By:  
Jim B. Brown  
GOODMAN, BALL, VAN BOKKELEN,  
LEONARD & CAMPBELL, P.C.  
9013 Indianapolis Blvd.  
Highland, IN 46322  
Tel: (219) 838-9200

MAIL TO: ✓  
Northern Border Pipeline Company  
1111 South 103rd St.  
Omaha, NE 68124  
ATTN: Jim Ehlers

**REAL ESTATE OPTION**

FOR AND IN CONSIDERATION of the sum of Twenty Six hundred Seventy Five  
2675.00 Dollars (\$ 2,675.00) ("Initial Option Payment"), receipt of which is hereby  
acknowledged, the undersigned, HAROLD H. MUSSMAN

hereinafter called "Owner," hereby grants to Northern Border Pipeline Company, a  
General Partnership whose address is 1111 S. 103rd St., Omaha, Nebraska 68124-  
1000, hereinafter called "Company," (and its successors and assigns) the exclusive  
option to purchase the following described real estate located in Lake  
County, State of Indiana.

Tax Identification No.: 10-01-0089-0017

As set forth on Exhibit "B," attached hereto and made a part hereof

Property Address: \_\_\_\_\_

Subject to restrictions, reservations, easements, rights of way of record, and the  
general real estate taxes for years subsequent to 1999, provided, however, that  
such encumbrances shall not interfere with Company's intended use of said premises  
for a gas pipeline interconnect and measurement station.

Sometimes hereinafter called "The premises," or "The real estate" or "The property," for  
the total sum of Twenty Six Thousand Seven Hundred Fifty Five Dollars (\$ 26,750.00), hereinafter  
called the "Purchase Price" within twelve months from the date of this  
instrument, subject to the following terms and conditions:

**EXERCISE**

In the event Company shall elect to exercise this option it shall, within the twelve  
month period ("Initial Option Period") provided for, provide written notice of exercise of  
option to Owner at Owner's address shown below (or such other address as Owner  
may subsequently, by written notice to Company, designate). Such notice of

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exercise of option may, at Company's election, be personally served upon Owner, or sent to Owner by registered or certified United States Mail, return receipt requested. Depositing such notice in the United States mail with postage prepaid shall be conclusively deemed to be sufficient delivery.

**EXTENSION OF OPTION PERIOD**

Owner agrees to extend this option for one successive twelve month period upon receipt of payment of \$ 2,675<sup>00</sup> ("Additional Option Payment") for such extension. In the event of exercise of this option, the Initial Option Payment shall comprise a part of the total sum or purchase price noted above. The Additional Option Payment made for an extension thereof shall not apply to the purchase price noted above and shall be deemed additional compensation to Owner.

**Document is NOT OFFICIAL!**  
**TAXES**

Real estate taxes applicable to the premises shall be prorated between the parties hereto as of the date of exercise of option and a credit for same allowed to Company at Closing. If the amount of the current taxes is not then ascertainable, prorating shall be on the basis of the most current net taxable value of the property (current equalized assessed value, less all exemptions) times the most current tax rate. All exemptions shall extend to the benefit of Company. Special assessments which are a lien upon the real estate as of the date of closing shall be Owner's expense and paid in full at closing, or a credit for same allowed to Company. Transfer taxes shall be paid by Owner. In the event the premises contains growing crops, the party to whom the crops are granted pursuant to this Option shall have the obligation of paying the real estate taxes on said premises for said crop year.

**EARLY POSSESSION**

Possession of the property shall, at Company's election, pass to Company at the time of exercise of option; however, Company may only proceed to occupy and improve the premises at its own risk with respect to casualty loss and the marketability of Owner's title for matters occurring after such early possession that were caused by Company. If Company does not choose to exercise this early right to take possession of the premises, then said premises shall remain at Owner's risk for casualty purposes until closing. However, Company is hereby given the present and immediate right to enter upon the premises to conduct soil bearing or other engineering tests and perform civil, archaeological, and environmental surveys on the premises. Company hereby agrees to pay any and all damages to growing crops or other property of Owner or his tenant caused by the conducting of said tests and survey prior to expiration of the Initial Option Period. To the extent that the premises contains growing crops at the time this Option is exercised, OWNER (Owner or Company) shall be entitled to said crops.

## ACCESS

If the above-described real estate lacks access to an existing public street or highway comprising a commercial access point or connection or the equivalent thereof, Owner shall, at Company's request, immediately file an application for such connection or access point with the street or highway authority having jurisdiction, and Company shall not be obligated to purchase the said real estate unless Owner is granted such a good and sufficient assignable right of access to the premises from an existing public street or highway can be obtained only by means of an easement or other right of passage through other adjacent land of Owner, Owner agrees to furnish such easement to the Company upon such reasonable terms as the parties shall agree, and Company's obligations hereunder shall be subject to its approval of such easement.

## PROOF OF TITLE

Owner shall deliver to Company as soon as possible and in any event within fifteen (15) days of exercise of this option, an abstract of title, or at Company's option a title insurance commitment, at Owner's expense and brought current to the date of exercise and showing good and merchantable title (free and clear of all clouds on title, liens, reservations of right or use, easements, mortgages and other encumbrances except those specifically noted above) to the described real estate to be in said Owner. The term "merchantable title" shall be deemed to proscribe any encumbrance that interferes with Company's intended use of the premises as hereinafter described and shall be deemed to specifically require, as to zoned property, a zoning classification appropriate to Company's intended use of the property as site for a gas pipeline interconnect and measurement station and appurtenances thereto. Company shall have a reasonable time to examine the title insurance commitment, as the case may be, and to call defects in the merchantability of the title, as above described and defined, to Owner's attention. In the event that the Owner should then fail or refuse to clear any such clouds on title, liens, reservations of right or use, easements, mortgages or other encumbrances promptly, the Company may, at its option either (1) demand and receive the return of all sums paid for this option and any extensions or renewals hereof, in which case Company shall have no further obligation hereunder, or (2) take such action and expend such sums as may be necessary to clear the title, and deduct the expenses of doing so from the balance due to the Owner hereunder, or (3) waive in writing such defects in selected part or in whole and proceed to the closing of the transaction.

## CLOSING

Upon receipt of favorable title opinion from its examiner, Company shall tender payment of the balance due hereunder to Owner in exchange for Owner's warranty deed conveying merchantable title as above described and defined. Closing shall be held at the residence of Owner or such other place as the parties shall agree not later than 45 days following exercise of this Option. At the time of closing, funds of the purchase price may be used to pay taxes and other liens to comply with the requirements of merchantability. Full and complete right to possession of the premises will pass to Company with delivery of the warranty deed.

## DEFAULT

If either party fails to perform in accordance with this option after exercise, the other party may, at its option, declare the agreement terminated or proceed by action at law or equity to enforce the same. In the event of failure by Owner to so perform, the option payment(s) above specified shall be returned by Owner to Company. In the event of litigation, the default or losing party shall pay upon demand the reasonable attorney's fees and court costs (if any) incurred by the prevailing party.

## ENVIRONMENTAL MATTERS

In the event Company shall elect to exercise this Option, Owner agrees to fully comply with the provisions of the Indiana Responsible Property Transfer Act (I.C. 13-25-3-1 et. seq.) to the extent that the same shall be applicable.

## ZONING

If the property is not presently zoned to permit the use contemplated by Company and if in the judgment of Company a rezoning (or other governmental authorization, permit or approval) is necessary to permit such use, then Company may, at its election, proceed to obtain such rezoning at its costs. In such event, Company shall act in a diligent manner and if the property is not so rezoned (or other governmental authorization secured) within a reasonable time, then in that event and at Company's election, the consideration paid for this Option shall be returned to Company, or Company may waive this condition. Owner agrees to cooperate with Company, its agents, servants, contractors and employees in securing the rezoning (or other governmental authorization) hereinabove described.

## MISCELLANEOUS

- (a) Owner agrees to execute and deliver to Company at Closing a Seller's Affidavit substantially in the form attached hereto and incorporated herein by this reference as Exhibit "A."
- (b) To the extent applicable, the parties agree to make all disclosures and execute such documents as may be necessary to allow full compliance with the Real Estate Settlement Procedures Act of 1974, and (if Owner is not a citizen of the United States) perform such actions and furnish such documents as may be necessary to comply with the Foreign Investment in Real Property Tax Act. The parties further agree to execute and deliver any other documents reasonably necessary to effectuate compliance with any other provision of law or required in connection with this transaction.
- (c) In the event that a real estate or brokerage commission should be due any person in connection with the transaction, it shall be paid by Owner.

(d) This Option or a memorandum thereof may, at the election of either party, be recorded in the County Recorder's Office in the county in which the property is located at any time subsequent to the date hereof.

(e) This Option shall be binding upon and shall enure to the benefit of the heirs, personal representatives, successors and assigns of Owner and Company.

(f) Owner hereby releases and waives all rights under and by virtue of the Homestead Exemption Laws of the State of Indiana insofar as said rights may in any way effect the purposes of which this Real Estate Option is made as recited herein.

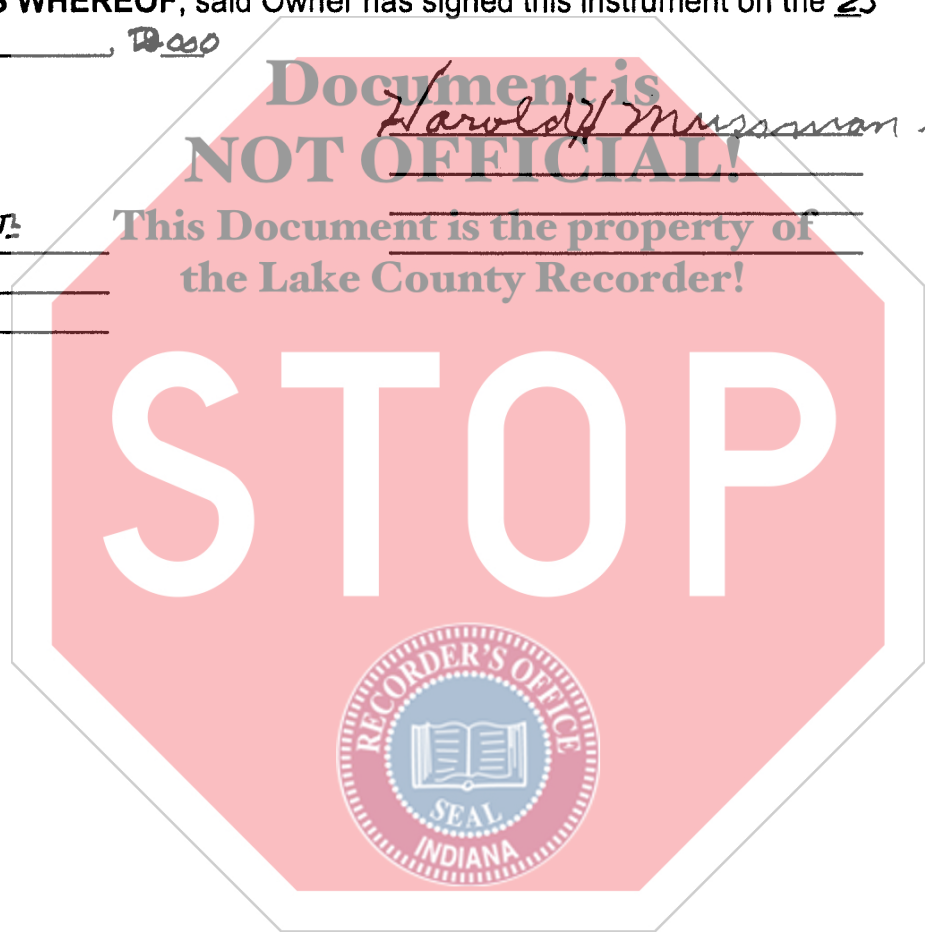
IN WITNESS WHEREOF, said Owner has signed this instrument on the 25 day of FEB, 2000

Address of Owner:

15605 W. 185<sup>TH</sup>

LOWELL, IN.

46356



STATE OF INDIANA )  
 )SS.  
COUNTY OF LAKE )

On this 25 day of FEB, A.D., 2000, before me, the undersigned, a Notary Public for said County and State, personally appeared Harold H. Musmann to me known to be the person 50 named in and who executed the foregoing instrument, and acknowledged that he executed the same as his voluntary act and deed for the uses and purposes therein set forth including the release and waiver of the right of homestead.

Given under my hand and seal on the day and year above written.

*Raymond D. Cole*  
Notary Public in and for said County  
*Raymond D. Cole*

8-20-2006 This Document is the property of  
My Commission Expires the Lake County Recorder!

STATE OF INDIANA )  
 )SS.  
COUNTY OF LAKE )

On this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 19\_\_\_\_, before me, the undersigned, a Notary Public for said County and State, personally appeared \_\_\_\_\_ to me known to be the person \_\_\_\_\_ named in and who executed the foregoing instrument, and acknowledged that \_\_\_\_\_ executed the same as \_\_\_\_\_ voluntary act and deed for the uses and purposes therein set forth including the release and waiver of the right of homestead.

Given under my hand and seal on the day and year above written.

\_\_\_\_\_  
Notary Public in and for said County

\_\_\_\_\_  
My Commission Expires



that would adversely affect the title to the improvements or fixtures, or any part thereof, erected or placed in or upon the Property.

6. No persons are in possession of the Property except the Seller, and there are no leases, oral or written, or other arrangements concerning the property under which any person other than the Seller has any possessory rights in the Property.

7. Seller took title to the Property by a Warranty Deed, took possession on or shortly thereafter, and has been in peaceful possession ever since, and the title to said Property has not been disputed or questioned nor has any boundary line of the Property been disputed or questioned, and there are no persons claiming any easements across the Property not shown of record.

8. To the knowledge of the Seller, the Property is not subject to any taxes or special assessments other than those shown as existing liens by the public records.

9. There are no judgments outstanding against Seller and no proceedings in bankruptcy have ever been instituted by or against Seller, and Seller has made no assignment for the benefit of creditors.

10. There is no proceeding pending in Federal or State Court wherein the Seller is a party, and there are no unpaid taxes of any kind due the state or federal government by the Seller.

11. To the knowledge of the Seller, there are no existing violations of any restrictions or easements of record affecting the Property, and the current use of the Property is permitted under the existing zoning laws.

12. There is no outstanding contract, unrecorded deed, mortgage, or other conveyance affecting the Property executed by the Seller or to the knowledge of the Seller, except as may be shown in the evidence of title to be furnished by Seller.

13. The Seller does hereby certify the following:

(a) Seller is not a resident alien for purposes of U.S. income taxation;

(b) Seller's U.S. Taxpayer Identification Number(s) (Social Security Number(s)) is/are \_\_\_\_\_; and

(c) Seller's home address is \_\_\_\_\_

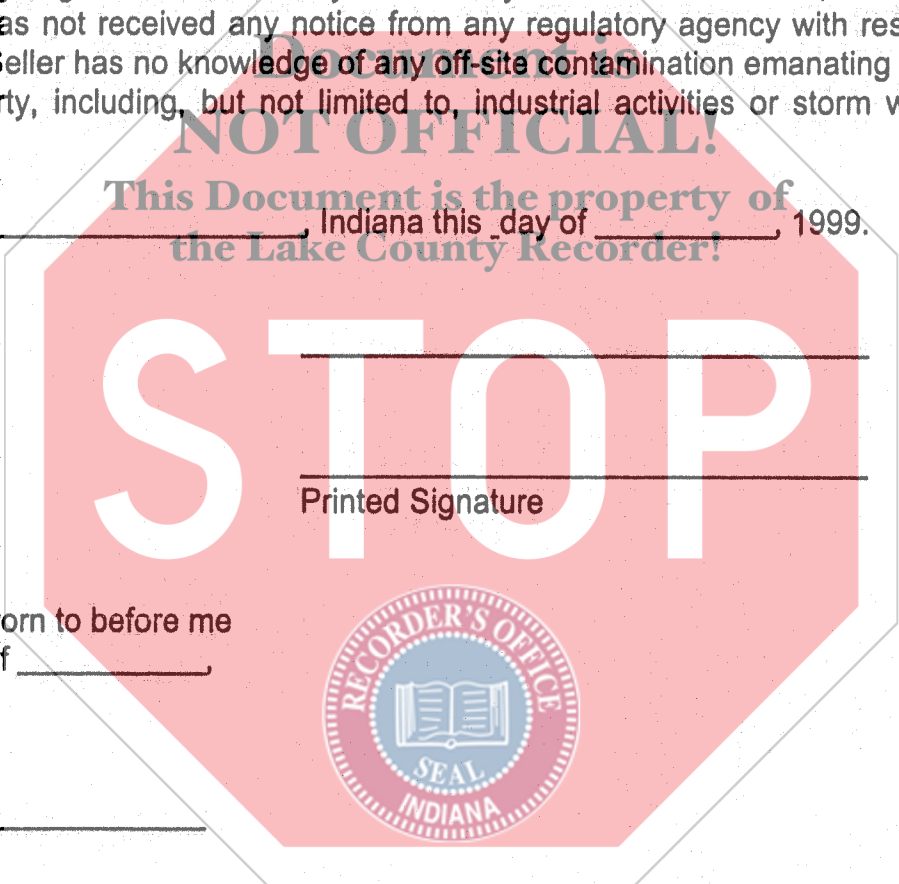
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Seller understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement Seller has made herein could be punished by fine, imprisonment, or both. Under penalty of perjury, Seller declares that seller has examined this certification and to the best of Seller's knowledge and belief it is true, correct and complete.

14. To the best of Seller's knowledge, there are no underground storage tanks on said Property, nor is the property subject to the reporting requirements of Section 312 of the Emergency Planning and Community Right-To-Know Act (42 U.S.C., Sec. 11001, et seq.), and Seller is therefore not required to make disclosures, nor is this transaction subject to the Indiana Responsible Property Transfer Act. Seller has no knowledge of any hazardous chemicals or other hazardous waste or on under said premises that might give rise to liability under any environmental laws, rules or regulations, and has not received any notice from any regulatory agency with respect thereto. Further, Seller has no knowledge of any off-site contamination emanating from the subject Property, including, but not limited to, industrial activities or storm water runoff.

Dated at \_\_\_\_\_, Indiana this day of \_\_\_\_\_, 1999.



Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_  
1999.

\_\_\_\_\_  
Notary Public

Resident of \_\_\_\_\_ County

## Exhibit "B"

A part of the Southwest Quarter of the Southwest Quarter of Section Twenty-five (25), Township Thirty-three (33) North, Range Ten (10) West, Lake County, Indiana, and more particularly described as follows:

Beginning at a monument found at the Southwest corner of said Section Twenty-five (25), thence North Zero (00) Degrees, Thirteen (13) Minutes and Fifteen (15) Seconds West (assumed bearing) along the West line of said Section 263.75 feet to a rebar set and the true point of beginning; thence North Zero (00) Degrees, Thirteen (13) Minutes and Fifteen (15) Seconds West continuing along said West line 220.00 feet to a rebar set; thence leaving said West line North Eighty-nine (89) Degrees, Forty-six (46) Minutes and Forty-five (45) Seconds East 208.71 feet to a rebar set; thence South Zero (00) Degrees, Thirteen (13) Minutes and Fifteen (15) Seconds East 220.00 feet to a rebar set; thence South Eighty-nine (89) Degrees, Forty-six (46) Minutes and Forty-five (45) Seconds West 208.71 feet to the place of beginning.

Containing 1.07 acres, more or less.

