

STATE OF INDIANA
LAKE COUNTY
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RECORDER'S OFFICE

MAR 29 2000

Lease-Option Contract

Clause 1. Identification of Owner and Tenant

PETER BENJAMIN
LAKE COUNTY AUDITOR

Owner (Lessor/Optionor): Lewis W. Petrus

Tenant (Lessee/Optionee): Jack and Sandra Swisher

This Agreement to create a Lease with Option to Purchase is entered into between Owner and Tenant. Each Tenant is jointly and severally liable for the payment of rent and performance of all other terms of this Agreement.

Clause 2. Identification of the Premises

KEY #36-364-24 & 25

Subject to the terms and conditions in this Agreement, Owner rents to Tenant, and Tenant rents from Owner, for residential purposes only, the premises located at 4243 Hohman Ave. Hammond, IN 46327 ("the premises"). Lot 21 and north 2 feet of lot 22 block 6 winslows addition to Hammond. Lake County, IN

Clause 3. Limits on Use and Occupancy

The premises are to be used only as a private residence for Tenant(s) listed in Clause 1 of this Agreement and their minor children.

Occupancy by guests for more than 5 is prohibited without Owner's written consent and will be considered a material breach of this Agreement.

Clause 4. Term of the Tenancy

The rental will begin on August 1, 1997 and will continue for a period of 96 months, expiring on approx. July 1, 2006

Clause 5. Amount and Schedule for the Payment of Rent

On signing this Agreement, Tenant will pay to Owner the sum of \$ 350.00 of which \$ 150.00 will be applied towards purchase, for the period of August 1, 1997 through August 31, 1997.

Thereafter, Tenant will pay to Owner a monthly rent of \$ 350.00 payable in advance on the first day of each month, except when the first falls on a weekend or legal holiday, in which case rent is due on the next business day. Rent will be paid to Lewis W. Petrus. The following forms of payment will be accepted: Cash, Check, or Money Order.

2245

19.00
E.P.
CS

Clause 6. Late Charges

If Tenant fails to pay the rent in full within 3 days after it is due, Tenant will pay Owner a late charge of \$ 0 plus \$ 0 for each additional day that the rent continues to be unpaid. The total late charge for any one month will not exceed \$ 0. By this provision, Owner does not waive the right to insist on payment of the rent in full on the day it is due.

Clause 7. Returned Check Charges

If any check offered by Tenant to Owner in payment of rent or any other amount due under this Agreement is returned for lack of sufficient funds, Tenant will pay Owner a returned check charge of \$ 3.00.

Clause 8. Security Deposit

On signing this Agreement, Tenant will pay to Owner the sum of \$ 0 as a security deposit. Tenant may not, without Owner's prior written consent, apply this security deposit to rent or to any other sum due under this agreement. Within weeks after Tenant has vacated the premises, Owner will return the deposit in full or give Tenant an itemized written statement of the reasons for, and the dollar amount of, any of the security deposit retained by the Owner, along with a check for any deposit balance.

Other details on security deposit: Security deposit is being waved in account of painting and cleaning needs to be done from previous tenets.

Clause 9. Utilities

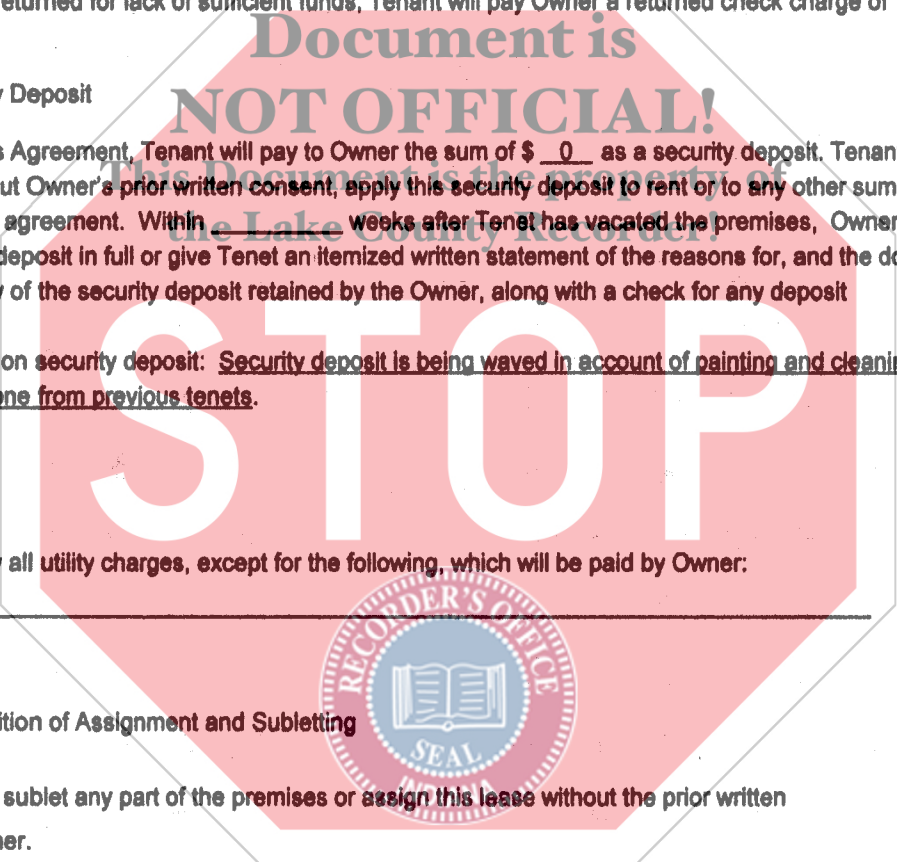
Tenant will pay all utility charges, except for the following, which will be paid by Owner:

Clause 10. Prohibition of Assignment and Subletting

Tenant will not sublet any part of the premises or assign this lease without the prior written consent of owner.

Clause 11. Condition of the Premises

Tenant has examined the premises, including appliances, fixtures, carpets, drapes and paint, and has found them to be in good, safe and clean condition and repair, except as otherwise noted on the written inventory of furniture and furnishings on the premises which Tenant has completed and given Owner, a copy of which Owner acknowledges receipt of, and which is incorporated into this Agreement by this reference.



Tenant agrees to:

- keep the premises in good order and repair and, upon termination of tenancy, to return the premises to Owner in a condition identical to that which existed when Tenant took occupancy, except for ordinary wear and tear and any additions or alterations authorized by Owner;
- Immediately notify Owner of any defects or dangerous conditions in and about the premises of which Tenant becomes aware; and
- reimburse Owner, on demand by Owner or his or her agent, for the cost of any repairs to the premises damaged by Tenant or Tenant guests or invitees.

The following appliances and fixtures will be included with the property:

___ for sale if the option is exercised: _____

___ for rent only during the period of the lease: _____

Clause 12. Possession of Premises

a. Tenant's failure to take possession.

It after signing this Agreement, Tenant fails to take possession of the premises, Tenant will still be responsible for paying rent and complying with all other terms of this Agreement.

b. Owner's failure to deliver possession.

if Owner is unable to deliver possession of the premises to Tenant for any reason not within Owner's control, including but not limited to partial or complete destruction of the premises, Tenant will have the right to terminate this Agreement upon proper notice as required by law. In such event Owner's liability to Tenant will be limited to the return of all sums previously paid by Tenant to Owner.

Clause 13. Pets

No animal or other pet will be kept on the premises without Owner's prior written consent, except: properly trained dogs needed by the blind, deaf or disabled persons, and 2 dogs under the following conditions: _____

Clause 14. Owner's Right to Access

Owner or Owner's agents may enter the premises in the event of an emergency, to make repairs or improvements or to show the premises to prospective purchasers or tenants. Except in case of emergency, Owner will give Tenant reasonable notice of intent to enter. In order to facilitate Owner's right of access, Tenant will not, without Owner's prior written consent, alter, re-key or install any lock to the premises or install or alter any burglar alarm system. At all times Owner or Owner's agent will

Clause 15. Prohibitions Against Violating Laws and Causing Disturbances

Tenant and guests or invitees will not use the premises in such a way as to violate any law or ordinance, including laws prohibiting the use, possession or sale of illegal drugs, commit waste (severe property damage) or create a nuisance by annoying, disturbing, inconveniencing or interfering with the quiet enjoyment of any other tenant or nearby resident.

Clause 16. Repairs and Alterations by Tenant

Except as provided by law or as authorized by the prior written consent of Owner, Tenant will not make any repairs or alterations to the premises.

Clause 17. Option Terms

Tenant will have the option to purchase the property for the sum of \$16,050.00 providing Tenant exercises this option by giving written notice of that exercise to Owner at the address below, not later than _____ and completes the purchase not later than one hundred and twenty (120) days from the above notice. The purchase will be completed according to the terms of a purchase contract and escrow instructions mutually executed by the parties within sixty (60) days of Tenant's notice to Owner that Tenant intends to exercise the option.

For this right, Tenant agrees to:

- a. pay Owner, with this agreement, the sum of \$ _____, which is not refundable to Tenant under any circumstance, even if Tenant does not exercise this option.
- b. pay Owner, in addition to monthly rent stated in Clause 5 above, the sum of \$350.00 of which \$150.00 goes toward purchase each month, beginning on August 1, 1997 and ending on July 1, 2006. This sum is not to be considered as rent but is to be in consideration of the right of option, and is not refundable to the Tenant under any circumstance, even if Tenant does not exercise the option.

The parties agree that any sums paid by Tenant to Owner under Clause 21 below, will be credited against the purchase price in the event Tenant exercises the option to buy.

Clause 18. Right to Record Option

This option may be recorded in favor of Tenant (Optionee), and for that purpose Owner (optionor) agrees to sign this Agreement in the presence of a notary.

Clause 19. Right to Assign or Sell Option.

This option may be assigned or sold by Tenant to another party during the option period as described in Clause 17.

Clause 20. Costs of Exercising Option

The parties agree that general financing and transaction costs at the time the option is exercised cannot be estimated in advance, and are therefore not contingencies of this contract. However, the parties agree that at the time this option is exercised:

- Expenses of owning the property (real estate taxes, insurance and special assessments) will be prorated or divided between the parties as to the date of close of escrow.
- Tenant will order a title search on the property and pay for title insurance satisfactory to Tenant and any lenders involved in the purchase transaction, and will pay for any necessary escrow, notary and recording fees. Tenant will have ten days from the exercise of the option in which to report in writing any objections to the condition of title, and Owner will make every effort in good faith to remove such exceptions to clear title within ten days thereafter, or else this contract may be canceled at the option of either party.
- Tenant may, at any time prior to the exercise of this option, have the property inspected at his or her own expense by a licensed general contractor, pest control operator or any other professional deemed necessary to advise Tenant concerning the physical condition of the property. If Tenant notifies Owner in writing, on or before the above date for exercise of the option, of objections on the part of Tenant concerning the condition of the property, and the parties cannot reach an agreement concerning these objections, the Tenant need not exercise this option.

Clause 21. Summary of Funds Received by Owner From Tenant

Nonrefundable option fee	\$ 150.00 / month
refundable security deposit	\$ N/A
Nonrefundable rent	\$ 200.00 / month
TOTAL	\$ 350.00 / month

Clause 22. Payment of Court Costs and Attorney Fees in a Lawsuit

In any action or legal proceeding to enforce any part of this Agreement, the prevailing party ___ shall not ___ shall recover reasonable attorney fees and court costs.

Clause 23. Validity of Each Part

If any portion of this Agreement is held to be invalid, its invalidity will not affect the validity or enforceability of any other provision of this greement.

Clause 24. Grounds for Termination of Tenancy

The failure of Tenant or their guests or invitees to comply with any term of this Agreement is grounds for termination of the tenancy, with appropriate notice to Tenant and procedures as required by law.

Clause 25. Additional Provisions

Whenever work schedual permits Sandi is to sit with her mother.

Clause 25. Entire Agreement

This document constitutes the entire Agreement between the parties, and no promises or representaions, other than those contained here and those implied by law, have been made by Owner or Tenant. Any modifications to this Agreement must be in writing signed by Owner and Tenant.

Lewia W Petrus
Owner's Signature

3-29-00
Date

6637 Meadow Ln
Address

Jack Swisher
Tenant 1's Signature

3/30/00
Date

Jack Swisher
Print Name

Document is NOT OFFICIAL!

Sandra Swisher
Tenant 2's Signature

3-29-00
Date

This Document is the property of the Lake County Recorder!

Sandra Swisher
Print Name

Lynne V. Dailow
(Notary Public)

My commission expires on July 20, 2000

MY COMMISSION EXPIRES

July 20, 2000

