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**CONTRACT FOR CONDITIONAL SALE OF REAL ESTATE**

THIS CONTRACT, is made and entered into by and between JESUS MENDOZA-CHAVEZ, (hereinafter caller "Seller"), and FLORENCIA PEREZ AND BRUNO ZAMORA, (Mother and Son), (hereinafter called "Buyer").

**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 improvements now or hereafter located on it) in Lake County, Indiana, (such real estate, including improvements, being hereafter called the "Real Estate"):

**Lot 20 and 21 in Block 7. in the 3rd Subdivision of East Gary, as recorded in Plat Book \_\_\_\_\_ page \_\_\_\_\_ in the Office of the Recorder of Lake County, Indiana**

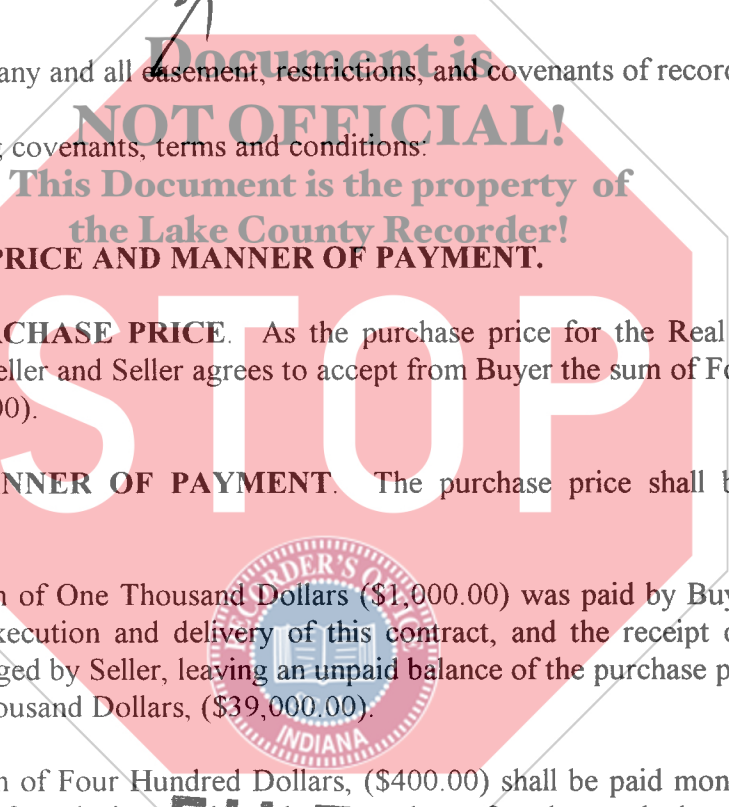
Key# 19-91-20  
19-91-21

Commonly known as: **2670 Benton Street, Lake Station, Indiana 46405**

2003 074325

Subject to any and all easement, restrictions, and covenants of record.

upon the following covenants, terms and conditions:



**I. PURCHASE PRICE AND MANNER OF PAYMENT.**

**1. 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 Forty Thousand Dollars (\$40,000.00).

**2. THE MANNER OF PAYMENT.** The purchase price shall be paid in the following manner:

(a) The sum of One Thousand Dollars (\$1,000.00) was paid by Buyer to Seller at the time of the execution and delivery of this contract, and the receipt of such sum is hereby acknowledged by Seller, leaving an unpaid balance of the purchase price in the sum of Thirty-Nine Thousand Dollars, (\$39,000.00).

(b) The sum of Four Hundred Dollars, (\$400.00) shall be paid monthly, beginning Thirty (30) days after closing, and on the same date of each month thereafter, until the remainder of the purchase price, ~~without interest~~ as herein provided, has been paid in full. Buyer shall be solely responsible for paying taxes, and insurance on her own. No funds

STATE OF INDIANA  
LAKE COUNTY  
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JUL 17 2003

STEPHEN R. STIGLICH  
LAKE COUNTY AUDITOR

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(c) The unpaid balance of the purchase price shall bear **no interest**. Interest shall only be due on any unpaid balance in default at the rate of nine Percent (9.0%) per annum, such interest to be computed monthly, in arrears, on the \_\_\_ of each month upon the principal sum unpaid at the beginning of such period. The amount of interest so found due shall be deducted from the aggregate payment made during the succeeding period and the balance of the aggregate of such payments shall be credited against the principal. See the amortization table provided with this contract at closing.

(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 of \$30.00 shall accrue and be immediately due and payable.

(e) All payments due hereunder shall be made to **Jesus Mendoza, 2716 Hancock St., Lake Station, Indiana 46405**, or at such other place as Seller shall designate in writing.

## II. PREPAYMENT OF THE PURCHASE PRICE.

**Buyer shall not pay any penalty for prepayment of principal and interest,** otherwise, 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 purchase price.

## III. TAXES, ASSESSMENTS AND INSURANCE.

**1. Taxes.** Buyer agrees to assume and pay the taxes on the Real Estate beginning with the installment payable May, 2003 and all installments of 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 evidence of payment of such taxes and assessments.

**2. 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 Agreement, are constructed or installed on or about the Real Estate or otherwise serve the Real Estate.

**3. Penalties.** Buyer agrees to pay any penalties, whether in the form of interest or otherwise, in connection with the late or untimely payment of such taxes, or assessments or charges.

**4. Insurance.** Buyer agrees to keep the improvements included in the Real Estate insured under fire and extended coverage policies in an amount not less than the unpaid balance of the purchase price and obtain standard liability insurance with coverages in amounts not less than One Hundred Thousand Dollars (\$100,000.00) per person and Five Hundred Thousand Dollars (\$500,000.00) per occurrence, and to pay premiums on such insurance policies as they become due. Such insurance shall be carried in a company or companies approved by Seller. Such policy or policies shall be issued in the name of Seller and Buyer, as their respective interest may appear, and shall be delivered to and be retained by Seller during the continuance of this contract.

5. If one of the parties hereto fails to perform any act or to make any payment required by this Section 3, the other party shall have the right at any time and without notice, to perform any such act or to make any such payment, and in exercising such right, to incur necessary and incidental costs and expenses including attorney fees. Nothing in this provision shall imply any obligation on the part of the performing party to perform any act or make any payment required of the non-performing party.

The exercise of the right by performing party shall not constitute a release of any obligation of the non-performing party under this Article III or a waiver of any remedy given performing party under this contract, nor shall such exercise constitute an estoppel to the exercise by performing party of any right or remedy of his for a subsequent failure by non-performing party to perform any act or make any payment required by him under this Article III.

Payments made by performing party and all costs and expenses incurred by him in connection with the exercise of such right shall, at the option of performing party, either (a) be payable to the performing party by the non-performing party within 30 days after demand, or (b) be added to or deducted from the principal balance as the case may be. In any event such payments and such costs and expenses shall bear interest from the respective dates of making payment or incurring costs and expenses until paid by the non-performing party.

**6. Condemnation.** From the date of this contract Buyer shall assume all risk of loss or damage by reason of condemnation or taking of all or any part of the Real Estate for public or quasi-public purposes, and no such taking shall have any effect on this contract. Any payment received by Buyer by reason of the taking shall be paid to Seller to be applied to the balance of the purchase price.

#### **IV. POSSESSION.**

Seller shall deliver to Buyer full and complete possession of the Real Estate at Closing or on or before the 26th day of February, 2003. Noon. After 6 days from the date hereof Seller shall pay to Buyer \$20.00 per day for each day Seller withholds possession of the Real Estate from Buyer. Such payment, however, shall not serve to extend the date upon which possession must be delivered to Buyer. Buyer's right of possession shall continue until terminated pursuant to Article IX "Seller's Remedies on Buyer's Default". All utilities shall be paid by Seller to the date possession is given.

#### V. EVIDENCE OF TITLE.

Seller covenants and agrees that title to the Real Estate is in Fee Simple and that upon payment of all sums due under this contract and the prompt and full performance by Buyer of all his covenants and agreements herein made, Seller 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 a date or before the date of this contract and all taxes and assessments which are Buyer's obligation. **A title policy shall be furnished to Buyer upon final payment under this contract and shall be in the full amount of the purchase price, issued by an insurer satisfactory to the Buyer, and at Seller's expense.** However, the cost of additional title evidence necessitated by the acts or omissions of Seller or by any judicial proceeding affecting the Real Estate shall be borne by Seller.

#### VI. SELLER'S RIGHT TO MORTGAGE THE REAL ESTATE.

Seller shall have the right to obtain, without Buyer's consent, a loan or loans secured by mortgage on the Real Estate, and the right to renew any such loans or loans. Seller agrees, however, that the aggregate principal balance of all such loans shall never exceed the unpaid balance of the purchase price for the Real Estate under this contract. If Seller encumbers the Real Estate by a mortgage, Buyer shall have the right to make any omitted payment or payments and to deduct the amount hereof from payments due under this contract. Seller agrees, however, that he will pay all such mortgage loans when due or at such times as Buyer pays in full all sums due under this contract, and Seller shall obtain valid releases of all such mortgage loans when they are paid. Seller represents that the Real Estate is presently encumbered by a mortgage in the approximate balance of \$26,000.00.

#### VII. ASSIGNMENT OF CONTRACT.

Buyer **MAY NOT** sell or assign this contract, Buyer's interest in the Real Estate, without the written consent of Seller; Seller may consent at his discretion provided that Buyer furnishes to Seller the name, address, telephone, and employment history of the proposed assignee, together with a properly certified financial statement showing all assets and liabilities, and total net worth of the proposed assignee; provided however that any such consent shall not operate to relieve either party from liability hereon.

**VIII. BUYER'S USE OF THE REAL ESTATE.  
SELLER'S RIGHT OF INSPECTION.  
RESPONSIBILITY FOR INJURIES.**

**1. Use.** The Real Estate may be rented, leased, or occupied by persons other than Buyer. Buyer may make alterations, changes and make additional improvements only with the written consent of Seller having first been obtained. Buyer shall use the Real Estate carefully, and shall keep the same in good repair at his expense. No clause in this contract shall be interpreted so as to create or allow any mechanics, labor, materialmen, or other creditors of Buyer or of an assignee or Buyer to obtain a lien or attachment against Seller's interest herein. Buyer shall not commit waste on the Real Estate. In his occupancy of the Real Estate, Buyer shall comply with all applicable laws, ordinances, and regulations of the United States of America, and of the City and County where the Real Estate is situated. In the event of Buyer's breach of this covenant and a re-entry by Seller, Buyer shall deliver the Real Estate to Seller in as good condition as they are now, ordinary wear and tear, acts of God and public authorities excepted.

**2. Seller's Right of Inspection.** Seller shall have the right to enter and inspect the Real Estate at any reasonable time.

**3. Buyer's Responsibility for Accidents.** As part of the consideration hereof, Buyer assumes all risk and responsibility for accident or damage to persons or property arising from the use of or in or about the Real Estate.

**IX. SELLER'S REMEDIES ON BUYER'S DEFAULT.**

Time shall be of the essence of this contract.

If Buyer fails, neglects or refuses to make any payment under this contract when due or to perform any of Buyer's covenants, terms and conditions when and as required under this contract:

1. Seller shall have the right to declare this contract breached 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 peaceably re-enter and take immediate possession of the Real Estate and to evict through judicial process the Buyer and all persons claiming under him.

2. Separately or in conjunction with his right under item (1.) above, as Seller may elect, Seller shall have the right to file in a court of competent jurisdiction an 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 installments 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 principal 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 item (2) (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 Article III of 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, acts of God and public authorities;
- (g) any other amounts (other than payment of the purchase price) which Buyer is obligated to pay under this contract.

3. In addition to any other remedy under this contract, Seller shall have such other remedies as are available at law or in equity.

4. In any case Seller shall have the right to retain (without prejudice to his right to recover any other sums from Buyer, or to have any other remedy, under this contract) all payments made by Buyer to Seller and all sums received by Seller as proceeds of insurance or as other benefits or considerations, in each case made or received under this contract.

5. Seller shall have the right to file in a court of competent jurisdiction an action to recover all of the unpaid balance of the purchase price (which upon default by Buyer under this contract shall, at the option of Seller, become immediately due and payable) and interest on such unpaid balance until such unpaid balance is paid, together with any taxes, assessments, charges, penalties and insurance premiums paid by Seller under this contract and interest on such amounts until they are paid, unless such amounts (and interest on them) have been added to principal under this contract.

The exercise or attempted exercise by Seller of any right or remedy available under this contract shall not preclude Seller from exercising any other right or remedy so available, nor shall any such exercise or attempted exercise constitute or be construed to be an election of remedies, so that no such right or remedy shall be exclusive of any other right or remedy, and each and every such right or remedy shall be cumulative and in addition to any other right or remedy available under this contract.

In any judicial proceeding to enforce this contract Buyer specifically waives, to the extent he lawfully may do, his right, if any, to a hearing preliminary to a judicial order for immediate possession of the Real Estate to be granted to Seller under applicable law.

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

XI. ADDITIONAL COVENANTS.

1. The Real Estate is being purchased in an "as is" condition and there are **no warranties extended**. The home upon the real estate is believed to in excess of fifty (50) years old.

2. **This contract carries no interest provided that all payments herein are made timely. Payments in default will carry interest at 9% per annum.**

3. This contract contains several non-standard clauses requested by Seller which are a pre-condition to the sale of the real estate. **READ THIS CONTRACT COMPLETELY BEFORE SIGNING.**

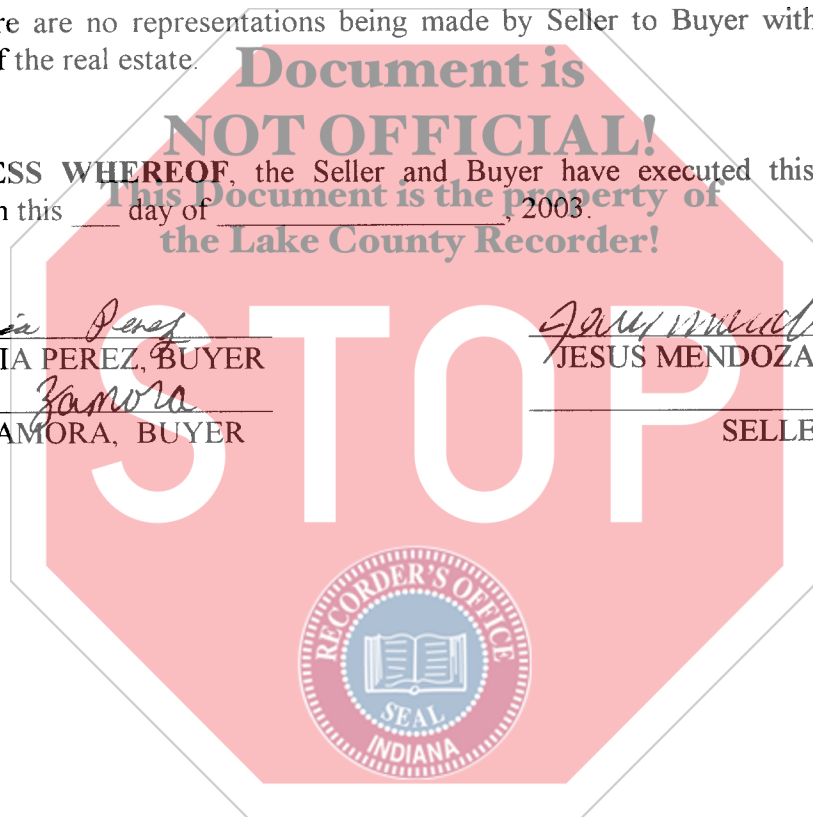
4. There are no representations being made by Seller to Buyer with regard to the condition of the real estate.

In WITNESS WHEREOF, the Seller and Buyer have executed this instrument in duplicate on this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

Florencia Perez  
FLORENCIA PEREZ, BUYER

Bruno Zamora  
BRUNO ZAMORA, BUYER

Jesus Mendoza-Chavez  
JESUS MENDOZA-CHAVEZ,  
SELLER



All sums payable under this contract are payable with accrued interest and without relief from valuation or appraisal laws. In addition to any other sum payable by Buyer under this contract, Buyer shall pay any reasonable expense, including attorney's fees, incurred by Seller in connection with the exercise of any right or remedy under this contract, and the preparation and delivery of notice.

The failure or omission of Seller 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.

Before Seller shall pursue any of his rights or remedies under this Article IX, he shall first give Buyer written notice of the default complained of and **Buyer shall have Thirty (30) days from the posting of such notice to correct any default**; provided, however, Seven (7) days' notice shall be required in the case of any default in payment of any monies agreed to be paid by Buyer under this contract.

In the event that 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 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 previous sections. Seller may institute legal action to foreclose this contract and Buyer's interest in the Real Estate. The parties agree that after Buyer has paid \$10,000.00 of the purchase price, then Buyer shall have substantial equity in the Real Estate.

#### X. GENERAL AGREEMENTS OF PARTIES.

All covenants hereof shall extend to and be obligatory on the heirs, personal representatives, successors and assigns of the parties. When applicable, the singular shall apply to the plural and the masculine to the feminine or the neuter.. Any notices to be given hereunder shall be 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.

Unless the rate of interest is otherwise specifically stated, interest provided by this contract shall be computed at the rate set forth in paragraph 2 of Article I of this contract or if no rate is there set forth at the rate of Nine Percent (9.0%) per annum.

A memorandum of this Contract may be recorded and shall be adequate notice of the provisions of this Contract as though the entire instrument had been recorded.

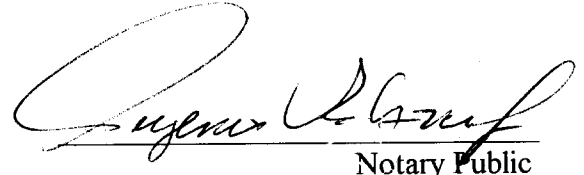
The failure or omission of either party to enforce any of his right or remedies upon any breach of any of the covenants, terms or conditions of this Contract shall no bar or abridge any of his rights or remedies upon any subsequent default.



STATE OF INDIANA )  
 ) SS:  
COUNTY OF LAKE )

Before me a Notary Public in and for said County and State, on this 22<sup>nd</sup> day of February, 2003 personally appeared FLORENCIA PEREZ and BRUNO ZAMORA, each of whom acknowledged the execution of the above and foregoing contract for conditional Sale of Real Estate to be his and/or her voluntary act and deed.

WITNESS my hand and Notarial Seal.

  
Notary Public  
EUGENIO VELAZCO JR  
NOTARY PUBLIC STATE OF INDIANA  
LAKE COUNTY  
MY COMMISSION EXP. OCT. 2, 2009

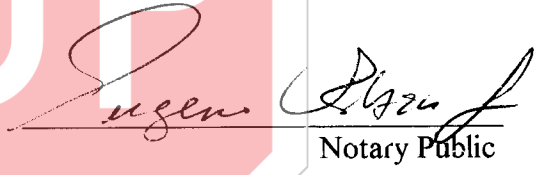
County of Residence:  
Commission Expires:

STATE OF INDIANA )  
 ) SS:  
COUNTY OF LAKE )



Before me a Notary Public in and for said County and State, on this 25 day of February, 2003 personally appeared JESUS MENDOZA-CHAVEZ, each of whom acknowledged the execution of the above and foregoing contract for conditional Sale of Real Estate to be his and/or her voluntary act and deed.

WITNESS my hand and Notarial Seal.

  
Notary Public  
EUGENIO VELAZCO JR  
NOTARY PUBLIC STATE OF INDIANA  
LAKE COUNTY  
MY COMMISSION EXP. OCT. 2, 2009

County of Residence:  
Commission Expires: