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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD
**AGREEMENT FOR DEVELOPMENT OF
NEW YORK STREET PROJECT**
2005 JUN 9 11:57 AM

THIS AGREEMENT, made and entered into by and between THE CITY OF WHITING, BY AND THROUGH ITS REDEVELOPMENT COMMISSION, LAKE COUNTY, INDIANA, Owner, (hereinafter called "WHITING RDC") and LAKE-PARK DEVELOPMENT GROUP LLC, Developer, (hereinafter called "LAKE-PARK"), WITNESSETH:

WHEREAS, WHITING RDC has undertaken a program for the development of certain property in the City of Whiting, Lake County, Indiana, legally described as follows:

A parcel of land in the Northeast Quarter of Section 7, Township 37 North, Range 9 West of the Second Principal Meridian, City of Whiting, Lake County, Indiana, more particularly described as follows:

Lots 1 through 10, Theodore Harvey's Subdivision in the City of Whiting, Lake County, Indiana as shown in Plat Book 2, page 34 in the Office of the Recorder of Lake County, Indiana.

WHEREAS, WHITING RDC is now defining the above property as the following 6 (six) parcels (hereinafter referred to collectively as the PARCELS and individually as the PARCEL):

Parcel 1 (1929 New York Avenue)

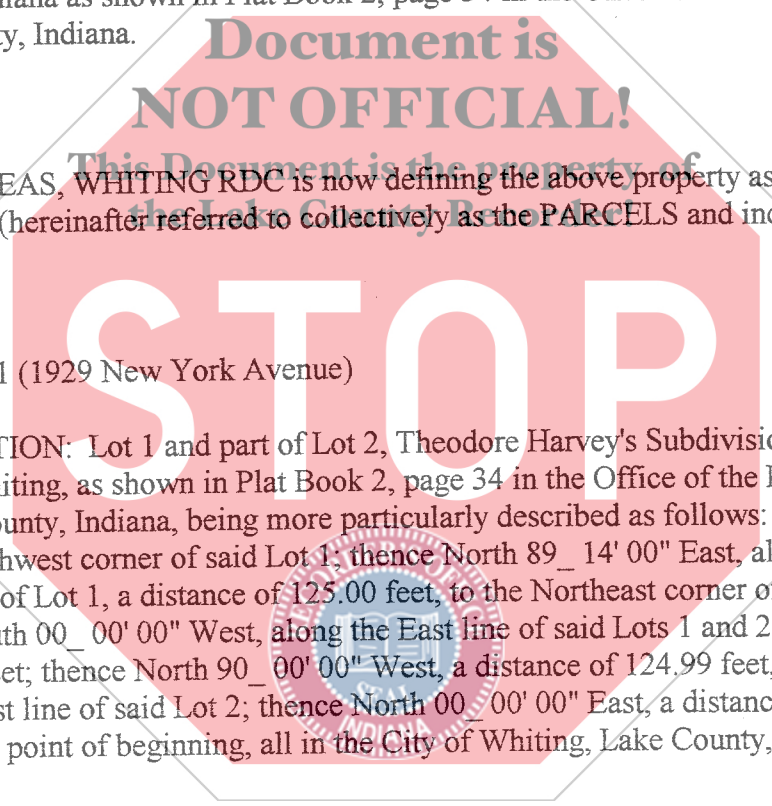
DESCRIPTION: Lot 1 and part of Lot 2, Theodore Harvey's Subdivision in the City of Whiting, as shown in Plat Book 2, page 34 in the Office of the Recorder of Lake County, Indiana, being more particularly described as follows: beginning at the Northwest corner of said Lot 1; thence North 89_ 14' 00" East, along the North line of Lot 1, a distance of 125.00 feet, to the Northeast corner of Lot 1; thence South 00_ 00' 00" West, along the East line of said Lots 1 and 2, a distance of 49.00 feet; thence North 90_ 00' 00" West, a distance of 124.99 feet, to a point on the West line of said Lot 2; thence North 00_ 00' 00" East, a distance of 47.33 feet, to the point of beginning, all in the City of Whiting, Lake County, Indiana.

FILED

JUN - 9 2005

STEPHEN R. STIGLICH
LAKE COUNTY AUDITOR

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Parcel 2 (1933 New York Avenue)

DESCRIPTION: Lot 3 and part of Lots 2 and 4, Theodore Harvey's Subdivision in the City of Whiting, as shown in Plat Book 2, page 34 in the Office of the Recorder of Lake County, Indiana, being more particularly described as follows: Commencing at the Northwest corner of Lot 1, in Theodore Harvey's Subdivision; thence South 00_00'00" West, along the West line of said Lots 1 and 2, a distance of 47.33 feet, to the point of beginning; thence South 90_00'00" East, a distance of 124.99 feet, to a point on the East line of said Lot 2; thence South 00_00'00" West, along the East line of said Lots 2, 3 and 4, a distance of 40.25 feet; thence North 90_00'00" West, a distance of 124.99 feet, to a point on the West line of said Lot 4; thence North 00_00'00" East, along the West line of said Lots 2, 3 and 4, a distance of 40.25 feet, to the point of beginning, all in the City of Whiting, Lake County, Indiana.

Parcel 3 (1935 New York Avenue)

DESCRIPTION: Lot 5 and part of Lots 4 and 6, Theodore Harvey's Subdivision in the City of Whiting, as shown in Plat Book 2, page 34 in the Office of the Recorder of Lake County, Indiana, being more particularly described as follows: Commencing at the Northwest corner of Lot 1, in said Theodore Harvey's Subdivision; thence South 00_00'00" West, along the West line of said Lots 1 thru 4, a distance of 87.58 feet, to the point of beginning; thence South 90_00'00" East, a distance of 124.99 feet, to a point on the East line of said Lot 4; thence South 00_00'00" West, along the East line of said Lots 4, 5 and 6, a distance of 40.25 feet; thence North 90_00'00" West, a distance of 124.99 feet, to a point on the West line of said Lot 6; thence North 00_00'00" East, along the West line of said Lots 4, 5 and 6, a distance of 40.25 feet, to the point of beginning, all in the City of Whiting, Lake County, Indiana.

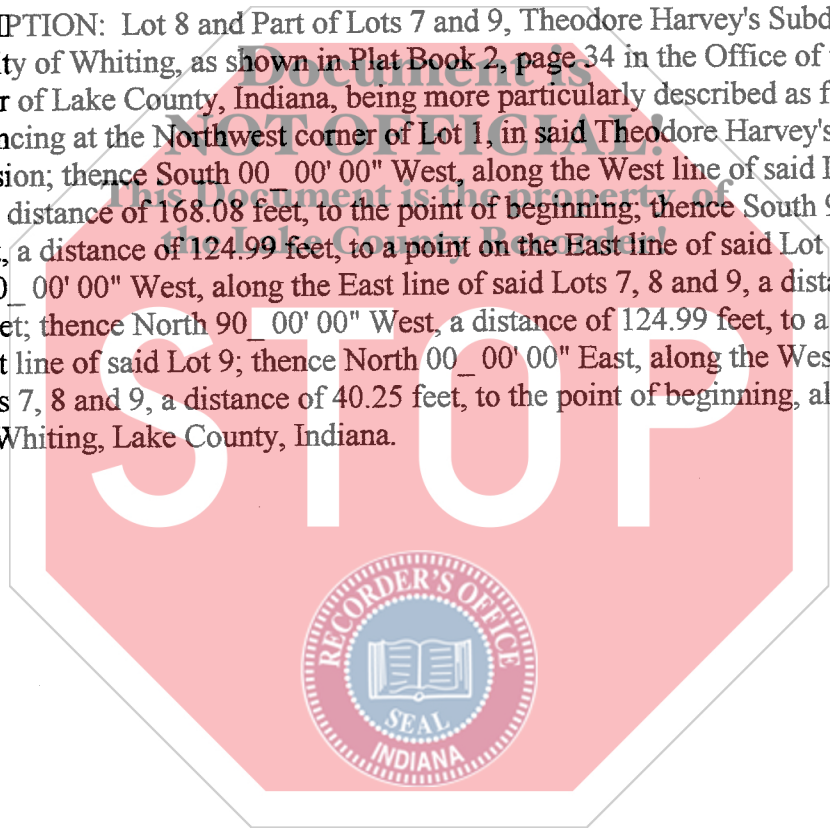


Parcel 4 (1939 New York Avenue)

DESCRIPTION: Part of Lots 6 and 7, Theodore Harvey's Subdivision in the City of Whiting, as shown in Plat Book 2, page 34 in the Office of the Recorder of Lake County, Indiana, being more particularly described as follows: Commencing at the Northwest corner of Lot 1, in said Theodore Harvey's Subdivision; thence South 00_ 00' 00" West, along the West line of said Lots 1 thru 6, a distance of 127.83 feet, to the point of beginning; thence South 90_ 00' 00" East, a distance of 124.99 feet, to a point on the East line of said Lot 6; thence South 00_ 00' 00" West, along the East line of said Lots 6 and 7, a distance of 40.25 feet; thence North 90_ 00' 00" West, a distance of 124.99 feet, to a point on the West line of said Lot 7; thence North 00_ 00' 00" East, along the West line of said Lots 6 and 7, a distance of 40.25 feet, to the point of beginning, all in the City of Whiting, Lake County, Indiana.

Parcel 5 (1941 New York Avenue)

DESCRIPTION: Lot 8 and Part of Lots 7 and 9, Theodore Harvey's Subdivision in the City of Whiting, as shown in Plat Book 2, page 34 in the Office of the Recorder of Lake County, Indiana, being more particularly described as follows: Commencing at the Northwest corner of Lot 1, in said Theodore Harvey's Subdivision; thence South 00_ 00' 00" West, along the West line of said Lots 1 thru 7, a distance of 168.08 feet, to the point of beginning; thence South 90_ 00' 00" East, a distance of 124.99 feet, to a point on the East line of said Lot 7; thence South 00_ 00' 00" West, along the East line of said Lots 7, 8 and 9, a distance of 40.25 feet; thence North 90_ 00' 00" West, a distance of 124.99 feet, to a point on the West line of said Lot 9; thence North 00_ 00' 00" East, along the West line of said Lots 7, 8 and 9, a distance of 40.25 feet, to the point of beginning, all in the City of Whiting, Lake County, Indiana.



Parcel 6 (1945 New York Avenue)

DESCRIPTION: Lot 10 and Part of Lot 9, Theodore Harvey's Subdivision in the City of Whiting, as shown in Plat Book 2, page 34 in the Office of the Recorder of Lake County, Indiana, being more particularly described as follows: Commencing at the Northwest corner of Lot 1, in said Theodore Harvey's Subdivision; thence South 00_ 00' 00" West, along the West line of said Lots 1 thru 9, a distance of 208.33 feet, to the point of beginning; thence South 90_ 00' 00" East, a distance of 124.99 feet, to a point on the East line of said Lot 9; thence South 00_ 00' 00" West, along the East line of said Lots 9 and 10, a distance of 40.00 feet, to the Southeast corner of said Lot 10; thence South 89_ 14' 10" West, along the South line of said Lot 10, a distance of 125.00 feet, to the Southwest corner of said Lot 10 thence North 00_ 00' 00" East, along the West line of said Lots 9 and 10, a distance of 41.67 feet, to the point of beginning, all in the City of Whiting, Lake County, Indiana.

WHEREAS, LAKE-PARK has offered to develop the PARCELS with WHITING RDC; and

WHEREAS, on the basis of the foregoing, and the undertakings of LAKE-PARK pursuant to this agreement, WHITING RDC is willing to enter into this agreement for development, by LAKE-PARK, of the PARCELS.

NOW, THEREFORE, WHITING RDC hereby agrees to sell to LAKE-PARK, and LAKE-PARK hereby agrees to develop and purchase the PARCELS in the City of Whiting, Lake County, Indiana, upon the following covenants, terms and conditions:

1. Definitions:
 - (a) Owner/Seller: City of Whiting by and through its Redevelopment Commission hereinafter called "WHITING RDC".
 - (b) Developer: Lake-Park Development Group, LLC.
 - (c) Described Property: As set out in current survey, and as defined as the PARCELS above.
 - (d) Dwelling: Any improvement on the real estate, which has been approved by the City of Whiting by and through its Redevelopment Commission.
 - (e) City of Whiting: The civil city of Whiting taking action through its

Board of Public Works and/or Common Council.

(f) Lake-Park: Developer - Lake-Park Development Group, LLC.

2. That the WHITING RDC has control of all of the PARCELS.

SECTION 1. PURCHASE PRICE AND MANNER OF PAYMENT.

Subject to all terms, covenants and conditions of this Agreement, WHITING RDC, shall convey, to LAKE-PARK, or its designee, the PARCEL on which a dwelling unit is to be constructed for the purchase price of \$6,000.00 (six thousand dollars) per PARCEL. Said payment will be made at the time of the first draw on the loan for the construction on a dwelling unit or at the time of deed transfer from WHITING RDC to Lake Park or its designee. If there is no construction loan, payment shall be made prior to the issuance of an occupancy permit, or within 180 days after issuance of a building permit, whichever comes first.

SECTION 2. TAXES, ASSESSMENTS, AND INSURANCE.

WHITING RDC agrees to pay all real estate taxes and assessments or charges, including back taxes, up to and including the date of transfer and the owner shall be responsible for all real estate taxes and assessments after the date of transfer.

The City of Whiting through its Common Council has made available a 3 (three) year real estate tax abatement for each dwelling unit constructed on each PARCEL. The tax abatement will begin from the date of issuance of the occupancy permit applicable to said dwelling unit. Application for the abatement remains the responsibility of the purchaser and is subject to Council approval.

At all times during the period of this Contract, LAKE-PARK shall maintain standard liability insurance with coverage in amounts not less than Five Hundred Thousand Dollars (\$500,000.00) per person and One Million Dollars (\$1,000,000.00) per occurrence plus umbrella coverage in an amount not less than Two Million Dollars (\$2,000,000.00), and pay premiums on such insurance policies as they become due. Such policies of insurance shall be carried with a company or companies properly authorized by the State of Indiana to engage in such business. Such policies of insurance shall be issued to LAKE-PARK, and WHITING RDC shall be a named insured as their respective interests may appear, and shall provide that the insurer may not cancel or materially change coverage without at least ten (10) days prior written notice to WHITING RDC.

LAKE-PARK shall provide WHITING RDC with such proof of insurance coverage as WHITING RDC from time to time shall reasonably request. Except as otherwise agreed in writing, any insurance proceeds received as payment for any loss of, or damage to a PARCEL, prior to transfer to LAKE-PARK or its designee, covered by such insurance, shall be applied to restoration and repair of the loss or damage in such fashion as WHITING RDC reasonably may require, unless such restoration and repair is not economically feasible, or there exists an uncured Event of Default by LAKE-PARK under this Contract on the date of receipt of such proceeds. Lake Park shall indemnify WHITING RDC against any loss caused by Lake Park as a result of such actions taken by Lake Park as it relates to work performed by LAKE-PARK on the PARCELS, including reasonable expenses during the duration of this contract.

SECTION 3. RIGHTS OF PARTIES TO PERFORM OTHER'S COVENANTS

If Lake Park fails to perform any act or to make any such payment required by this contract, WHITING RDC shall have the right, thirty (30) days after written notice has been received by LAKE-PARK of its failed performance, 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. LAKE-PARK shall be obligated to reimburse WHITING RDC for all such costs, expenses and attorneys' fees so incurred by WHITING RDC to complete LAKE-PARK'S failed duty. WHITING RDC shall be reimbursed within thirty (30) days after written demand therefore. Nothing in this provision shall imply any obligation on the part of the WHITING RDC to perform any act or to make any payment required of LAKE-PARK under the terms of this Contract. The exercise of such right by WHITING RDC shall not constitute a release of any obligation of LAKE-PARK under this Contract, or a waiver of any remedy available under this Contract, nor shall such exercise constitute an estoppel to the exercise by WHITING RDC of any right or remedy for a subsequent failure by LAKE-PARK to perform any act or make any payment required by it under this Contract.

SECTION 4. CONVEYANCE OF TITLE.

WHITING RDC agrees to convey title to each PARCEL upon payment as described in Section 1 above.

SECTION 5. POSSESSION AND EVIDENCE OF TITLE.

LAKE-PARK shall assume complete and full possession and control of a PARCEL and shall indemnify and save and hold harmless and defend WHITING RDC from and against all claims arising out of bodily injury, death and property damage directly or indirectly related to LAKE-PARK's acts or omissions on or about the

PARCEL and shall reimburse WHITING RDC for all judgments, costs and expenses, including attorneys and expert witness fees directly or indirectly related thereto once a deed transfers ownership of a PARCEL or LAKE-PARK begins construction of a residential unit on the PARCEL.

LAKE-PARK shall obtain an owner's title insurance policy, issued by a title insurance company selected by LAKE-PARK, disclosing marketable title to the real estate as of the date of this Contract, subject only to real estate taxes not yet due and payable, the cost of which title insurance policy shall be borne by LAKE-PARK. LAKE-PARK will arrange for the title insurance policy.

Any additional title evidence shall also be at the expense of LAKE-PARK, provided, however, that the cost of additional title insurance necessitated by the acts or omissions of WHITING RDC shall be borne by WHITING RDC.

SECTION 6. SUBDIVISION PLAT

The City of Whiting Plan Commission has approved the plat of PARCELS as described on Page 1 (one) of this agreement.

SECTION 7. PAYMENT OF EXPENSES.

LAKE-PARK shall be responsible for payment of the following expenses:

- a) Building permit fees and city inspection fees required for new home construction
- b) Title insurance commitment costs.
- c) Later date title insurance and issuance of title insurance policy.
- d) Any and all Recording fees
- e) Any and all loan charges, principal, and interest on the loan for the construction of a new home.
- f) The cost to excavate any foundations found to be in the way of the construction of a new home on any PARCEL.
- g) Installation of a new sidewalk along New York Ave.
- h) Installation of one tree in the front of each residence constructed on each

parcel.

WHITING RDC shall be responsible for services or payment of the following:

- a) Removal from the site of any debris resulting from excavated foundations found to be in the way of the construction of a new home on any PARCEL.
- b) Excavation and removal from the site of sidewalks and foundations along sidewalks.
- c) Usable sewer taps and water lines to each PARCEL.
- d) Streetlight installation consistent with other city lighting and engineering plans by Butler Fairman & Seufert.
- e) Water meters with exterior reading capability and anti-backflow connection devices.

SECTION 8. IMPROVEMENT PLAN.

Improvement plans shall be submitted by LAKE-PARK for approval to all applicable units of government having jurisdiction and shall conform to local, state, and federal law.

SECTION 9. PERFORMANCE OF CONSTRUCTION.

WHITING RDC and the City of Whiting shall have reasonable access for inspection purposes at all reasonable times during the term of this Agreement. LAKE-PARK shall have reasonable access to the PARCELS for survey and engineering purposes.

During the infrastructure improvements, the City of Whiting shall have sufficient inspection personnel available to complete all inspections in order to allow sufficient time for correction of defects and backfill.

LAKE-PARK shall at all times maintain the PARCELS in good condition. LAKE-PARK shall be solely responsible for any and all financing costs associated with

the construction of any residential units built on the PARCELS, and WHITING RDC shall not be responsible for any financing costs whatsoever, with respect to said units.

SECTION 10. ASSIGNMENT OF CONTRACT AND RESTRICTIONS.

LAKE-PARK may not sell or assign this Agreement, or LAKE-PARK's interest in the property, without the prior written consent of WHITING RDC.

LAKE-PARK represents that the PARCELS are being purchased for development and construction of residential units.

Any owner of LAKE-PARK with an interest of ten percent (10%) or more shall not be permitted, except as a result of death or incapacity, to sell or assign his interest in LAKE-PARK prior to completion of the project. The purpose of this clause is to maintain continuity during the construction and improvement phase of this Contract. In the event of death, incapacity, or a sale, WHITING RDC reserves a right of first refusal for said real estate.

SECTION 11. DEFAULT BY LAKE-PARK.

Time is of the essence of this Agreement. Upon the occurrence of any event of default, as hereinafter defined, WHITING RDC shall, upon giving 30 days written notice of said default, have the right to pursue any remedy available under this Agreement as may be necessary or appropriate to protect WHITING's RDC's interest under this Agreement and in the property.

The following shall each constitute an event of default for purposes of this Agreement:

- a) Failure of LAKE-PARK for a period of twenty (20) days to pay any payment required to be made by LAKE-PARK to WHITING RDC under this Agreement when and as it becomes due and payable.
- b) Lease or encumbrance of the non-transferred PARCELS or any part thereof by LAKE-PARK other than as expressly permitted by this Agreement.
- c) Causing or permitting by LAKE-PARK of the making of any levy, seizure or attachment of the non-transferred PARCELS or any part thereof.
- d) Occurrence of uninsured loss with respect to the property or any part

thereof.

- e) Institution of insolvency proceedings against LAKE-PARK for the adjustment, liquidation, extension or composition or arrangement of debts of LAKE-PARK or for any other relief under any insolvency law relating to the relief of debtors; or
- f) LAKE-PARK's assignment for the benefit of creditors or admission in writing of its inability to pay its debts as they become due; or
- g) Administration by a receiver or similar officer of any of the non-transferred PARCELS.
- h) Failure by LAKE-PARK, for a period of thirty (30) days after written notice is given to LAKE-PARK to perform or observe any other covenant or term of this Agreement.

SECTION 12. WHITING REDEVELOPMENT COMMISSION'S REMEDIES.

Upon the occurrence of an Event of Default, WHITING RDC may institute a legal action for specific performance of this Agreement.

In addition, upon the occurrence of an Event of Default, WHITING RDC shall be entitled to:

- a) Retain (without prejudice to its right to recover any other sums from LAKE-PARK, or to have any other remedy under this Agreement), as an agreed payment for LAKE-PARK's use of the property prior to the Event of Default, all payments made by LAKE-PARK to WHITING RDC and all sums received by WHITING RDC as proceeds of insurance or as other benefits or considerations pursuant to this Agreement.
- b) Request that a receiver be appointed over the Property in accordance with Indiana law.
- c) Enforce any right without relief from valuation or appraisal laws.

SECTION 13. WHITING REDEVELOPMENT COMMISSION'S DEFAULT AND LAKE-PARK'S REMEDIES.

If WHITING RDC fails to perform any of its duties as required by this

Agreement, LAKE-PARK may institute legal action against WHITING RDC for specific performance and WHITING RDC hereby acknowledges that an adequate remedy for default in such case does not exist at law.

SECTION 14. DISPOSITION OF THE PROPERTY.

All moneys due WHITING RDC under the provisions hereof, shall be promptly paid to WHITING RDC.

SECTION 15. OPTION TO TERMINATE.

WHITING RDC shall have the option of terminating this Agreement on December 31, 2004, exercisable in the event the development is not proceeding in a timely manner.

In the event WHITING RDC exercises its Option to Terminate, it shall reimburse LAKE-PARK a pro-rata share of the infrastructure expenses incurred by LAKE-PARK prior to the date of termination. The pro-rata share shall be determined by the expense incurred by LAKE-PARK as to each projected dwelling unit in the development project benefited by the particular expense (including dwelling units located in areas in which construction has not been commenced), and also including interest paid by LAKE-PARK on the infrastructure loan. Once the "dwelling unit cost" has been determined, WHITING RDC shall reimburse LAKE-PARK an amount equal to the product of the "dwelling unit cost" times the projected non-constructed dwelling units.

SECTION 16. CONTINGENCY.

This Agreement is contingent upon acceptance of the final engineering and required infrastructure improvements by WHITING RDC and by LAKE-PARK. In the event that either party finds the final engineering and required infrastructure improvements to be unacceptable, and the parties are unable to amicably resolve their dispute, then either party shall have the option of terminating this Agreement upon ten (10) days notice to the other party.

Upon acceptance of final engineering and required infrastructure improvements by both parties, this contingency shall be satisfied and the parties shall proceed and be bound by the terms and provisions of this Agreement as to those PARCELS resolved.

SECTION 17. GENERAL AGREEMENTS.

Each party is entitled to recover its reasonable attorney fees, costs, and expenses incurred by reason of enforcing its rights hereunder. The failure or omission of either party to enforce any of its rights or remedies upon any breach of any of the covenants, terms or conditions of this Agreement shall not bar or abridge any of its rights or remedies upon any subsequent default.

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) sent certified mail to the address set forth below.

For purpose of this Agreement, WHITING RDC shall be notified at the following address:

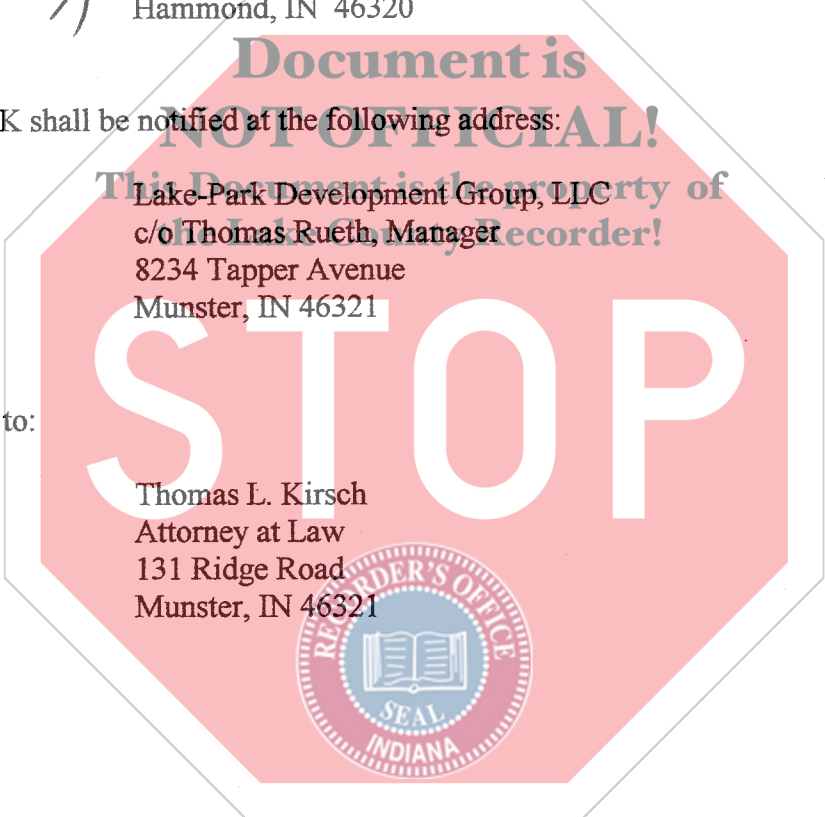
Whiting Redevelopment Commission
c/o Carol Green-Fraley
Enslen Green & Kuchel, P.C.
5930 Hohman Avenue, Suite 102
Hammond, IN 46320

LAKE-PARK shall be notified at the following address:

Lake-Park Development Group, LLC
c/o Thomas Rueth, Manager
8234 Tapper Avenue
Munster, IN 46321

with a copy to:

Thomas L. Kirsch
Attorney at Law
131 Ridge Road
Munster, IN 46321



SECTION 18. BINDING AGREEMENT.

This agreement shall be binding on and inure to the benefit of the parties, their successors and assigns.

IN WITNESS WHEREOF, the City of Whiting, By and Through Its Redevelopment Commission, Lake County, Indiana and Lake-Park Development Group, LLC have executed this Agreement on this 10 day of September, 2002.

OWNER:

DEVELOPER:

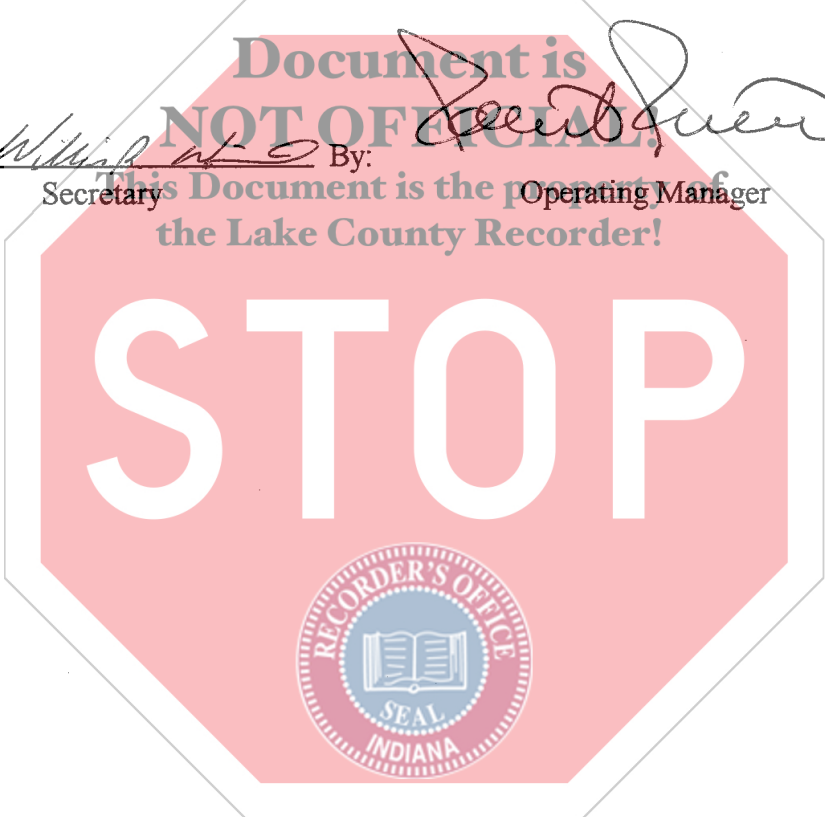
City of Whiting, by and through its Redevelopment Commission

Lake-Park Development Group, LLC

By: Robert Carl
President

By: [Signature]
Operating Manager

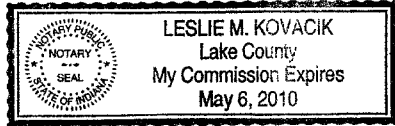
Attest By: [Signature] Secretary By: [Signature] Operating Manager
This Document is the property of the Lake County Recorder!



STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Before me, a Notary Public, in and for said County and State, this 10 day of September, 2002, personally appeared Robert Kark, President of the Redevelopment Commission, and William Wayvoda, Secretary of the Redevelopment Commission, Lake County, Indiana, personally known to be the same persons whose names are subscribed to the foregoing instrument, who appeared before me this day in person and acknowledged as their own free and voluntary acts, and as the free and voluntary act of the City of Whiting, for the uses and purposes set forth.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal.



Leslie M. Kovacik
Notary Public

My Commission Expires: 5/6/2010 Resident of Lake County

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Document is NOT OFFICIAL!

Before me, a Notary Public, in and for said County and State, this 10 day of September, 2002, personally appeared Thomas Rueth, and Robert Rueth on behalf of LAKE-PARK DEVELOPMENT, LLC, personally known to be such persons and acknowledged the execution of the foregoing instrument, for and on behalf of said limited liability company and by its authority.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal.



Leslie M. Kovacik
Notary Public

My Commission Expires: 5/6/2010 Resident of Lake County