

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

2007 095048 Land Contract

2007 DEC -4 AM 10:05

This Land Contract (Contract) has been executed this 31st day of October 2007 by KRE LLC (Seller) and Maria Carreño (Buyer). Witness that the parties agree as follows:

Seller hereby sells to Buyer, and Buyer hereby purchases from Seller, the following described real estate located in Lake County Indiana- 6637 Delaware, Hammond, IN, 46323

The following covenants, terms and conditions apply to the subject Contract sale:

1. Purchase price and manner of payment and terms of loan.
  - a) Purchase Price: The purchase price for the subject real estate of this Contract is \$76,776.00, which Buyer agrees to pay Seller in accordance with the terms and conditions of this Contract without relief from valuation and appraisal laws and with reasonable attorney's fees (and if necessary collection fees) if there is default. The cost of the home reflects an additional 0% of the initial price \$76,776.00 x 0% = \$750.00
  - b) Manner of Payment and Terms of Loan. Buyer will pay Seller \$0 in down payment at closing and with the signing of the subject land contract.
  - c) Taxes and Insurance. Taxes will be prorated from 10-01-07 to 11-12-07. The buyer will carry at least \$76,000.00 in liability insurance. The Buyer will name Seller as Other Insured until full land contract balance is paid. Tax pro-rations given when contract is paid in full.
2. Payment to Seller: All payments to the buyer will be put in U. S. Mail and be received on or before the due date 11-13-07.
3. Warranties of Seller and Seller's Right to Mortgage: Seller warrants that the Seller has good and merchantable title to the subject real estate, 1. Easements and restrictions of record as disclosed in the Title Binder and 2. Current real estate taxes not delinquent. Seller further warrants that Seller received title insurance on the subject property and will provide copy to buyer at buyers expense at payoff.

Seller further warrants as of this date: Seller has made no contract to sell all or part of the subject real estate to any person other than the Buyer. Seller has not given to any person an option which is presently exercisable, to purchase all or any part of the real estate; there are no unpaid claims for labor done upon or materials furnished for the real estate in respect of which liens have been or may be filed; the improvements of the subject real estate are all entirely within the bounds of the real estate, and there are no encroachments thereon; . Any such mortgage by its terms shall be subordinated to the rights of the Buyer under this Contract. In all events, the balance due in respect of any such mortgage at no time shall exceed the unpaid balance of the Purchase Price. If Seller encumbers the real

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estate by a mortgage, or the real estate on this date is encumbered, and Seller defaults there under, Buyer shall have the right to cure such default and to deduct the cost thereof from the next payments or payments due under the contract. Seller shall pay all amounts due under any such mortgage when due and shall pay, discharge and obtain the release of any such mortgage upon Buyer's payment in full of the Contract Balance and all interest accrued thereon.

4. **Transfer of Buyer's Interest...Condemnation.** Buyer's interest in this Contract and Buyer's interest in subject real estate may not be sold, assigned, pledged, mortgaged, encumbered or transferred by Buyer without written consent of the Seller. The Buyer may not leave the subject property and then rent to a third party (this is considered an Event of Default). If the real estate or any part thereof is taken or damaged pursuant to an exercise or threat of exercise of the power of eminent domain, the entire proceeds of the award of compensation payable in respect of the part so taken or damaged are hereby assigned to and shall be paid directly to Seller. Such proceeds shall be applied, at the Seller's option and without premium, in part or entirely as a prepayment of the Contract balance or to restoration of the real estate; provide, however, that if by electing to apply part of any such award against the Contract balance is paid in full, the Seller shall pay the balance to the Buyer.
5. **Mechanic's Lien.** Buyer shall not permit any statement of intention to hold a mechanic's lien to be filed against the subject real estate nor against any interest or estate herein by reason of labor, services, or materials claimed to have been performed or furnished to or for Buyer. If such statement of intention to hold a Mechanic's lien shall be filed, Seller, at Seller's option, may compel the prosecution of an action for foreclosure of such Mechanic's lien by the lienor. If any such statement of mechanic's lien shall be filed and an action commenced to foreclosure the lien, the Buyer, upon demand of Seller, shall cause the lien to be released at Buyer's expense by the filing of a written undertaking with a surety approved by the Court and obtaining an order from the Court releasing the property from such lien.
6. **Indemnification and Release.** Regardless of whether or not separate, several, joint or concurrent liability may be imposed upon Seller, Buyer shall indemnify and hold harmless Seller from and against all damages, claims, and liability arising from circumstances connected with Buyer's control and use of the real estate, including, without limitation, any damage or injury to person or property. If Seller without fault, shall become a party to litigation commence by or against Buyer, then Buyer shall indemnify and hold Seller harmless. The Indemnification provided by this paragraph shall include all legal costs and attorney's fees incurred by Seller in connection with any such claim, action or proceeding. Buyer hereby releases Seller from all liability for any accident, damage or injury caused to person or property on or about the Real Estate and notwithstanding whether such acts or omissions are considered active or passive.

7. **Seller's Right of Inspection and Buyer's Responsibility for accidents.** Until the purchase price and all interest thereon is paid in full, Seller from time to time and at any reasonable times, peaceably may enter and inspect the real estate. Buyer hereby assumes all risk and responsibility for accident, injury or damage to person and property arising from the Buyer's use and control of the subject real estate and the improvement thereon.
8. **Default and Acceleration.** It is expressly agreed by the Buyer that time is of the essence of this Contract. Upon the occurrence of any Event of Default, as herein defined, and at any time thereafter, the entire Contract Balance, and all accrued, unpaid interest thereon, shall, at the option of the Seller, become immediately due and payable without any notice, presentment, demand, protest, notice of protest, or other notice or dishonor or demand of any kind, all of which are expressly waived by the Buyer, and Seller shall have the right to pursue immediately all remedies legal or equitable, as are available under applicable law to collect such Contract balance and accrued interest, to foreclose Contract, and as may be necessary or appropriate to protect Seller's interest under this Contract and in and to the real estate. The following shall constitute an Event of Default for purposes of this Contract:
- Non-payment of all or any part of the required payment and accrued interest at the terms stated in the promissory note. Previously mentioned in this agreement. Payment is considered late if not paid on or before the due date. Written notice will be provided by Seller to Buyer after 10 days beyond the payment due date to begin the default process.
  - Any part of the subject real estate or all or any of the property or assets of Buyer is placed in the hands of any receiver, trustee, or other officers or representatives of a court, or Buyer consents or agrees or acquiesces to the appointment of any such receiver or trustee.
  - Desertion or abandonment of the subject real estate or any part thereof, by Buyer. This includes Buyer moving out of real estate and renting it to a third party.
  - Sale, transfer, mortgage, conveyance or other disposition of Buyer's interest in this Contract or Buyer's interest in real estate, or any part thereof, without the Seller's written consent. This includes renting the property without the Buyer living at the subject real estate.
  - Any late or non-payments of real estate taxes and/or liability insurance premium payments.

In the event that the Buyer defaults under any of the above mentioned Events of Default including making any installment payment timely, which materially diminishes the security intended to be given the Seller under and by the virtue of this Contract, then, it is expressly agreed by the Buyer that, Seller may, at Seller's option, cancel this Contract and take possession of the real estate and remove

purchaser there from, or those holding, renting or claiming under Buyer's purview to the fullest extent of the law. In the event of Seller's cancellation of the Contract upon such default by Buyer, all rights and demands of Buyer terminate and the Buyer shall have no further right, title, or interest, legal or equitable, in and to the real estate and Seller have the right to retain all amounts paid by Buyer toward the purchase price as an agreed payment for Buyer's possession of the real estate prior to such default. Such retention shall not bar Seller right to recover damages, for any failure to pay taxes or insurance, for failure to maintain the real estate at any time for any other damages suffered including reasonable attorney's fees incurred by the Seller in enforcing any right hereunder or in removing any encumbrance on the real estate established by the Buyer.

9. Additional Covenants and Representation of Seller and Buyer. Upon payment by Buyer of the purchase price in full with all interest accrued thereon, and the performance by Buyer of all covenants and conditions which by the terms of this Contract are to be performed by Buyer, Seller agrees to convey the real estate to Buyer by General Warranty Deed, subject only to easements and restrictions of record as of the date on this Contract; to the rights of persons in possession; to the lien of all taxes and assessments payable by Buyer hereunder; and to any other encumbrances which, by the terms of this Contract, are to be paid by Buyer.

10. Additional Terms: Buyer agrees to pay all closing cost including title insurance. Furthermore, taxes are final. OK.

11. General Agreement of Parties. This Contract shall extend to and be binding upon the heirs, personal representatives, successors and assigns of the parties. When applicable, use of the singular form of any word also shall be deemed sufficiently given when a) actually served on the person notified or b) placed in an envelope directed to the person notified at the following address and deposited in the U.S. mail by certified or registered mail postage prepaid:

Either party may change such address by written advice to the address delivered to the other party to the above addresses. Whenever consent is required of either party for the occurrence of any act for this Contract, such consent shall not unreasonably be withheld. Buyer may record this agreement at Buyer's expense.

12. Buyer agrees to take subject to Mortgage in the amount of \$60,000.00 from KRE, LLC to Bahay Development, Inc. dated October 1, 2007 and recorded October 17, 2007 as Document Number 2007-82884 in the Office of the Recorder of Lake County, Indiana.

In witness whereof, Seller and Buyer have executed this instrument on this 31st day of October, 2007

  
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Seller – KRE LLC  
2931 Jewett Ave  
Highland, IN 46322

  
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Buyer – Maria Carreño  
3656 Tompkins St,  
Gary, IN 46408

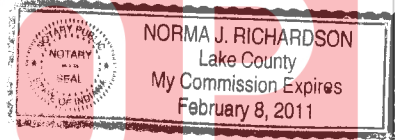
  
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Buyer – Maria Carreño

Notary Signature and Seal:   
the Lake County Recorder!

I affirm, under the penalties for perjury, that I have taken reasonable care to protect each social security number in this document, unless required by law.

Name:   
\_\_\_\_\_

Other Signature Witness: \_\_\_\_\_



Prepared by  
KRE, LLC  
2931 Jewett Ave  
Highland, IN 46322

**EXHIBIT A**

Lot Numbered 15 in Block 6 as shown on the recorded plat of Hessville Park Addition recorded in Plat Book 17, page 14 in the Office of the Recorder of Lake County, Indiana.

Key # 26-34-0085-0015

