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MEMORANDUM OF REAL ESTATE CONTRACT

When recorded mail to:

By this instrument dated May 4, 2006, for good and valuable consideration the undersigned entered into a Contract For The Conditional Sale of Real Estate in connection with the property located at 1930 Whitcomb Street, Gary, Indiana 46406 more particularly described as

See Attachment "A"

It is understood and agreed by the parties that there shall be no sale, resale, or other transfer of said property without the written consent of the Buyer herein.

Nilsen Zloyd
SELLER

SELLER

Subscribed and sworn before me this 4th day of May 2006

Quinn C. O. Sandidge
Notary Public

My County of Residence Lake
My Commission Expires: 6/2/07

Chet Washington
BUYER

Subscribed and sworn before me this 4th day of May 2006

My County of Residence Lake
My Commission Expires: 6/2/07

Chet Washington
BUYER

Document is NOT OFFICIAL!
This Document is the property of the Lake County Recorder!

STOP
FILED
MAY 31 2006
PEGGY HOLINGA KATONA
LAKE COUNTY AUDITOR

FILED

DEC 12 2007

PEGGY HOLINGA KATONA
LAKE COUNTY AUDITOR



025118

STATE OF INDIANA
LAKE COUNTY RECORDER
FILED FOR RECORD
2006 MAY 31 11:14:33
MICHELLE A. BROWN
RECORDER

2007 097273

2007 DEC 12 AM 10:04

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

008406

CAM

35-
CS
BLS

Deed is been re-recorded
TO CORRECT Common Address.

**ATTACHMENT "A" TO
MEMORANDUM OF REAL ESTATE CONTRACT
BY AND BETWEEN
WILSON LLOYD
AND
CHESTER WASHINGTON**

Legal Description is as follows:

Tarrytown 1st Subdivision, All of Lot 25, Block 7

Key No.: 25-47-0443-0025

More Commonly Known as: ^{1930 CW}~~1930~~ Whitcomb Street, Gary, IN



CONTRACT FOR CONDITIONAL SALE OF REAL ESTATE

May 4, 2006

RECEIVED FROM: CHESTER WASHINGTON (BUYER)

PROPERTY ADDRESS: 1930 WHITCOMB STREET, GARY, INDIANA 46406

Sales Price	\$35,000.00
DOWN PAYMENT	\$12,000.00 (Received 5/4/06)
Principal Balance	\$23,000.00 Interest rate 6% annually.

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 on it):

Legal Description

Section 1: Purchase Price and Manner of Payment.

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 Thirty Five Thousand Dollars (\$35,000.00).

Manner of Payment. The purchase price shall be paid as follows:

(a) The sum of Twelve Thousand Dollars (\$12,000.00) upon the execution and delivery of this Contract. The receipt of such sum is hereby acknowledged by Seller, leaving an unpaid balance of the purchase price in the sum of Twenty Three Thousand Dollars (\$23,000.00). That amount, as it is reduced by payments and expenses of Buyer properly credited under this Contract, and as it is increased by payments and expenses of Seller properly made and incurred under this Contract, is hereinafter called the "Unpaid Purchase Price."

(b) The Unpaid Purchase Price shall bear interest at the rate of six percent (6%) per annum. Interest at such rate shall begin to accrue from the date of this contract, or from the date payments made and costs and expenses incurred by Seller are added to the Unpaid Purchase Price pursuant to this Contract, as may be applicable.

(c) The Unpaid Purchase Price and interest on it shall be paid in monthly installments in the amount of Five Hundred Forty and 16/100 Dollars (\$540.16) beginning June 1, 2006. Subsequent installments shall be paid on the same day of each month thereafter until May ____, 2010, at which time the Unpaid Purchase Price, with accrued interest, shall be paid in full.

(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 in the sum of Fifteen Dollars (\$15.00) shall accrue and be immediately due and payable.

(e) Each installment received by Seller shall be applied: first to accrued late charges, then to interest accrued to the due date of



such installment, and then to the reduction of the Unpaid Purchase Price. Interest shall be computed monthly.

(f) Each payment under this contract shall be sent to Seller at the following address: 3601 Johnson Street, Gary, Indiana 46408.

Section 2: Prepayment of Purchase Price.

Buyer shall have the privilege of paying without penalty, at anytime, any sum or sums in addition to the payment herein required. It is agreed that no such prepayment, except the 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 Unpaid Purchase Price.

Section 3: Taxes, Assessments, Insurance and Condemnation.

Taxes. Buyer agrees to assume and pay the taxes on the Real Estate beginning with the installment payable _____ together with all installments of real estate 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, upon request, evidence of payment of such taxes and assessments.

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 Contract, are assessed or charged to the Real Estate. Seller agrees to pay any other assessments or charges, to and including the date of this Contract.

Penalties. The parties hereto agree to pay any penalties, whether in the form of interest or otherwise, in connection with the late or untimely payment of such taxes, assessments or charges, for which they are responsible under Section 3.

Insurance. At all times during the period of this Contract, Buyer shall keep the improvements located upon the Real Estate insured under fire and extended coverages in the amount not less than the Unpaid Purchase Price.

Rights of Parties to Perform Other's Covenants.

(a) If one of the parties hereto (hereinafter called "Responsible Party") fails to perform any act or, to make any payment required by Section 3, including any outstanding mortgage loans, the other party (hereinafter called the "Non-responsible 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.

(b) The exercise of such right by a Non-responsible Party shall not constitute a release of any obligation of the Responsible Party under Section 3 or a waiver of any remedy available under this Contract, nor shall such exercise constitute an estoppel to the exercise by a Non-responsible Party or any right or remedy of his for a subsequent failure by the Responsible Party to perform any act or make any payment required by him.

(c) Payments made and all costs and expenses incurred by a Non-responsible Party in connection with the exercise of such right shall, at his option, either (i) be paid to him by the Responsible Party within thirty (30) days after written demand thereof; or (ii) on the date the next installment payment is due under this Contract, following written notice, be added to the Unpaid Purchase Price, if Buyer is the Responsible Party, or applied to reduce the Unpaid Purchase Price, if Seller is the Responsible Party.

(d) In the event a Non-responsible Party makes any such payments or incurs any such costs and expenses, the amount thereof shall bear interest at the rate provided under Section 1 of this Contract, from the respective dates of making the same, until paid in full, or to the date such amounts are added to, or applied against, the Unpaid Purchase Price.

Condemnation. From the date hereof, 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 constitute a failure of consideration or cause for rescission of this Contract by Buyer. Should all or any part of the Real Estate be condemned and sold by court order, or sold under the threat of condemnation to any public or quasi-public body, the net amount received for the damage portion shall be retained by Buyer, and the net amount received for the Real Estate value shall be paid to Seller and applied as a reduction of the Unpaid Purchase Price. The authority and responsibility for negotiation, settlement or suit shall be Buyer's. If Buyer incurs expenses for appraisers, attorneys, accountants or other professional advisers, whether with or without suit, such expenses and any between the amount determined as damages and the amount determined for value of the Real Estate. If no determination is made of separate amounts for damages and Real Estate value, the net amount shall be divided equally between Buyer and Seller, with Seller's amount to be applied as a reduction of the Unpaid Purchase Price.

Section 4: Evidence of Title

If Buyer is not in default under the Contract, Seller will furnish Buyer an Owner's title insurance policy disclosing marketable title to the Real Estate to a date which is 120 days after the date of this Contract.

Title Insurance. A title insurance policy furnished under this Contract shall be in the amount of the purchase price and shall be issued by an insurer of reputable quality.



Additional Title Evidence. Any additional title evidence shall be at the expense of Buyer, provided, however, that the cost of additional title evidence necessitated by the acts or omissions of Seller shall be borne by Seller.

Conveyance of Title. Seller covenants and agrees that upon the payment of all sums due under this Contract and the prompt and full performance by Buyer of all 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 to the date of this Contract and all taxes and assessments with are Buyer's obligations.

Section 6: Seller's Right to Mortgage the Real Estate.

Mortgage Loan. Seller shall not obtain, renew, extend or renegotiate a loan or loans secured by mortgage(s) on the Real Estate (all instruments evidencing a loan and a mortgage securing it is hereinafter called "Loan"), without the express written consent of the Buyer.

Provisions of Loan. Each loan made by Seller shall:

- (a) be in such principal amount that the aggregate principal balance of all loans shall not exceed the Unpaid Purchase Price of the Real Estate;
- (b) have total periodic payments which do not exceed the periodic payments by Buyer under this contract, and shall provide for regular amortization rate of the principal of Seller's Loan which exceeds the amortization rate of the Unpaid Purchase Price of this contract;
- (c) provide for prepayment in full as Seller's option, whether with or without premium, at any time.

Notice of Loan. Contemporaneously with the execution of a loan, Seller shall give Buyer written documentation of the loan, including the name and address of the mortgagee, the principal amount, the installments payable, and such other terms as the Buyer may request.

Default of Loan. In the event of the Seller's default of a loan, Buyer shall have the right, on behalf of the Seller, to make loan payments or to cure other defaults. Seller shall, upon written demand of Buyer, pay to Buyer the amount of any such payments and the costs incurred by Buyer in curing other defaults (including in such costs Buyer's attorney fees) plus interest at the rate under this contract, interest on such amount or costs being computed from the date of payment or incurring of such costs until paid. Buyer shall have the option to deduct the amount of such payments, costs and interest from payments payable under this Contract.

Releases. Upon payment in full by Buyer of all amounts payable under this Contract, Seller shall pay in full all amounts payable under loan(s) at the time outstanding and obtain and record, or cause to be recorded, a valid release of loan(s) so paid.



Encumbrances. Seller represents that the Real Estate (is encumbered with a loan. If encumbered, Seller represents that the information regarding said loan is as follows:

- (a) Name of lender Bank of America
- (b) Unpaid balance of loan: \$23,000.00

Section 7: Assignment of Contract or Sale of Interest in Real Estate

Assignment or Sale. Buyer may not sell or assign this contract, Buyer's interest therein or Buyer's interest in the Real Estate, without prior written consent of Seller. Seller agrees to consent to such assignment or sale if (a) such assignment or sale shall not cause a loan on the Real Estate to be declared due and payable, or be called for full payment, or subject Seller to an increase in the interest rate of such loan, and (b) the financial ability of the prospective assignee or purchaser from Buyer is at least equal to that of Buyer.

Notice of Assignment or Sale. If Buyer wishes to assign Buyer's interest in this contract or sell Buyer's interest in the Real Estate, Seller shall be furnished in writing a notice containing the full name, address, place of employment, telephone number of the prospective assignee or purchaser from Buyer, as well as a financial statement showing their assets, liabilities and income and expenses. Within fourteen (14) days of such notice, Seller shall either approve or disapprove in writing the assignment or sale based solely on the criteria herein, and if disapproved, specify the reason or reasons for such disapproval. If Seller fails to act within fourteen (14) days after such notice, Seller's approval shall be deemed given.

Liability. No assignment or sale shall operate to relieve either party from liability hereon.

Section 8: Use of the Real Estate by Buyer: Sellers Right to Inspect.

Use. The Real Estate may be leased or occupied by persons other than Buyer with prior written consent of the Seller, which consent shall not be unreasonably withheld.

Improvements. Buyer may materially alter, change or remove any improvements now or hereafter located on the Real Estate, or make any additional improvements, only with prior written consent of Seller, which consent shall not be unreasonably withheld. Buyer shall not create, or allow any mechanics, laborers, materialmen, or other creditors of Buyer or an assignee of buyer to obtain a lien or attachment against Seller's interest herein. Buyer agrees that the Real Estate and any improvements thereon are, as of the date of the contract, in good condition, order and repair, and Buyer shall, at his own expense, maintain the Real Estate and any improvements in as good order and repair as they are in on the date of this contract, ordinary wear and tear, and acts of God, or public



authorities excepted. Buyer shall not commit waste on the Real Estate, and, with respect to occupancy and use, shall comply with all laws, ordinances and regulations of any governmental authority having jurisdiction thereof.

Notice of Improvements . Notice of Buyer's intent to make improvements shall be governed by that time limit set out in Section 7.

Inspection. Seller shall have the right to enter and inspect the Real Estate only upon twenty-four (24) hour advanced written notice to Buyer.

Buyer's Responsibility for Accidents. Buyer assumes all risk and responsibility for injury or damage to person or property arising from Buyer's use and control of the Real Estate and any improvements thereon.

Section 9: Buyer's Default and Seller's Remedies.

Time. Time is of the essence of this Contract.

Buyer's Default. Upon the occurrence of any event of default, as hereinafter defined, Seller shall have the right to pursue immediately any remedy available under this contract as may be necessary or appropriate to protect Seller's interest under this contract in the Real Estate.

Event of Default. The following shall constitute an event of default for purposes of this contract:

- (a) Failure by Buyer for a period of thirty (30) days to pay any payment required to be made by Buyer to Seller under this contract when and as it becomes due and payable.
- (b) Lease or encumbrance of the Real Estate or any part thereof by Buyer, other than as expressly permitted by this contract.
- (c) Causing or permitting by Buyer of the making of any levy, seizure or attachment of the Real Estate or any part thereof.
- (d) Occurrence of an uninsured loss with respect to the Real Estate or any part thereof.
- (e) Institution of insolvency proceedings against Buyer, or the adjustment, liquidation, extension or composition or arrangement of debts of Buyer or for any relief under any insolvency law relating to the relief of debtors; or Buyer's assignment for the benefit of creditors or admission in writing of his inability to pay his debts as they become due; or, administration by a receiver or similar officer of any of the Real Estate.
- (f) Desertion or abandonment by Buyer of any portion of the Real Estate.
- (g) Actual or threatened alteration, demolition, waste or removal of any improvement now or hereafter located on the Real Estate, except as permitted by this contract.
- (h) Failure by Buyer, for a period of thirty (30) days after written notice in given to Buyer, to perform or observe any other covenant or term of this contract.



Seller's Remedies. Upon the occurrence of an event of Default, Seller shall elect his remedy under subsection 1 or subsection two (unless subsection 3 is applicable).

1. Seller may declare this contract forfeited 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 re-enter and take immediate possession of the Real Estate and to eject Buyer and all persons claiming under him. Further, Seller shall have the right to institute legal action to have this contract forfeited and terminated and to recover from the Buyer all or any of the following:

- (a) possession of the Real Estate;
- (b) any payment 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 of the Unpaid Purchase Price 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 (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 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 and acts of God or public authorities; and
- (g) any other amounts which Buyer is obligated to pay under this contract; or

2. Seller may declare all of the sums secured by this contract to be immediately due and payable, and Seller may institute legal action to recover same. When all of such sums are paid to Seller, Seller shall convey or cause to be conveyed to Buyer, by Warranty Deed, the Real Estate subject to restrictions and easements or record as of the date of this contract and all taxes and assessments which are Buyer's obligation.

3. In the event 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 subsections 1 and 2 above. If this subsection is applicable, then Seller may declare all of the sums secured by this contract to be immediately due and payable, and Seller may immediately institute legal action to foreclose this contract and Buyer's interest in the Real Estate. The parties agree that after Buyer has paid \$5,000.00 of the original purchase price, then Buyer shall have substantial equity in the Real Estate.



Seller's Additional Remedies. In addition to the remedies set forth above, upon the occurrence of an event of default, Seller shall be entitled to:

(a) Retain (without prejudice to his right to recover any other sums from Buyer, or to have any other remedy under this contract), as an agreed payment for buyer's use of the Real Estate prior to the event of default, all payments made by Buyer to Seller and all sums received by Seller as proceeds of insurance or as other benefits or considerations pursuant to this contract.

(b) Request that a receiver be appointed over the Real Estate in accordance with Indiana law providing for real estate mortgage foreclosures.

(c) Enforce any right without relief from valuation or appraisal laws.

Section 10: Seller Default and Buyer's Remedies.

If Seller fails to convey the Real Estate as required by this contract, Buyer may institute legal action against the Seller for specific performance, in which case Seller hereby acknowledges that an adequate remedy for default in such case does not exist at law; or Buyer may pursue such other remedy as is available at law or in equity.

If, after seven (7) days notice from Buyer, Seller fails to may any payment required of him under this contract or to perform or observe any other of his covenants or agreements, Buyer shall be entitled to institute legal action against Seller for such relief as may be available at law or in equity. Nothing in this subsection shall interfere with or affect Buyer's right to any reduction, set-off or credit to which buyer may be entitled in the event of Seller's failure to pay amounts required of him pursuant to this contract.

Section 11: General Agreements.

This contract shall bind, inure to the benefit of, the parties and their heirs, personal and legal representatives, successors and assigns, and shall be interpreted under the law of the State of Indiana.

If Seller or buyer consist of more than one person, each person signing this contract as Seller or Buyer shall be jointly and severally bound.

Headings are for reference only, and do not affect the provisions of this contract. Where appropriate, the masculine gender shall include the feminine or the neuter, and the singular shall include the plural.

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

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

For purposes of listing the Real Estate for sale by Buyer, Buyer



shall be deemed to be the "fee titleholder" as this term is used in the Indiana Real Estate License Laws.

The failure or omission of either party to enforce any of his right or remedies upon any breach of any of the covenants, term or conditions of this contract shall not bar or abridge any of his 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) 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.

In computing a time period prescribed in this contract, the date of the act or event shall not be counted. All subsequent days, including intervening weekend days and holidays, shall be counted in the period.

Section 12: Additional Covenants

Seller warrants that all utilities attached to the Real Estate are in good working order and free from material defects. Said utilities include, but are not limited to electrical, plumbing, and heating.

IN WITNESS WHEREOF, Seller and Buyer have executed this contract on this 4th day of May, 2006.

Wilson Lloyd
WILSON LLOYD

Subscribed and sworn before me this 4th day of May, 2006.

Document is
NOT OFFICIAL!

Juan C. Clinton Sandidge
Notary Public

My County of Residence: Lake
My Commission Expires: 6/2/07

Chet Washington
CHESTER WASHINGTON
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Subscribed and sworn before me this 4th day of May, 2006.

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Prepared by: Rebecca L. Wyatt, 363 South Lake Street, Gary, IN 46403; Telephone: 219) 938-0800



