

**LAND CONTRACT** (Conditional Sale)

This contract, made this day 27 of December 2007, between Gail Gray, seller, and Darrell L. Cleveland, purchaser, witnesseth:

That the seller agrees to sell and convey to the purchaser land in the City of Gary, Lake County, Indiana described as:

Lender- 8410 Lakewood Ave. Gary IN 46403

**Property ID#: 25-46-0291-0025**

Legal Description: Lots 25-28, Block 10, Packer's Addition Miller East 1/2 in the City of Gary as shown in Plat Book 2, Page 53, in the Office of the Lake County Recorder, Lake County Indiana.

**Property ID#: 25-46-0291-0049**

Legal Description: West 1/2 Lots 25 to 28, Block 10, Packer's Addition to Miller, in the City of Gary, as shown in Plat Book 2, Page 53, in the Office of the Recorder of Lake County.

subject to any restriction upon the use of the premises in consideration of the sum, One Hundred Twenty Thousand dollars (\$120,000.00) paid to seller by purchaser, without relief from valuation and appraisal laws. The purchase price shall include the items of personal property set forth in Exhibit "A" attached hereto.

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**MANNER OF PAYMENT**

**The purchase price shall be paid in the following manner:**

(a) The sum of One Hundred Twenty Thousand dollars (\$120,000.00) shall be paid on the 1<sup>st</sup> day of each calendar month hereafter for One Thousand Nine Hundred Eighty-Eight and 75/100 Dollars (\$1,988.75) for 72 months, commencing Feb. 1, 2008, until the remainder of the purchase price, with interest as herein provided, has been paid in full. In addition, Buyer shall pay to Seller the sum of \$245.81 per month to be held in escrow for the payment of property taxes on the real estate. The amount of the escrow shall be adjusted annually to reflect any increase or decrease in taxes as determined by local, state and county taxing authorities. **A late fee of \$75.00 shall be assessed if the monthly payment, including tax escrow, due under this agreement is not paid by the 10<sup>th</sup> day of the month in which the payments are due.**

(b) The unpaid balance of the purchase price shall bear interest at the rate of Six per cent (6.000%), such interest to be computed semi-annually, in advance, on January 1 and July 1, upon the principal sum unpaid at the beginning of such period of six (6)

DULY ENTERED FOR TAXATION SUBJECT TO FINAL ACCEPTANCE FOR TRANSFER

FEB 29 2008

PEGGY HOLINGA-KATONA  
LAKE COUNTY AUDITOR

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2008 015947

months. The amount of interest so found due shall be deducted from the amount of aggregate monthly payments made during the preceding period of six (6) months and the balance of the aggregate of such monthly payments shall be credited against the principal due. Amortization Schedule attached here to as Exhibit "B."

(c) All payments due hereunder shall be made to collection agent of seller, or at such other place as seller shall designate in writing.

## II.

### PREPAYMENT OF PURCHASE PRICE

Buyer shall have the privilege of paying, at any time, any sum or sums in addition to the monthly payments herein required. It is agreed that no such prepayment, 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.** The seller shall be obligated to pay taxes allocable for the period January 1, 2007 to December 31, 2007. Buyer agrees to assume and pay all installments of taxes due and payable thereafter on parcels #25-46-0291-0025 and 25-46-0291-0049 within 15 days after they become due. And deliver copy of original receipt to Seller.

**2. Assessments.** Buyer agrees to pay all assessments for municipal or other public improvements completed after the date of this agreement.

**3. Insurance.** Buyer agrees to keep the improvements on the real estate insured under fire and extended coverage policies and to pay the premiums on such insurance policies as they become due. Such insurance shall be carried in a company or companies approved by seller and in an amount not less than the balance of the purchase price due hereunder. Such policy or policies shall be issued in the name of seller and buyer, as their respective interests may appear, and shall be delivered to and retained by seller during the continuance of this agreement.

**4. Utilities.** Buyer agrees to contract for utilities, including, gas, electric and water, in buyers name and be responsible for the payment, proper maintenance and operation of all such services.

**IV.**

**POSSESSION**

Seller shall deliver to buyer full and complete possession of the real estate and personal property upon the execution of this agreement. Buyer's right of possession shall continue only so long as buyer complies with all the terms and conditions of this agreement and perform all of the covenants made by him in this agreement.

**V.**

**EVIDENCE OF TITLE**

Seller has furnished buyer with an abstract of title to the real estate, continued to date, which abstract, it is agreed, shows a merchantable title to the real estate in seller as of the date thereof. Any further continuations of the abstract of title shall be made at the expense of buyer.

**VI.**

**SELLER'S RIGHT TO MORTGAGE THE REAL ESTATE**

Seller shall have the right to obtain, without buyer's consent, a loan secured by mortgage on the real estate, and the right to renew any such mortgage loan. Seller agrees, however, that the balance due in respect of any such mortgage loan shall never exceed the unpaid balance of the purchase price due hereunder. If seller encumbers the real estate by a mortgage and fail to meet any payment of principal or interest due in respect of the debt secured by such mortgage, buyer shall have the right to make any such omitted payment or payments and to deduct the amount thereof from the next payment or payments due under this contract. Seller agrees, however, that she will pay any such mortgage loan when due or at such time as buyer pays in full the unpaid purchase price hereunder.

**VII.**

**ASSIGNMENT OF CONTRACT**

Neither this contract, the buyer's interest therein, nor the buyer's interest in the real estate, shall be sold, assigned or transferred by buyer without the express written consent of seller.

VIII.

**Use of the Real Estate by Buyer, Seller's Right of Inspection, and Buyer's Responsibility for Injuries**

1. **Use.** The real estate shall not be rented, leased, or occupied by persons other than buyer, nor shall any of the improvements now or here placed thereon be changed, remodeled or altered in any way. No additional improvements shall be placed on the real estate by buyer unless written consent of seller shall have been first obtained. Buyer shall use the real estate and the improvements thereon carefully, and shall keep the same in good repair at his expense. Buyer shall not commit waste on the real estate. In his occupancy of the real estate, the buyer shall comply with all laws, ordinances and regulations of the United States of America, the State of Indiana, the County of Lake, and the City of Gary. In the event of the buyer's breach of this covenant and a reentry by seller, the buyer shall deliver the real estate and the improvements thereon to seller in the good condition in which they now are ordinary wear and tear, acts of God and public authorities excepted. *\* OK to changed inside as long the buyer informed the seller — GG*

2. **Seller's Right of Inspection.** Seller shall have the right to enter and inspect the real estate and the improvements thereon at any reasonable time.

3. **Buyer's Responsibility for Accidents.** As a part of the consideration hereof, buyers assume all risk and responsibility for accident, injury or damage to person or property arising from the use of or in or about the real estate and the improvements thereon.

IX.

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

Time shall be of the essence of this agreement.

If buyer fails to pay any installment of the purchase price or interest thereon as the same becomes due, or any installment of taxes on the real estate, or assessment for a public improvement, or any premium of insurance, as the same becomes due and payable, and if such failure continues for a period of thirty (30) days, or if buyer fails to perform or observe any other condition or term of this agreement and such default continues for a period of thirty (30) days, then seller may, at her option, cancel and terminate this agreement and take possession of the real estate, and remove therefrom the buyer, or those holding or claiming under him, without notice or demand, notice and demand being hereby expressly waived by buyer.

In the event of such cancellation and termination by the seller, all payments theretofore made by buyer shall be retained by seller, not as a penalty, but as liquidated damages for the breach of this agreement by buyer. In the event of any such cancellation by seller, all rights and demands of buyer under this contract and in and to the real estate shall cease and terminate and buyer shall have no further right, title or interest, legal or equitable, in or to the real estate. Buyer shall pay seller's costs, including reasonable attorney's fees, incurred because of buyer's default, with interest at the rate of 6 per cent per annum.

If default be made in the payment of any of the installments of principal or interest provided for herein, and such default shall continue for a period of sixty (60) days after it becomes due, or if the buyer shall fail to perform promptly any other of the agreements or conditions herein contained, then and in that event the entire principal sum herein named shall, at the option of the seller, immediately become due and payable.

Failure of seller to exercise any optional remedy hereby specified at the time of any default shall not operate as a waiver of the right of seller to exercise such optional remedy for the same or any subsequent default at any time thereafter.

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**COVENANTS OF SELLER**  
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Upon payment by buyer of the purchase price in full, with all interest thereon, and the performance by buyer of all covenants and conditions which, by the terms of this agreement, are to be performed by buyer, seller agrees and covenants to convey the real estate to buyer by deed of general warranty, subject, however, to all conditions, easements, highways, rights-of-way, restrictions and limitations of record; to the rights of persons in possession; to the lien of all unpaid taxes and assessment for public improvement; and to any other encumbrances which, by the terms of this agreement, are to be paid by buyer, and subject to the provisions of applicable zoning laws.

#### **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, singular shall apply to the plural and the masculine to the feminine or the neuter. Any notices to be given

\* 6900 metlon Rd -

Roof will be replaced  
as soon as weather condition  
Clear-up — G. Gray

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/her last known address and deposited in a United States post office mailbox, first class postage prepaid.

In witness whereof, the seller and buyer has executed this instrument in duplicate on this 27 day of December, 2007.

Gail Gray  
Gail Gray, Seller

Darrell L. Cleveland  
Darrell L. Cleveland, Buyer

State of Indiana  
County of Lake

On December 27, 2007 before me, Gail Gray, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

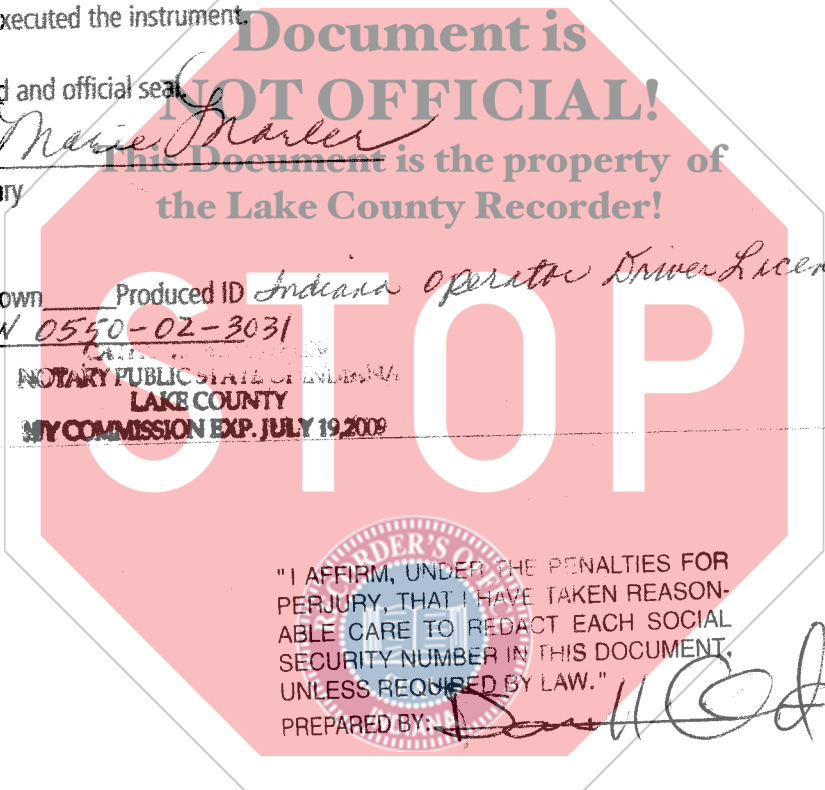
WITNESS my hand and official seal.

Cheryl Marie Warner  
Signature of Notary

Affiant Known Produced ID Indiana Operator Driver License  
Type of ID DLN 0550-02-3031

(Seal)

NOTARY PUBLIC STATE OF INDIANA  
LAKE COUNTY  
MY COMMISSION EXP. JULY 19, 2009



"I AFFIRM, UNDER THE PENALTIES FOR PERJURY, THAT I HAVE TAKEN REASONABLE CARE TO REDACT EACH SOCIAL SECURITY NUMBER IN THIS DOCUMENT, UNLESS REQUIRED BY LAW."  
PREPARED BY: Darrell L. Cleveland