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# CONTRACT FOR CONDITIONAL SALE OF REAL ESTATE

THIS CONTRACT, made and entered into between Everett and Karen Jordan, (hereinafter called "Sellers") and Leka Nikolic and Petar Nikoljic, (hereinafter called "Buyers"),

WITNESSETH:

Sellers hereby agree to and does sell to Buyers, and Buyers hereby agree to and do purchase from Sellers, the following described real estate (including any improvement or improvements now or hereafter located on it) in Lake County, Indiana (such real estate, including improvements, being hereinafter called the "Real Estate"):

Lots 10 to 15, both inclusive, in Block 10, in 3<sup>rd</sup> Addition to New Chicago, as per plat thereof, recorded in Plat Book 6 page 11, in the Office of the Recorder of Lake County, Indiana.

More commonly known as: 3641 Michigan Street  
Hobart, Indiana 46342

upon the following covenants, terms and conditions:

## Section 1. The Purchase Price and Manner of Payment.

1.01 **The Purchase Price.** As the Purchase Price for the Real Estate, Buyers agree to pay Sellers and Sellers agree to accept from Buyers the sum of seventy five thousand dollars and 00/100 (\$75,000.00).

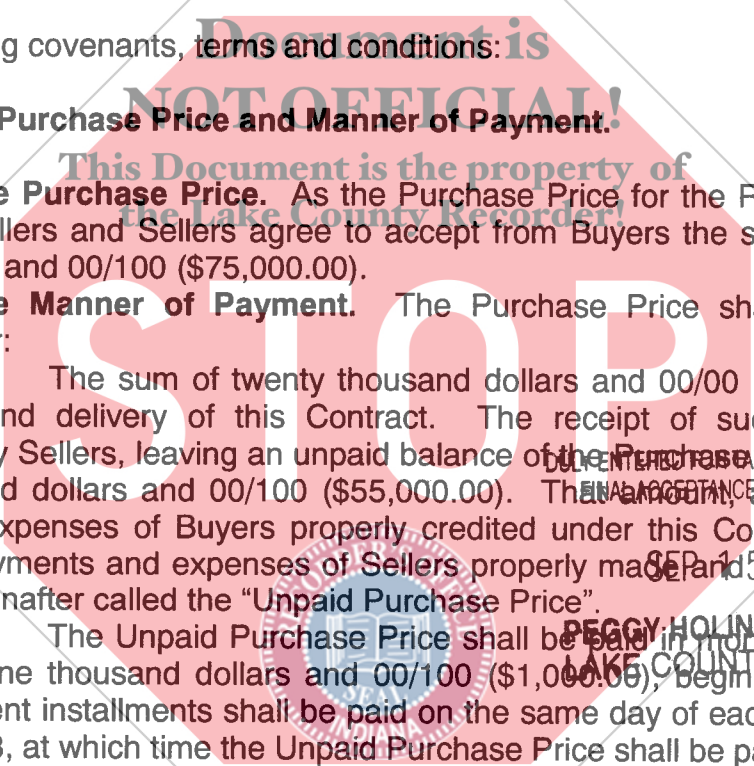
1.02 **The Manner of Payment.** The Purchase Price shall be paid in the following manner:

(a) The sum of twenty thousand dollars and 00/00 (\$20,000.00), upon the execution and delivery of this Contract. The receipt of such sum is hereby acknowledged by Sellers, leaving an unpaid balance of the Purchase Price in the sum of fifty five thousand dollars and 00/100 (\$55,000.00). This amount, as it is reduced by payments and expenses of Buyers properly credited under this Contract, and as it is increased by payments and expenses of Sellers properly made and incurred under this Contract, is hereinafter called the "Unpaid Purchase Price".

(b) The Unpaid Purchase Price shall be paid in monthly installments in the amount of one thousand dollars and 00/100 (\$1,000.00), beginning September 1, 2008. Subsequent installments shall be paid on the same day of each month thereafter until March, 2013, at which time the Unpaid Purchase Price shall be paid in full.

(c) Buyers 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 Sellers within the grace period, then a late charge in a sum equal to five percent (5%) of such installment shall accrue and be immediately due and payable.

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LAKE COUNTY RECORDER

PEGGY HOLINGA KATONA  
LAKE COUNTY AUDITOR

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HOLD FOR MERIDIAN TITLE CORP

(d) Each installment received by Sellers shall be applied; first to accrued late charges, and then to the reduction of the Unpaid Purchase Price.

(f) Each payment under this Contract shall be sent to Sellers at the following address: 843 N. 45 W., Valparaiso, Indiana 46385, or at such other address as Sellers shall designate in writing.

## **Section 2. Prepayment of Purchase Price.**

2.01. Buyers shall have the privilege of paying without penalty, at any time, any sum or sums in addition to the payments herein required.

## **Section 3. Taxes, Assessments, Insurance, and Condemnation.**

3.01. **Taxes.** Buyers agree to assume and pay the taxes on the Real Estate beginning with the installment payable November, 2008, together with all installments of real state taxes due and payable thereafter, and Sellers agree to pay all taxes on the Real Estate due prior to said installment. Buyers, upon written notice to Sellers, and at Buyers' expense, may contest on behalf of the parties any changes in the assessed value of the Real Estate. Sellers shall forward or cause to be forwarded to Buyers, when received, a copy of all statements for taxes and any assessments on the Real Estate which are payable by Buyers hereunder; and Buyers shall provide to Sellers, upon request, evidence of payment of such taxes and assessments.

3.02. **Assessments.** Buyers agree 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. Sellers agree to pay any other assessments or charges, to and including the date of this Contract.

3.03. **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 this Section 3.

3.04. **Insurance.** At all times during the period of this Contract, Buyers shall: (a) keep the improvements located upon the Real Estate insured under fire and extended coverage policies in an amount not less than the Unpaid Purchase Price, and (b) obtain standard liability insurance with coverages in amounts not less than Fifty Thousand and 00/100 Dollars (\$50,000.00) per person and One Hundred Thousand and 00/100 Dollars (\$100,000.00) per occurrence, and (c) pay premiums on such insurance policies as they become due. Such policies of insurance shall be carried with a company or companies approved by Sellers and properly authorized by the State of Indiana to engage in such business. Such policies of insurance shall also be issued in the names of Sellers and Buyers, as their respective interests may appear, and shall provide that the insurer may not cancel or materially change coverage without at last ten (10) days prior written notice to Sellers. Buyers shall provide Sellers with such proof of insurance coverage as Sellers 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, the Real Estate covered by such insurance, shall be applied to restoration and repair of the loss of, or damage to, Real Estate covered by such insurance, shall be applied to restoration and repair of the loss or damage in such fashion as Sellers reasonably may require, unless such restoration and repair is not economically feasible, or there exists an uncured Event of Default by Buyers under this Contract on the date of receipt of such proceeds. In either of such events, the proceeds

may be applied, at Sellers' option, toward prepayment of the Unpaid Purchase Price, with any excess to be paid to Buyers.

**3.05. Right 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 this Section 3, the other party (hereinafter called "Nonresponsible 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 Nonresponsible Party to perform any act or to make any payment required of the Responsible Party under the terms of this Contract.

(b) The exercise of such right by a Nonresponsible Party shall not constitute a release of any obligation of the Responsible Party under this Section 3 or a waiver of any remedy available under this Contract; nor shall such exercise constitute an estoppel to the exercise by a Nonresponsible Party of 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 under this Section 3.

(c) Payments made and all costs and expenses incurred by a Nonresponsible 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 therefore; or (ii) on the date of the next installment payment is due under this Contract, following written notice, be added to the Unpaid Purchase Price, if Buyers are the Responsible Party, or applied to reduce the Unpaid Purchase Price, if Sellers are the Responsible Party.

(d) In the event a Nonresponsible Party makes any such payments or incurs any such costs and expenses, the amount thereof shall bear interest at the rate of eight percent (8%) per annum, 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.

**3.06. Condemnation.** From the date hereof, Buyers 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 Buyers. 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 Buyers, and the net amount received for the Real Estate value shall be paid to Sellers and applied as a reduction of the Unpaid Purchase Price. The authority and responsibility for negotiation, settlement, or suit shall be Buyers'. If Buyers incur expenses for appraisers, attorneys, accountants or other professional advisers, whether with or without suit, such expenses any and other applicable costs shall be deducted from the total proceeds to calculate the "net amount" and shall be allocated proportionately 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, then the net amount shall be divided equally between Buyers and Sellers, with Sellers' amount to be applied as a reduction of the Unpaid Purchase Price.



#### **Section 4. Possession.**

4.01. **Delivery of Possession.** Sellers shall deliver to Buyers full and complete possession of the Real Estate on day of closing. After such possession date, Sellers shall pay to Buyers fifty dollars and 00/100 (\$50.00) per day for each day Sellers withhold possession of any portion of the Real Estate from Buyers, and such amount shall be applied to a reduction of the Unpaid Purchase Price. Such payment, however, shall not serve to extend the date upon which possession must be delivered to Buyers. Buyers' right of possession shall continue until terminated pursuant to Section 9. All utilities shall be paid by Sellers to the date possession is given.

#### **Section 5. Evidence of Title.**

5.01. If Buyers are not in default under this Contract, Sellers will furnish at Buyers' expense:

An Abstract of Title

Disclosing marketable title to the Real Estate to a date which is the earlier of (a) a date after execution of this Contract specified by disclosing marketable title to the Real Estate to a date which is the earlier of (a) a date after execution of this Contract specified by Buyers in a notice to Sellers or (b) a date 60 days prior to the date the final payment under this Contract is due.

5.02. **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 satisfactory to Buyers.

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

5.04. **Conveyance.** Sellers covenant and agree that upon the payment of all sums due under this Contract and the prompt and full performance by Buyers of all covenants and agreements herein made, Sellers will convey or cause to be conveyed to Buyers, by Warranty Deed the above described Real Estate, subject to restrictions and easements of record as of the date of this Contract and all taxes and assessments which are Buyers' obligations.

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

6.01. **Mortgage Loan.** Without Buyers' consent and without obligation to Buyers except as set forth in this Section 6, Sellers shall have the right to retain, obtain, renew, extend or renegotiate a loan or loans secured by mortgage(s) on the Real Estate (all instruments evidencing a loan(s) and a mortgage(s) securing it is hereinafter called "Loan"), provided that the terms of each loan do not conflict with the provisions of Section 6 or any other provision of this Contract. Sellers shall pay each loan when due.

6.02. **Provisions of Loan.** Each Loan made by Sellers shall

- (a) be in such principal amount that the aggregate principal balance of all Loans shall not exceed the Unpaid Purchase Price for the Real Estate;
- (b) have total periodic payments which do not exceed the periodic payments by Buyers under this Contract, and shall provide for the regular amortization

rate of the principal of Sellers' Loan which exceeds the amortization rate of the Unpaid Purchase Price of this Contract;

(c) provide for prepayment in full at Sellers' option, whether with or without premium, at any time.

6.03. **Notice of Loan.** Contemporaneously with the execution of a Loan, Sellers shall give Buyers written notice and inform Buyers in reasonable detail of the principal amount of the Loan, the name and address of the mortgagee, the installments payable under the Loan, and such other terms as Buyers may reasonably request.

6.04. **Default of Loan.** In the event of Sellers' default of a Loan, Buyers shall have the right, on behalf of Sellers, to make loan payments or to cure other defaults. Sellers shall, upon written demand of Buyers, pay to Buyers the amount of any such payments and the costs incurred by Buyers incurring other defaults (including in such costs Buyers' attorney fees) plus interest at the rate of eight percent (8%) per annum, interest on such amount of costs being computed from date of payments or incurring of such costs until paid. Buyers shall have the option to deduct the amount of such payments, costs, and interest from payments under this Contract.

6.05. **Releases.** Upon payment in full by Buyers of all amounts payable under this Contract, Sellers 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.

6.06. **Encumbrance.** Sellers represent that the Real Estate is not encumbered with a Loan.

### **Section 7. Assignment of Contract or Sale of Interest in Real Estate.**

7.01 **Assignment of Sale.** Buyers may not sell or assign this Contract, Buyers' interest therein or Buyers' interest in the Real Estate, without the prior written consent of Sellers. Sellers agree 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 Sellers to an increase in the interest rate of such Loan, and (b) the financial ability of the prospective assignee or purchaser from Buyers is at least equal to that of Buyers.

7.02. **Liability.** No assignment or sale shall operate to relieve either party from liability thereon.

### **Section 8. Use of the Real Estate by Buyers; Sellers' Right to Inspection.**

8.01. **Buyers' Responsibility for Accidents.** Buyers assume all risk and responsibility for injury or damage to person or property arising from Buyers' use and control of the Real Estate and any improvements thereon.

### **Section 9. Buyers' Default and Sellers' Remedies.**

9.01. **Time.** Time is of the essence of this Contract.

9.02. **Buyers' Default.** Upon the occurrence of any Event of Default, as hereinafter defined, Sellers shall have the right to pursue immediately any remedy available under this Contract as may be necessary or appropriate to protect Sellers' interest under this Contract and in the Real Estate.

9.03. **Event of Default.** The following shall each constitute an Event of Default for purposes of this Contract:

- (a) Failure by Buyers for a period of sixty (60) days to pay any payment required to be made by Buyers to Sellers 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 Buyers 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 Buyers, or the adjustment, liquidation, extension or composition or arrangement of debts of Buyers or for any other relief under any insolvency law relating to the relief of debtors; or, Buyers' 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 Buyers 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 of Buyers, for a period of thirty (30) days after written notice is given to Buyers, to perform or observe any other covenant or term of this Contract.

9.04. **Sellers' Remedies.** Upon the occurrence of an Event of Default, Sellers shall elect his remedy under Subsection 9.041 or 9.042 (unless Subsection 9.043 is applicable).

9.041. Sellers may declare this contract forfeited and terminated, and upon such declaration, all right title and interest of Buyers in and to the Real Estate shall immediately cease and Buyers shall then be considered as a tenant holding over without permission and Sellers shall be entitled to re-enter and take immediate possession of the Real Estate and to eject Buyers and all persons claiming under him. Further, Sellers shall have the right to institute legal action to have this Contract forfeited and terminated and to recover from Buyers all or any of the following:

- (a) possession of 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 on the Unpaid Purchase Price from the last date to which interest was paid until judgment or possession is recovered by Sellers, whichever shall occur first; provided, however, that this shall not be construed as allowing Sellers to recover any interest which would be included under Subsection 9.041(b) above;
- (d) due and unpaid real estate taxes, assessments charges and penalties which Buyers are obligated to pay under this Contract;
- (e) premiums due and unpaid for insurance which Buyers are obligated 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 Buyers are obligated to pay under this Contract; or

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

9.043. In the event Buyers have 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 Sellers' remedy shall be that of foreclosure in the same manner that real estate mortgages are foreclosed under Indiana law and Sellers may not avail himself of the remedies set forth in Subsection 9.041 or 9.042. If this Subsection 9.043 is applicable, then Sellers may declare all of the sums secured by this Contract to be immediately due and payable, and Sellers may immediately institute legal action to foreclose this Contract and Buyers' interest in the Real Estate. The parties agree that after Buyers have paid fifty six thousand two hundred fifty dollars and 00/100 (\$56,250.00) of the Purchase Price (which means the original Purchase Price set forth in subsection 1.01), then Buyers shall have substantial equity in the Real Estate.

9.05. **Sellers' Additional Remedies.** In addition to the remedies set forth above, upon the occurrence of an Event of Default, Sellers shall be entitled to:

(a) Retain (without prejudice to his right to recover any other sums from Buyers, or to have any other remedy under this Contract), as an agreed payment for Buyers' use of the Real Estate prior to the Event of Default, all payments made by Buyers to Sellers and all sums received by Sellers 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. Sellers' Default and Buyers' Remedies.**

10.01. If Sellers fail to convey Real Estate as required by this Contract, Buyers may institute legal action against Sellers for specific performance, in which case Sellers hereby acknowledge that an adequate remedy for default in such case does not exist at law; or Buyers may pursue such other remedy as is available at law or in equity.

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

#### **Section 11. General Assessments.**



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

11.02. If Seller or Buyer consists of more than one person, each person signing this Contract as Seller or Buyer shall be jointly and severally bound.

11.03. 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.

11.04. 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.

11.05. 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.

11.06. For purposes of listing the Real Estate for sale by Buyers, Buyers shall be deemed to be the "fee titleholder" as this term is used in the Indiana Real Estate License Laws.

11.07. The failure or omission of either party to enforce any of his rights 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.

11.08. 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.


11.09. In computing a time period prescribed in this Contract, the day 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.**


Buyers and Sellers acknowledge that the preparer of this instrument is not a tax attorney and are hereby advised that it would be in the best interest of all parties involved to consult with a tax adviser regarding benefits and/or liabilities, if any, of entering into any contract which does not include a standard provision for interest.

IN WITNESS WHERE, Sellers and Buyers have executed this Contract in duplicate this 25<sup>th</sup> day of August, 2008.

  
Everett Jordan, Seller

  
Leka Nikolic, Buyer

  
Karen Jordan, Seller

  
Petar Nikoljic, Buyer



STATE OF INDIANA )  
 ) SS:  
COUNTY OF LAKE )

Before me, a Notary Public in and for said County and State, on this 25<sup>th</sup> day of August, 2008 personally appeared Everett Jordan and Karen Jordan ("Sellers") and acknowledged the execution of the above and foregoing Contract for Conditional Sale of Real Estate to be his voluntary act and deed.

Michael L. Deppe  
Notary Public

My Commission Expires: 11/15/08

Resident of Lake County

STATE OF INDIANA )  
 ) SS:  
COUNTY OF LAKE )

Before me, a Notary Public in and for said County and State, on this 25<sup>th</sup> day of August, 2008 personally appeared Leka Nikolic and Petar Nikoljic ("Buyers") and acknowledged the execution of the above and foregoing Contract for Conditional Sale of Real Estate to be his voluntary act and deed.

Michael L. Deppe  
Notary Public

My Commission Expires: 11/15/08

Resident of LAKE County

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.

Name Patricia Sullivan

This Instrument was prepared by Michael L. Deppe, Law Office of Michael L. Deppe, P.C., 8792 E. Ridge Road, Suite C, Hobart, Indiana 46342; (219) 962-5900.

AFTER RECORDING RETURN TO: Karen & Everett JORDAN  
843N. 450 W., Valparaiso, IN 46385