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CONDITIONAL SALES CONTRACT

The undersigned, Michael T. Murphy and Laura Murphy Hull, hereinafter referred to as "BUYERS", and William D. Hull, as co-signor, hereby offer to purchase from Sintayehu Mulatu, hereinafter referred to as "SELLER", the following described real estate situated in the County of Lake and State of Indiana:

The real estate commonly known as:

2040 Ashbury Lane, Unit 1  
Schererville, IN 46375

Subject to: Easements, restrictions, and encumbrances of record, and applicable building codes and zoning ordinances.

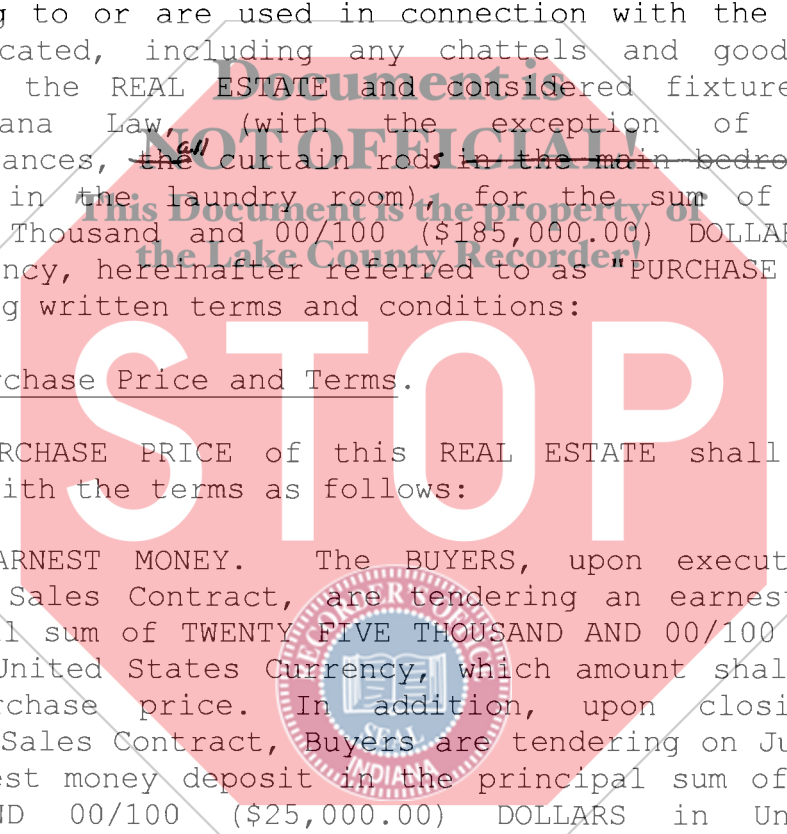
together with all fixtures and appurtenances to the land and any and all improvements thereto either permanently installed, or which belong to or are used in connection with the real estate, wherever located, including any chattels and goods which are attached to the REAL ESTATE and considered fixtures of realty under Indiana Law, (with the exception of all window curtains/valances, <sup>cur</sup>the curtain rods in the main bedroom bath, and the mirror in the laundry room), for the sum of One Hundred Eighty-Five Thousand and 00/100 (\$185,000.00) DOLLARS in United States Currency, hereinafter referred to as "PURCHASE PRICE", upon the following written terms and conditions:

1. Purchase Price and Terms.

The PURCHASE PRICE of this REAL ESTATE shall be paid in accordance with the terms as follows:

a. EARNEST MONEY. The BUYERS, upon execution of this Conditional Sales Contract, are tendering an earnest payment in the principal sum of TWENTY FIVE THOUSAND AND 00/100 (\$25,000.00) DOLLARS in United States Currency, which amount shall be applied to the purchase price. In addition, upon closing of this Conditional Sales Contract, Buyers are tendering on June 2, 2009 a second earnest money deposit in the principal sum of TWENTY FIVE THOUSAND AND 00/100 (\$25,000.00) DOLLARS in United States Currency, which amount shall also be applied to the purchase price. The total down payment applied to this Contract is in the sum of FIFTY THOUSAND DOLLARS (\$50,000.00).

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LAKE COUNTY RECORDER  
INDIANA  
Sintayehu Mulatu  
M.T. Murphy  
Laura Murphy Hull  
William D. Hull

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- b. SALE BY LAND CONTRACT. The balance of the purchase price shall be paid as follows:

The earnest money shall be applied to BUYER'S transaction at the time of closing as a full credit against the purchase price and the balance of One Hundred Thirty Five Thousand and 00/100 (\$135,000.00) dollars shall be paid under the terms of this REAL ESTATE CONDITIONAL SALES CONTRACT, which terms shall be the following:

- i. That monthly payments will be paid during the interim in the amount of One Thousand and 00/100 (\$1,000.00) DOLLARS which monthly payments shall be applied to the interest first and then to the outstanding principal. The obligation of the Buyers to pay monthly installments under this Contract is absolute and is not subject to set-off, credit or reduction without the prior written consent of the Seller;
- ii. That the first monthly payment shall become due and payable on the 1<sup>st</sup> day of June, 2009 with monthly payments becoming due and payable on each and every month thereafter on said date until May 31, 2012, at which time the unpaid purchase price with accrued but unpaid interest, shall be paid in full. If payment is not received by the 5<sup>th</sup> day of the month, a late fee in the amount of \$50 or five percent (5%) of the installment due, whichever is greater, shall be assessed;
- iii. Interest shall commence on June 1<sup>st</sup>, 2009;
- iv. That the interest rate on the unpaid principal will be Five (5%) per annum, calculated monthly and paid monthly in arrears. Interest on the unpaid principal during any period of delinquency shall be ten percent (10%); and,

- v. Homeowners' Association Dues (and general and special assessments), prorated Real Estate Taxes, and security system fees are to be paid to SELLER by BUYERS monthly in addition to the monthly principal and interest payment. The Seller will pay these obligations as they come due and will provide the Buyers with evidence of payment upon request. If the amount of estimated payments exceeds the actual amount payable (as reconciled annually), then Seller will reimburse Buyers for the difference. If the estimated payments are less than the actual amounts due, then the Buyers will pay the difference to Seller upon Seller's request.
- vi. The parties agree that the Property Owner's Association Dues pay for insurance on the exterior structure of the unit. Buyers shall procure a policy of insurance that covers the interior structure and contents and provides liability protection through USAA and shall list Seller as "Additional Insured" and Seller's mortgagee as "Loss Payee" as it relates to the insurance benefits on the interior structure.
- vii. That BUYERS shall have the privilege of paying without penalty, at any time, any sum or sums in addition to the payments herein required. Seller has the option to accept or refuse such payments.

2. Title Evidence.

The SELLER, at SELLER's expense, shall furnish BUYERS with a Binder for an OWNER's Policy of Title Insurance in an amount equal to the amount of the PURCHASE PRICE from Community Title Company, insuring marketable title at the time of closing in the name of the BUYERS. The SELLER shall place an order for said title policy within five (5) days from the date of acceptance of this Conditional Sales Contract. Such Commitment of Title Insurance shall be furnished by the SELLER to the BUYERS at least five (5) days prior to CLOSING.

3. Proration of Taxes and Assessments.

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At closing, all Real Estate Taxes and Homeowners' Association Dues shall be prorated as of the date of closing, and the BUYERS shall pay all taxes and Homeowners' Dues subsequent thereto. The parties recognize that Real Estate Taxes in Indiana are paid in arrears, and shall be prorated accordingly. All subsequent Homeowners' Association Dues (and general and special assessments associated therewith) shall be paid by BUYERS to the SELLER. If BUYERS fail to pay timely the Homeowners' Association Dues (by the 5<sup>th</sup> of each month) any late fees that are incurred will be the responsibility of the BUYERS. Seller shall provide BUYERS with any Real Estate Tax bill received, assessment, or Homeowner's Association bill. The BUYERS shall pay assessments for public improvements payable and becoming a lien after the date of execution of this Agreement. In the event the BUYERS shall fail to make any such payments, the SELLER may pay them, and in the event the SELLER shall thereafter pay any taxes or assessments, the SELLER shall add the sum or sums so expended to the PURCHASE PRICE to be payable by the BUYERS on the same terms, interest and conditions as the basic PURCHASE PRICE.

4. Insurance.

BUYERS shall furnish insurance on the interior structure and contents of the REAL ESTATE and liability thereon (a HOA 6 Policy) on the date of closing. Insurance shall not be prorated among the parties. The BUYERS shall insure the premises for all casualty losses and extended coverage in a sum not less than \$185,000.00. The insurance policy shall be issued to the name of the BUYERS and SELLER as their interests may appear and copies of such policies shall be delivered on the dates of inception to the SELLER.

5. Survey.

PURCHASER has waived inspection and survey, and is purchasing the property "AS IS" at the time of closing.

6. Possession of Real Estate.

The BUYERS will take possession of the REAL ESTATE on June 2, 2009.

7. Seller's Representation.

The SELLER warrants and represents that to the best of Seller's knowledge the electrical, gas and plumbing fixtures; heating, venting and air conditioning equipment; exhaust fan equipment; and, the building's roof are of good quality and in proper working order and condition.

8. Conveyance.

The SELLER, at SELLER's expense, shall give to BUYERS at the time of final payment of the total purchase price a GENERAL WARRANTY DEED, conveying the REAL ESTATE, subject to Easements, Restrictions, and Encumbrances of Record as of the date of Closing to **"Michael T. Murphy and Laura Murphy Hull, as joint tenants with rights of survivorship."** It is clearly understood and agreed that the SELLER shall not be responsible for acts of BUYERS on or after the closing date, or any encumbrances, liens or other claims against said property that were incurred or accrued by actions or omissions of the BUYERS on or after the date of Closing.

9. Assignment.

The rights and duties conferred under this REAL ESTATE INSTALLMENT SALES CONTRACT shall not be assigned by the BUYERS without the written consent of the SELLER.

10. Default.

A. By BUYERS.

(1) Upon default by the BUYERS of any of the terms or conditions stated in the REAL ESTATE CONDITIONAL SALES CONTRACT, at the option of the SELLER, the SELLER may declare that the principal and interest then due and payable at once and upon failure of the BUYERS to pay said principal and interest then due proceed to foreclose on said REAL ESTATE INSTALLMENT SALES CONTRACT, and the Buyers' recognized, equitable mortgage in such property.

(2) In the event BUYERS do not have Substantial Equity (as that term is hereinafter defined) in the REAL ESTATE, then in the event of BUYERS' default in their performance of any of the terms or conditions stated herein, at SELLER'S option, SELLER 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 SELLER shall be entitled to re-enter and take immediate possession of the REAL ESTATE and eject BUYERS and all persons claiming under BUYERS. Further, SELLER shall have the right to institute legal action to have this Contract forfeited and terminated and to recover from BUYERS any or all 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 on the unpaid purchase price from the last date to which interest was paid until judgment or possession is recovered by SELLER;

(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 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 BUYERS are obligated to pay under this Contract.

For purposes of this Contract, the parties agree that after BUYERS have paid Sixty Thousand Dollars (\$60,000.00) of the principal purchase price (which price means the original purchase price of \$185,000.00 set forth herein), then BUYERS shall have "Substantial Equity" in the REAL ESTATE.

B. By SELLER.

Upon default by the SELLER of any of the terms or conditions stated in the REAL ESTATE INSTALLMENT SALES CONTRACT, at the option of the BUYERS, the BUYERS may:

(1) Either sue to enforce Specific Performance herein or sue for Actual Damages sustained (all and each of said remedies shall be available at the exclusive option of the BUYERS, and the BUYERS may plead them in the alternative).

C. In the event of any default, the party that does not prevail in any action relative to a default agrees to pay to the non-defaulting party the attorney fees, court costs and other expenses of litigation incurred by the non-defaulting party.

D. In the instance of a Default of the terms set forth herein by either party, the party alleging default shall provide Notice to the defaulting party and afford that party an opportunity to cure any such default within ten (10) days of the written Notice prior to either party seeking to enforce their rights set forth herein.

E. If Seller fails to convey the Real Estate as required by this Contract, as stated, Buyers may institute legal action against 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 Buyers may pursue such other remedy as is available at law or in equity.

F. If, after ten (10) days Notice from Buyers, Seller fails to make any payment required of her under this Contract or to perform or observe any other of her covenants or arguments, 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 her pursuant to this Contract.

11. Notices.

All notices to the SELLER and to the BUYERS shall be given to the SELLER and to the BUYERS at the addresses contained in the "Purchase Agreement", which is made a part hereof by incorporation and reference. Any such Notice by one party to the other shall be by Registered or Certified Mail, Return Receipt Requested, and shall be deemed to have been received on the day following the mailing thereof.

12. Warranties.

The BUYERS acknowledges, except as otherwise stated, that the SELLER makes no warranties or representations pertaining to the quality or condition of the REAL ESTATE, and that the BUYERS will have inspected the premises and agree to purchase the REAL ESTATE in an "AS IS" condition; however, by acceptance of the corresponding Purchase Agreement, the SELLER expressly warrants that said REAL ESTATE shall be delivered in its present condition, normal wear and tear excepted, and free from any and all liens or encumbrances except as otherwise stated herein. Acceptance of this OFFER TO PURCHASE shall further constitute a warranty by the SELLER that all such items are either fully paid for or will be fully paid for prior to closing.

The SELLER has agreed to furnish to BUYERS a Home Protection Warranty as part of the terms of the Purchase Agreement. That obligation, and all other obligations of the Purchase Agreement, are merged into this CONDITIONAL SALES AGREEMENT by reference.

13. Miscellaneous.

TIME IS OF THE ESSENCE IN THIS OFFER TO PURCHASE REAL ESTATE AND IN EACH AND EVERY COVENANT, TERM AND CONDITION TO BE PERFORMED BY EITHER PARTY HEREUNDER. All of the terms and conditions of this OFFER TO PURCHASE are as stated herein, and there are no other agreements regarding this matter. Finally, all covenants, terms, agreements and conditions contained in the OFFER TO PURCHASE and eventually in the REAL ESTATE INSTALLMENT SALES CONTRACT shall bind, and the benefits and advantages thereof shall inure, to the respective heirs, executors, administrators, and assigns (if any) of the respective parties hereto.



14. Presumptions.

The REAL ESTATE CONDITIONAL SALES CONTRACT shall be construed without regard to any presumption or rule requiring construction against the party causing such instrument to be drafted.

15. Severability.

The terms of the PURCHASE AGREEMENT and of the CONDITIONAL SALES CONTRACT will be severable. If a provision or clause is declared illegal or unenforceable by a court or other body of competent jurisdiction, the remainder of the OFFER TO PURCHASE and/or the REAL ESTATE CONDITIONAL SALES CONTRACT shall not thereby fail or be rendered void, but shall continue in full force and effect, with only the illegal or unenforceable provision or clause rendered null and void and severed from the OFFER TO PURCHASE and/or the REAL ESTATE CONDITIONAL SALES CONTRACT.

16. Singular and Plural.

All promises, covenants and agreements in the REAL ESTATE CONDITIONAL SALES CONTRACT made will be joint and several, and any reference to a party in the singular shall be also understood to cover and refer to the plural.

17. Alterations.

During the term of this Contract, Buyers may make alterations, improvements or additions to the Real Estate only with the express written consent of the Seller, which consent shall not be unreasonably withheld. Any alterations, improvements or addition made upon the REAL ESTATE by the BUYERS shall be made at BUYERS' own expense and without any liability on the part of the SELLER or against the REAL ESTATE. Any such alterations, improvements or additions made upon the REAL ESTATE by the BUYERS shall become a part of the REAL ESTATE, and in the event of forfeiture or foreclosure of the REAL ESTATE INSTALLMENT SALES CONTRACT shall remain the property of the SELLER without liability on the part of the SELLER to make any payment therefor.

18. General Repairs.

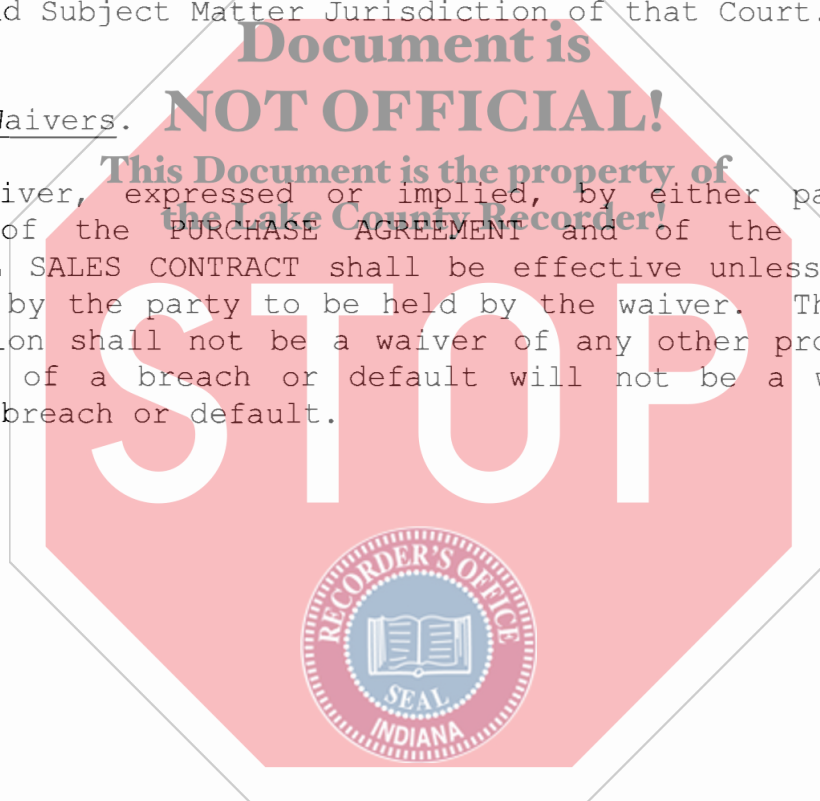
The BUYERS agrees to keep any improvements on the REAL ESTATE in good repair during the term of the REAL ESTATE CONDITIONAL SALES CONTRACT and will agree that the BUYERS will not commit or permit waste thereon; and, the SELLER will have the right to inspect the REAL ESTATE at any time upon giving reasonable notice to the BUYERS.

19. Jurisdiction.

The BUYERS and SELLER will agree that this REAL ESTATE CONDITIONAL SALES CONTRACT and all matters related thereto shall be interpreted and governed exclusively by the Laws of the State of Indiana. Further, any litigation regarding this matter shall be filed in the Lake superior/Circuit Court in Crown Point, Lake County, Indiana. Finally, the parties will agree to submit to the Personal and Subject Matter Jurisdiction of that Court.

20. Waivers.

No waiver, expressed or implied, by either party of any provision of the PURCHASE AGREEMENT and of the REAL ESTATE CONDITIONAL SALES CONTRACT shall be effective unless in writing and signed by the party to be held by the waiver. The waiver of one provision shall not be a waiver of any other provision, and one waiver of a breach or default will not be a waiver of a subsequent breach or default.



IN WITNESS WHEREOF the BUYERS has affixed his hand and seal to this OFFER TO PURCHASE this 26<sup>th</sup> day of MARCH, 2009, in the County of Lake and State of Indiana.

SELLER:

Sintayehu Mulatu  
Sintayehu Mulatu

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared, Sintayehu Mulatu and acknowledged the execution of this Instrument this 26 day of MARCH, 2009.

George W. Carberry  
Notary Public

My Commission Expires:

4-9-2015

Resident of \_\_\_\_\_ County

PORTER

**Document is NOT OFFICIAL!**

**This Document is the property of the Lake County Recorder!**

**George W. Carberry, Notary Public  
State of Indiana  
Resident of Porter County  
My Commission Expires: 4/9/2015**

BUYER:

Michael T. Murphy  
Michael T. Murphy

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared, Michael T. Murphy and acknowledged the execution of this Instrument this 25 day of March, 2009.

Shirley L. Pochin  
Notary Public

My Commission Expires:

3-7-2015

Resident of \_\_\_\_\_ County

Lake

BUYER:

Laura Murphy Hull  
Laura Murphy Hull

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared, Laura Murphy Hull and acknowledged the execution of this Instrument this 25<sup>th</sup> day of March, 2009.

Barney J. Packer  
Notary Public

My Commission Expires:

3-7-2015  
Resident of Lake County

CO-SIGNOR:

William D. Hull  
William D. Hull

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared, William D. Hull and acknowledged the execution of this Instrument this 25 day of March, 2009.

Barney J. Packer  
Notary Public

My Commission Expires:

3-7-2015  
Resident of Lake County

