

FORM OF LAND CONTRACT

THIS CONTRACT, made this January 01, 2010 between Salvador and Mirella Serna as Seller and Gustavo Vega as Buyer

Parties

Salvador and Mirella Serna

Hereinafter referred to as "Seller", whose address is 12226 Anne St. Blue Island, IL 60406

And Gustavo Vega

Hereinafter referred to as "Purchaser", whose address is 4841 Elm Ave. Hammond, IN 46327

WITNESSETH:

DESCRIPTION OF LAND

1. Seller Agrees:

- (a) To sell and convey to Purchaser land in the City of Hammond, IN County of Lake describes as:

Lots 54,55 and 56, Stafford and Trankle's 8th Addition to Hammond, as shown in Plat Book 9, page 8, Lake County, Indiana.

More commonly known as: 1147 150th St, Hammond, IN 46327

Tax Item NO. 26-36-0127-0007

Property: 45-03-31-129-030.000.023

Hereinafter referred to as "the land", together with all tenements, hereditaments, improvements and appurtenances, including any lighting or plumbing fixtures, shades, Venetian blinds, curtain rods, storm windows, storm door, screens, awnings, and any and all restaurant equipments, licenses including but not limited to liquor license now on the land, subject to any applicable building and use restrictions and to any easements affecting the land.

Terms of Payment

- (b) That the full consideration for the sale of the land to Purchaser is: One Hundred and Sixty Five Thousand 0/100 Dollars (\$165,000.00), of which the sum of Twenty Five Thousand Dollars 0/100 Dollars (\$25,000.00) has been paid to Seller prior to the delivery hereof, the receipt of which is hereby acknowledged and the additional sum of One Hundred and Forty Thousand 0/100 Dollars (\$140,000.00) is to be paid to Seller.
The terms are as Follows:

Buyer will paid 1st and second mortgage to the lending institutions. The first mortgage payment is with (Bank) _____ and the monthly payment is: _____

\$ 3,017.00 It includes interest and Principle Current Balance is: 107,000.00

The Second Payment is With Lidia and Francisco Soto and the monthly payment is

\$ 208.50 The current outstanding balance is: \$ 32,565.60

The property in contract is a restaurant that includes land and building. Purchaser will be paying the loans directly to both lending institutions. (Persons) Seller will not receive any money except the earnest money.

The monthly Payments will be paid toward the first and second loan and will be counted as rent income for seller. Seller will credit Purchaser with any and all the principal that purchaser pays including interest on behalf of seller as a Mortgage. The credit for principal will be counted as reduction of Purchase Price and interest will be credited at the end of the year with a form 1098 int. form to Purchaser.

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STATE OF INDIANA
LAKE COUNTY
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PEGGY HOLINGA KATONA
LAKE COUNTY AUDITOR

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Seller's Duty to Convey

(C)

To execute and deliver to Purchaser or his assigns, upon payment in full of all sums owing hereon, less the amount then owing on any unpaid mortgage or mortgages, and the surrender of the duplicate of this contract, a good and sufficient **warranty deed** conveying title to the land, subject to abovementioned restrictions and easements and to any then unpaid mortgage or mortgages, but free from all other encumbrance, except such as may be herein set forth or shall have accrued or attached since the date hereof through the acts or omissions of persons other than seller or his assigns.

Mortgage by Seller

2. Seller and Purchaser Mutually Agree:

(a)

Seller agree that purchaser will be paying all mortgages and have an anticipated date of closing as June 30, 2010. If for any reason purchaser can't get a mortgage by June 30, 2010. Then seller will give purchaser an extra four extension of 6 months each for a total of 2 years. If the extension expired, and still purchaser can't get mortgage then Seller agrees to extend this contract indefinitely until purchaser gets a mortgage or pays the property.

Encumbrances on Seller's Title

- (b) That if the title of Seller is evidenced by land contract or now or hereafter encumbered by mortgage, Seller shall meet the payments of principal and interest thereon as they mature and produce evidence thereof to Purchaser on demand. On Seller's default Purchaser pay the same, which payments shall be credited on the sums matured or first maturing hereon with interest at _____% per annum on payments so made. If proceedings are commenced to recover possession of the land or to enforce the payment of such contract or mortgage, because of Seller's default, Purchaser may at any time thereafter while such proceedings are pending encumber the land by mortgage securing such sums as can be obtained upon such terms as may be required and with the proceeds pay and discharge such mortgage or purchase money lien, and any mortgage so given shall be a first lien upon the land superior to the rights of Seller therein. Thereafter Purchaser shall pay the principal and interest on such mortgage so given as they mature, which payments shall be credited on the sums matured or first maturing hereon. When the amount owing hereon is reduced to that owing upon such contract or mortgage or the amount owing hereon is reduced to that owing upon such contract or mortgage or upon any mortgage executed under either of the powers contained in this contract, a conveyance shall be made in the form above provided with a covenant by grantee to assume and pay the same.

Non-Payment of Taxes or Insurance

Property taxes and Insurance are escrow with the mortgage. Purchaser will pay for both via Mortgage Payment escrow. If for any reason, taxes and insurance are not paid by Bank or escrow, then purchaser will have full responsibility of paying both taxes and insurance out of his personal funds.

Disposition of Insurance Proceeds

- (c) That during the existence of this contract, any proceeds received from a hazard insurance policy covering the land shall first be used to repair the Damage and restore the property, with the balance of such proceeds, if any, being distributed to Seller and Purchaser, as their interests may appear.

Assignment of Purchaser

- (d) That no assignment or conveyance by Purchaser shall create any liability whatsoever against Seller until a duplicate shall thereof duly witnessed and acknowledged, containing the residence address of the assignee, shall be delivered either personally or by certified mail to Seller and receipt therefore obtained. Purchaser's liability hereunder shall not be released or affect in any way by delivery of such assignment, or by Seller's endorsement of receipt or acceptance thereon.

Possession

(f)

That Purchaser shall have the right to possession of the land from and after the date hereof, unless otherwise herein provided, and be entitled to retain possession thereof only so long as there is no default on his part in carrying out the terms and conditions hereof. If the land is vacant or unimproved, Purchaser shall be deemed to be in constructive possession only, which possession right shall cease and terminate after service of a notice of forfeiture of this contract. Erection of signs, by Purchasers on vacant or unimproved property shall not constitute actual possession by him.

Right to Forfeit

(g)

That should Purchaser fail to perform this contract or any part thereof, Seller immediately after such default shall have the right to declare this contract forfeited and void, and retain whatever may have been paid hereon, and all improvements that may have been made upon the land, together with additions thereto and consider and treat Purchaser as his tenant holding over without permission and may take immediate possession of the land, and Purchaser and each and every other occupant removed and put out. If service of a notice of forfeiture is relied by Seller to terminate rights hereunder, a notice of intention to forfeit this contract shall have been served at least fifteen (15) days prior thereto.

Acceleration Clause

(h)

That if proceedings are taken to enforce this contract by equitable action, after Purchaser shall have been in default for a period of (45) days or more, the entire amount owing hereon shall be due and payable forthwith, anything herein contained to the contrary notwithstanding.

(i)

That time shall be deemed to be of the essence of this contract.

Notice to the Purchaser

(j)

That the declarations, notices or papers necessary or proper to terminate, accelerate or enforce this contract shall be conclusively presumed to have been served upon Purchaser if such instrument was enclosed in an envelop with postage fully prepaid, addressed to Purchaser at the address set forth in the heading of this contract or at the latest other address which may have been specified by Purchaser and receipt for in writing by Seller, and such envelope was deposited in the United State government mail.

Signature of the Sellers

Salvador Serna 2/3/10
Salvador Serna Date
Mirella Serna 2/3/10
Mirella Serna Date

Signature of Buyer

Gustavo Vega 2/3/2010
Gustavo Vega Date

Witnesses:

Michael Elizaviras Signature: Michael Elizaviras
Eloy Antonio Serna Serna
JESUS Almaraz Jesus Almaraz

State Of: Indiana
County of: Lake

The Foregoing Instrument was acknowledged Before me this: 02/03/2010

By [Signature]

Rogelio Torres
Notary Public

County, of Lake

My Commission Expires
03/28/2013

"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: [Signature]