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**CONTRACT FOR CONDITIONAL SALE OF REAL ESTATE**

THIS CONTRACT, made and entered into by and between DAVID C. REED, JR. and ARLENE REED, Husband and Wife, (hereinafter referred to as "Seller") and MARK REED, (hereinafter referred to as "Buyer").

**WITNESSETH:**

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 improvement or improvements now or hereafter located on it) in Lake County, Indiana (such Real Estate, including improvements, being hereinafter called the "Real Estate"):

**LEGAL DESCRIPTION ATTACHED**

Commonly known as : **405 W. North Street, Crown Point, IN 46307** upon the following covenants, terms and conditions:

**1. THE PURCHASE PRICE AND MANNER OF PAYMENT**

For the purchase price for the Real Estate of **Ninety Five Thousand Dollars (\$95,000.00)**, Buyer agrees to pay Seller, and Seller agrees to accept from Buyer, monthly payments in the sum of **Four Hundred Dollars and Fifty Two Cents (\$400.52)**. The manner of payment for the purchase price shall be paid in the following manner:

- (a) The amount of **Four Hundred Dollars and Fifty Two Cents (\$400.52)**, which includes: interest at a rate of **three percent (3%)** thereon, and shall be paid by buyer to Seller in three hundred sixty (360) monthly installments of **Four Hundred Dollars and Fifty Two Cents (\$400.52)**, commencing on January 1, 2012, and shall continue on the 1st day of each successive calendar month thereafter, until the unpaid balance of the purchase price, with interest as herein provided, shall be paid in full.
- (b) If Seller has not received the full amount of any monthly payment by the end of the **tenth (10th)** calendar day after the date it is due, Buyer will pay a late charge to Seller in the amount of **Fifty Dollars (\$50.00)** per day for each day the monthly payment is overdue. In the event Buyer fails to pay Seller the monthly payment within thirty (30) days after it becomes due, Seller shall then have the option of declaring Buyer in default and shall be entitled to pursue his available remedies set forth in paragraph 8.
- (c) All payments due herein shall be made by Buyer to Seller at Seller's residence located at **407 Hoffman St., Crown Point, IN 46307**, or at such other place as Seller shall designate, in writing, to Buyer.
- (d) The parties agree that the Buyer is not paying any downpayment for the purchase of said property. The parties further agree that the Buyer will not have "substantial equity" in the property for the purpose of protecting his foreclosure rights until the Buyer has paid to Seller twenty percent (20%) of the principle of the actual purchase price. Prior to the twenty percent (20%) payment, in the event of Buyer default, Seller may cancel and terminate this Contract at which time Buyer agrees to vacate the property.

**2. TAXES, ASSESSMENTS AND INSURANCE:**

AMOUNT \$ 22 -  
 CASH  CHARGE \_\_\_\_\_  
 CHECK # \_\_\_\_\_  
 OVERAGE \_\_\_\_\_  
 COPY \_\_\_\_\_  
 NON-COM   
 CLERK 185

004911

**FILED**

DEC 28 2011

PEGGY HOLINGA KATONA  
LAKE COUNTY AUDITOR

2011 074940  
 2011 DEC 28 AM 8:54  
 LAKE COUNTY  
 FILED FOR RECORD  
 MICHELE REED, CLERK

**Taxes.** The Buyer shall be responsible for payment of all real estate taxes for calendar years 2011 payable 2012 (the parties acknowledge that this is for the period of time the property was owned by the Seller) and any subsequent years thereafter. Buyer shall provide proof of payment to the Seller and said taxes shall be timely paid. Buyer will be responsible for any penalties and interest caused by the non-payment of said taxes.

**Assessments.** Buyer agrees to pay all assessments for municipal or other public improvements completed after the date hereof as well as all homeowner's association fees. Seller covenants and agrees that all prior assessments have been paid in full.

**Insurance.** Buyer agrees to keep any improvements on said Real Estate insured under fire and extended coverage policies and to pay premiums on such insurance policies as they become due. Such insurance shall be carried in a company or companies approved by the Seller, such approval to be not unreasonably withheld, and in an amount not less than the portion of the total purchase price allocated to such improvements or the full insurable value, whichever is less. Such policy or policies shall be issued in the name of the Seller and Buyer, as their respective interest may appear, and shall be delivered to, retained by the Buyer, and the Buyer shall provide Seller with a certificate of insurance as hereinafter provided. any insurance collected shall be used to repair the damage or be applied on the purchase price, at the option of the Buyer.

Buyer further agrees to keep in force such public liability and property damage insurance as shall protect the Buyer and Seller from claims for damages for personal injury including wrongful death, as well as from claims for property damages which may arise from operations under this Contract, whether such operation by the Buyer or anyone directly or indirectly employed by them. the amount of public liability insurance shall not be less than Five Hundred Thousand dollars (\$500,000.00) for injury to, or death of, more than one person arising out of any accident. The amount of property damage insurance shall not be less than Two Hundred Fifty Thousand Dollars (\$250,000.00). Such insurance shall be produced through agencies and be written by insurance carriers which are acceptable to and approved by the Seller, such approval to not be unreasonably withheld.

Within thirty (30) days of obtaining possession, the Buyer shall furnish the Seller with certificates for all insurance purchased, showing type, amount, effective dates and dates of expiration of policies. Such certificates shall contain substantially the statement: "The insurance covered by this certificate will not be canceled or altered except after ten (10) days' written notice has been received by the Buyer."

Upon receipt of any notice of cancellation or alteration, the Buyer shall, within five (5) days, produce other policies of insurance similar in all respects to the policy or policies of insurance about to be canceled or altered and, if the Buyer fails to provide, produce and deliver acceptable policies of insurance, or satisfactory evidence thereof, in accordance with the terms hereof, Seller may obtain such insurance at the cost and expense of the Buyer, and shall give the Buyer written notice of the purchase of such insurance with ten (10) days thereof.

**3. POSSESSION:**

**Delivery of Possession.**

Seller shall deliver to Buyer full and complete possession of the Real Estate upon execution of this agreement.

**4. EVIDENCE OF TITLE:**

Seller has obtained evidence of Seller's title to the Real Estate, satisfactory to Buyer, which shows a merchantable title on the Real Estate in Seller as of the date hereof. Any further evidence or assurance of title shall be obtained at the expense of Buyer.

Seller covenants and agrees with Buyer that upon the payment of the money and interest at the time and in the manner heretofore specified, and the prompt and full performance by the Buyer of all covenants and agreements herein made, that the Seller will convey or cause to be conveyed to Buyer, by Warranty Deed, the above-described Real Estate, subject to all taxes and special assessments and other conditions herein provided.

5. **SELLER'S RIGHT TO MORTGAGE THE REAL ESTATE:**

The Seller shall have the right to obtain a loan secured by a mortgage on the Real Estate without Buyer's consent.

6. **ASSIGNMENT OF CONTRACT:**

The Buyer may not sell or assign this Contract, the Buyer's interest herein, or the Buyer's interest in the Real Estate, without the written consent of the Seller, provided, however, that no assignment hereof shall operate to relieve either party from liability hereon.

7. **USE OF THE REAL ESTATE BY BUYER, SELLER'S RIGHT TO INSPECTION, AND BUYER'S RESPONSIBILITY FOR INJURIES:**

**Use.** No clause in this Contract shall be interpreted so as to create or allow any mechanics, labor, material men, or other creditors of the Buyer or of an assignee of the Buyer, to obtain a lien or attachment against the Seller's interest herein. Buyer shall not commit waste on the Real Estate. In their 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, and the County of Lake. In the event of Buyer's breach of this covenant and re-entry by Seller, the Buyer shall deliver the Real Estate and any improvements thereon to Seller in as good condition as they are now, ordinary wear and tear, acts of God and public authorities excepted.

**Seller's Right of Inspection.** Seller shall have the right to enter and inspect the Real Estate at any reasonable time.

**Buyer's Responsibility for Accidents.** As a party of the consideration hereof, buyer assumes all risk and responsibility for accident or damage to persons or property arising from the use of or in or about the Real Estate and covenants with the Seller that Buyer will, at all times hereafter, save harmless and keep indemnified the Seller from and against all losses, costs, expenses, and damages which may be incurred by or by reason of any action of proceeding which shall or may be brought or instituted against the Buyer for or in respect of said Real Estate. It is agreed however, that this provision shall not cover loss occasioned by the use of this property by the Seller.

8. **SELLER'S REMEDIES ON BUYER'S DEFAULT:**

Time shall be of the essence of this Contract.

If the Buyer fails, neglects, or refuses to make any payment under this Contract when due or to perform any of the Buyer's covenants, terms and conditions, when and as required under this Contract:

1. Seller shall have the right to declare this Contract forfeited and terminated, and upon such a declaration, all right, title and interest of buyer in and to the Real Estate shall immediately cease and the Buyer shall then be considered as a tenants holding over without permission and the Seller shall be entitled to re-enter and take immediate possession of the Real Estate and to evict Buyer and all persons claiming under them.

2. Separately or in conjunction with their right under item 1 above, as Seller may elect, Seller shall have the right to file in a court of competent jurisdiction, an action to have the Contract forfeited and terminated and to recover from buyer all or any of the following:

- a. Possession of the Real Estate;
- b. Any installments, 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 principal 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 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, acts of God, and public authorities; and
- g. Any other amounts (other than payment of the purchase price) which Buyer is obligated to pay under this Contract.

3. In addition to any other remedy under this contract, Seller shall have such remedies as are available at law or in equity. Furthermore, the exercise or attempted exercise by Seller of any right or remedy available to Seller shall not preclude Seller from exercising or attempting to exercise any other available right or remedy, nor shall any exercise or attempted exercise of a right or remedy constitute or be construed as an election of remedies. However, the remedy of forfeiture provided may not be available to Seller under present law, in the event of Buyer's default, if Buyer has by the time of default acquired a "substantial equity" in the Real Estate, with "substantial equity" being defined as the payment of one-third (1/3) or more of the purchase price.

4. In any case, Seller shall have the right to retain, without prejudice to their right to recover any other sums from Buyer, or to have any other remedy, under this contract, all payments made by Buyer to Seller and all sums received by Seller as proceeds of insurance or as other benefits or consideration, in each case made or received under this contract.

5. Seller shall have the right to file in a court of competent jurisdiction, an action to recover all of the unpaid balance of the purchase price (which upon default by Buyer under this contract shall, at the option of the Seller, become immediately due and payable) and interest on such unpaid balance until such unpaid balance is paid, together with any taxes, assessments, charges, penalties, and insurance premiums paid by Seller under this contract and interest on such amounts until they are paid, unless such amounts (and interest on them) have been added to principal under this contract.

The exercise or attempted exercise by Seller of any right or remedy available under this contract shall not preclude seller from exercising any other right or remedy so available, nor shall any such exercise or attempted exercise constitute or be construed to be an election of remedies, so that no such right or remedy shall be exclusive of any other right or remedy, and each and every such right or remedy shall be cumulative and in addition to any other right or remedy available under this contract.

All sums payable under this contract are payable with accrued interest and without relief from valuation or appraisal laws. In addition to any other sum payable by Buyer under this contract, Buyer shall pay any reasonable expense, including attorney's fees, incurred by Seller in connection with the exercise of any right or remedy under this contract and the preparation and delivery of notice.

The failure or omission of Seller to enforce any of their rights or remedies upon any breach of any covenants, terms or conditions of this contract shall not bar or abridge any of their

rights or remedies up any subsequent default.

Before Seller shall pursue any of their rights or remedies under this contract, they shall first give the Buyer written notice of the default complained of and Buyer shall have ten (10) days from the posting of such notice to correct any default.

**9. PREPAYMENT OF THE PURCHASE PRICE.**

The Buyer shall have the privilege of paying any sum in addition to monthly payments herein required, and any such interest on such sums so prepaid shall cease.

**10. ADDITIONAL COVENANTS:**

The Seller has not made any representation to the Buyer regarding past or present uses of the Real Estate. With respect thereto, the Buyer has made such investigation as they deem necessary and assume full responsibility for any environment or other liability related to the usage of the Real Estate prior to the date thereof. The Buyer further agrees that he has purchased any improvements located on the Real Estate "as is". Further, Buyer waives any and all rights for a Sales Disclosure Statement.

**11. GENERAL AGREEMENTS OF THE PARTIES:**

All covenants hereof shall extend to and be obligatory on the heirs, personal representatives, successors and assigns of the parties. When applicable, the singular shall apply to the plural and the masculine to the feminine or neuter. Any notices to be given thereunder shall be deemed sufficiently given when mailed to the person to be notified at his last known address, by registered mail, return receipt requested.

IN WITNESS WHEREOF, Seller and Buyer have executed this instrument on this 22<sup>nd</sup> day of December, 20 11.

**SELLER:**

**BUYER:**

David C. Reed, Jr.  
DAVID C. REED, JR.



Mark Reed  
MARK REED

Arlene Reed  
ARLENE REED

STATE OF INDIANA     )  
  ) SS:  
COUNTY OF LAKE     )

"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: David Reed

Subscribed and sworn to before me, a Notary Public, in and for the above County and State, personally appeared DAVID C. REED, JR., ARLENE REED and MARK REED, and executed their signatures to the above and foregoing memorandum of Contract for Conditional Sale of Real Estate.

WITNESS my hand and Notarial Seal this 22<sup>nd</sup> day of December, 20 11.

My Commission Expires:  
19 JANUARY  
Resident of LACE County

Antoinette Kreup  
NOTARY SIGNATURE  
Antoinette Kreup  
PRINTED NAME

PARCEL 1: Part of Lots 26 and 27, in Hoffman's Addition, to the Town (now City) of Crown Point, as per plat thereof, recorded in Miscellaneous Record "A" page 494, in the Office of the Recorder of Lake County, Indiana, and

Part of the Northwest Quarter of Section 8, Township 34 North, Range 8 West of the 2nd Principal Meridian, said parts being described as follows: Beginning at a point on the center line of North Street, which point is 74.5 feet West of the Northwest corner of said Hoffman's Addition; thence East along the center line of North Street 54 feet; thence South to a point on the South line of Lot 26, in Hoffman's Addition, which point is 99.5 feet East of the Southwest corner of said Lot; thence West along the South line of said Lot 26, to the Southwest corner thereof; thence North 15 degrees and 30 minutes East, along the West lines of Lots 26 and 27, a distance of 121.5 feet, more or less, to a point, said point being 481.14 feet Northeasterly from the center line of Joliet Street, as measured along the Westerly line of said Hoffman's Addition; thence Northerly 298.5 feet, more or less, to the place of beginning, except that part of the above described tract that lies North of the South line of North Street.

PARCEL 2: Part of the Northwest Quarter of Section 8, Township 34 North, Range 8 West of the 2nd Principal Meridian, in the City of Crown Point, Indiana, described as follows:

Beginning at a point in the center line of North Street, which point is 20.5 feet West of the Northwest corner of Hoffman's Addition; thence South to a point on the South line of Lot 26, in said Hoffman's Addition, which point is 99.5 feet East of the Southwest corner of said Lot 26; thence East 3 feet to a point; thence North parallel to the first mentioned dimension line to a point 3 feet East of the point of beginning; thence West 3 feet to the point of beginning.



**LEGAL DESCRIPTION 405 W. North Street, Crown Point, IN 46307**