

CONTRACT FOR CONDITIONAL SALE OF REAL ESTATE

THE UNDERSIGNED, Osbaldo & Aimee Santos (hereinafter referred to as "Buyer"), hereby agrees to purchase from, James E. Pena (hereinafter referred to as "Seller"), a certain parcel(s) of real estate, together with all improvements thereon, located in Lake County, Indiana, commonly referred to as, 400 South LaSalle Street, Hobart IN 46342, consisting of a single family home. The legal description of the Property is described, as follows: *The Crestwood Park All Lot 19, as per plat thereof, recorded in the Office of the Recorder of Lake County, Indiana;* (hereinafter referred to as the "Property" and/or the "Real Estate")

NOW, THEREFORE, for and in consideration of the promises, covenants, and agreements contained herein, the parties agree as follows:

Section 1: Purchase Price and Manner of Payment.

1.01: Purchase Price. As the purchase price for the Real Estate, Buyer agrees to pay Seller and Seller agrees to accept from Buyer the sum of One Hundred and Four Thousand, Hundred Thirty-Six Dollars and Eighty-Five Cents 11/100 Dollars (\$104,236.85)

Payment. The purchase price shall be paid in the following manner:

a. The sum of One Hundred and Four Thousand, Two Hundred Thirty-Six Dollars and Eighty-Five Cents 11/100 Dollars (\$104,236.85) upon the execution and delivery of this Contract. The receipt of such sum is hereby acknowledged by Seller, leaving an unpaid balance of the purchase price in the sum of One Hundred and Four Thousand, Two Hundred Thirty-Six Dollars and Eighty-Five Cents 11/100 Dollars (\$104,236.85). That amount, as it is reduced by payments and expenses of Buyer properly credited under this Contract, is hereinafter called the "Unpaid Purchase Price"

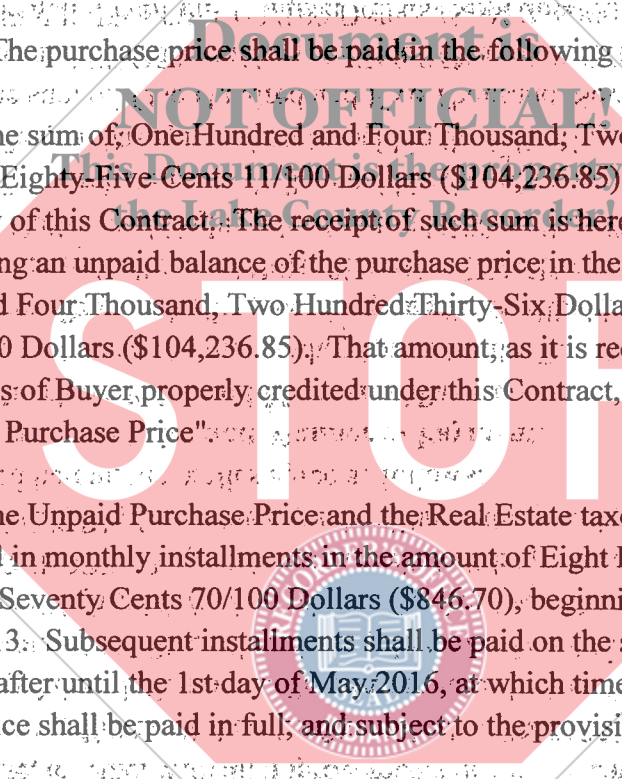
b. The Unpaid Purchase Price and the Real Estate taxes and insurance shall be paid in monthly installments in the amount of Eight Hundred Forty Six Dollars and Seventy Cents 70/100 Dollars (\$846.70), beginning on the 1st day of January, 2013. Subsequent installments shall be paid on the same day of each month thereafter until the 1st day of May, 2016, at which time the Unpaid Purchase Price shall be paid in full, and subject to the provisions of Paragraph 3.01, below.

c. Buyer shall have a grace period of Thirty Days (30) 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 Seller within the grace

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RECORDER

STATE OF INDIANA
LAKE COUNTY
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PEGGY HOLINGA KATONA
LAKE COUNTY AUDITOR

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installment. If such installment is not actually received by Seller within the grace period, then a late charge in a sum equal to Three Per Cent (3%) of such installment shall accrue and be immediately due and payable.

d. Each payment under this contract shall be sent to Seller at the following address Chase PO Box 9001871 Louisville, KY 40290-1871, or at such other address Seller shall designate in writing.

Section 2. Prepayment of Purchase Price.

2.01. Buyer shall have the privilege of paying without penalty, at any time, any sum or sums in addition to the payments herein required. Interest shall not accrue after the date on which Buyer makes any payment that constitutes full payment of the Unpaid Purchase Price.

Section 3. Taxes, Assessment, Insurance, and Condemnation.

3.01. **Taxes.** Real Estate taxes and insurance are factored into aforesaid \$846.70 monthly payment set forth in Paragraph 1.01(b), above. Buyer shall pay all Real Estate taxes for 2013 payable in 2014, pro-rated after the 1st date of January 2013. Seller shall pay all Real Estate taxes due and owing for all of 2013 payable in 2014, together with all taxes due and owing for 2013 payable in 2014, pro-rated up to and through the 1st date of January, 2013.

3.02. **Assessments.** Buyer agrees 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. Seller agrees to pay any other assessment 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, assessment or charges, for which they are responsible under this Section 3.

3.04. **Insurance.** At all times during the period of this Contract, Buyer and Seller shall: (a) keep the improvements located upon the Property insured under fire and extended coverage policies in an amount not less than the fair market value of the Property and improvements, and (b) obtain standard liability insurance with coverages in amounts not less than One Hundred Thousand Dollars (\$100,000.00) per person and Three Hundred Thousand Dollars (\$300,000.00) per occurrence, and (c) pay premiums on such insurance policies as they become due; provided,

however, the parties acknowledge that the aforesaid \$846.70 monthly payment includes the payment of Real Estate insurance premiums. Such policies of insurance shall be carried with a company or companies properly authorized by the State of Indiana to engage in such business. Such policies of insurance shall also be issued in the name of Seller and Buyer, as their respective interests may appear, and shall provide that the insurer may not cancel or materially change coverage without at least thirty (30) days prior written notice to both parties. 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 first applied to restoration and repair of the loss or damage in such fashion as Buyer may reasonably require unless such restoration and repair would exceed the fair market value of the loss. In such an event, the proceeds shall be applied toward pre-payment of the Unpaid Purchase Price with any and all excess proceeds to be paid to Buyer; provided, however, if Buyer is in default as defined by this Agreement at such time of loss or destruction of the Property then said excess proceeds shall be paid to Seller.

3.05. Rights 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 "Non-responsible 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 Non-responsible Party to perform any act or to make any payment required by him under this Section 3.

b. The exercise of such right by a Non-responsible 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 Non-responsible 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 Non-responsible 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 therefor; or (ii) on the date the next installment payment is due under this Contract, following written notice, be added to the Unpaid Purchase

Price, if Buyer is the Responsible Party, or applied against, the Unpaid Purchase Price.

d. In the event a Non-responsible Party makes any such payments or incurs any such costs and expenses, the amount thereof shall bear interest at the rate provided under Section 1 of this Contract, 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, Buyer 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 Buyer. 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 Buyer, and the net amount received for the Real Estate value shall be paid to Seller and applied as a reduction of the Unpaid Purchase Price. The authority and responsibility for negotiation, settlement, or suit shall be Buyer's. If Buyer incurs expenses for appraisers, attorneys, accountants or other professional advisers, whether with or without suit, such expenses and any 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 Buyer and Seller, with Seller's amount to be applied as a reduction of the Unpaid Purchase Price.

Section 4. Possession.

4.01. **Delivery of Possession.** Seller shall deliver to Buyer full and complete possession of the Real Estate on or before the 1st of January 2013. Buyer's right of possession shall continue until terminated pursuant to Section 9. All utilities shall be paid by Seller to the date possession is given.

Section 5. Title.

5.01. Seller shall furnish Buyer an Owner's title abstract disclosing marketable title to the Real Estate to the 1st date of January, 2013, subject, nevertheless, to the following exceptions: First mortgage against the Real Estate in favor of, in the amount of One Hundred and Four

Thousand, Two Hundred Thirty-Six Dollars and Eighty-Five Cents 11/100 Dollars
(\$104,236.85).

5.02. If Buyer is not in default under this Contract, Seller will furnish Buyer an Owner's title insurance policy 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 Buyer in a notice to Seller or (b) a date 60 days prior to the date the final payment under this Contract is due.

5.03. **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 Buyer.

5.04. **Additional Title Evidence.** Any additional title evidence shall be at the expense of Buyer; provided, however, that the cost of additional title evidence necessitated by the acts or omissions of Seller shall be borne by Seller.

5.05. **Conveyance of Title.** Seller covenants and agrees that upon the payment of all sums due under this Contract and the prompt and full performance by Buyer of all covenants and agreements herein made, Seller will convey to Buyer by good and sufficient Warranty Deed the above described Real Estate, free of all liens and encumbrances and subject only to the restrictions and easements of record, as of the date of this Contract and all taxes and assessments which are Buyer's obligations.

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Section 6. Sellers's Right to Mortgage the Real Estate.

6.01. **Mortgage Loan.** Without Buyer's consent and without obligation to Buyer except as set forth in this Section 6, Seller shall have the right to retain the current loan secured by mortgage on the Real Estate (all instruments evidencing a loan and a mortgage securing it is hereinafter called the "Loan"), provided that the terms of same do not conflict with the provisions of Section 6 or any other provision of this Contract. Buyer shall pay each the Loan payment when due. The Loan payment is in the amount of the aforesaid Contract price of \$728.85 per month, which includes taxes and insurance as set forth above.

6.02. **Provisions of Loan.** Said Loan made by Seller shall:

- a. Be in such principal amount that the aggregate principal balance of the Loan shall not exceed the Unpaid Purchase Price for the Real Estate;
- b. Have total periodic payments which do not exceed the periodic payments by Buyer under this Contract, and shall not provide for the regular

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

c. Provide for prepayment in full at Seller's option, whether with or without premium, at any time.

6.03. Notice of Loan. Contemporaneously with the execution of a Loan, Seller shall give Buyer written notice and inform Buyer 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 Buyer may reasonably request.

6.04. Default of Loan. In the event of Seller's default of a Loan, Buyer shall have the right, on behalf of Seller, to make loan payments or to cure other defaults. Seller shall, upon written demand of Buyer, pay to Buyer the amount of any such payments and the costs incurred by Buyer in curing other defaults (including in such costs, Buyer's attorney fees) plus interest at the rate under this Contract, interest on such amount or costs being computed from date of payment or incurring of such costs until paid. Buyer shall have the option to deduct the amount of such payments, costs and interest from payments payable under this Contract. Should Seller's Loan be accelerated, called due or foreclosed upon as a result of the parties' entering into this Contract or for any other reason, then Buyer may pay the balance of the Unpaid Purchase Price to Seller's lender pursuant to the terms of Seller's lender's notice of acceleration and/or foreclosure, and Seller shall thereafter deliver title to the Real Estate to Buyer pursuant to the terms of Paragraph 5.05 above and pursuant to the terms of other relevant provisions of this Contract.

6.05. Releases. Upon payment in full by Buyer of all amounts payable under this Contract, Seller shall pay in full all amounts payable under the Loan at the time outstanding and obtain and record, or cause to be recorded, a valid release of the Loan so paid.

6.06. Encumbrance. Seller represents that the Real Estate is/is not encumbered with a Loan. If encumbered, Seller represents that the information regarding said Loan is as follows:

a. Name and address of lender: Chase PO Box 9001871 Louisville, KY 40290-1871

b. Unpaid balance of Loan: One Hundred and Four Thousand, Two Hundred Thirty-Six Dollars and Eighty-Five Cents 11/100 Dollars (\$104,236.85)

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

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

7.02. **Notice of Assignment or Sale.** If Buyer wishes to assign Buyer's interest in this Contract or sell Buyer's interest in the Real Estate, Seller shall be furnished in writing a notice containing the full name, address, place of employment, telephone number of the prospective assignee or purchaser from Buyer, as well as a financial statement showing their assets, liabilities and income and expenses. Within fourteen (14) days of such notice, Seller shall either approve or disapprove in writing the assignment or sale based solely on the criteria herein, and if disapproved, specify the reason or reasons for such disapproval. If Seller fails to act within fourteen (14) days after such notice, Seller's approval shall be deemed given.

7.03. **Liability.** No assignment or sale shall operate to relieve either party from liability hereon.

Section 8. Use of the Real Estate by Buyer; Seller's Right to Inspection.

8.01. **Use.** The Real Estate may be leased or occupied by persons other than Buyer without prior written consent of Seller.

8.02. **Improvements.** Buyer may materially alter, change, or remove any improvements now or hereafter located on the Real Estate, or make any additional improvements, without prior written consent of Seller. Buyer shall not create, or allow any mechanics, laborers, material men, or other creditors of Buyer or an assignee of Buyer to obtain, a lien or attachment against Seller's interest herein. Buyer agrees that the Real Estate and any improvements thereon are, as of the date of this Contract, in good condition, order, and repair, and Buyer shall, at his own expense, maintain the Real Estate and any improvement in as good order and repair as they are in on the date of this Contract, ordinary wear and tear, and acts of God, or public authorities excepted. Buyer shall not commit waste on the Real Estate, and, with respect to occupancy and use, shall comply with all laws, ordinances and regulations of any governmental authority having jurisdiction thereof.

8.03. **Inspection.** Seller shall have the right to enter and inspect the Real Estate at reasonable times with prior notice to Buyer.

8.04. **Buyer's Responsibility for Accidents.** Buyer assumes all risk and responsibility for injury or damage to person or property arising from Buyer's use and control of the Real Estate and any improvements thereon.

Section 9. Buyer's Default and Seller's Remedies.

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

9.02. **Buyer's Default.** Upon the occurrence of any Event of Default, as hereinafter defined, Seller shall have the right to pursue immediately any remedy available under this Contract as may be necessary or appropriate to protect Seller's 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 Buyer for a period of 90 days to pay any payment required to be made by Buyer to Seller under this Contract when and as it becomes due and payable.
- b. Desertion or abandonment by Buyer of any portion of the Real Estate.
- c. Failure by Buyer, for a period of thirty (30) days after written notice is given to Buyer, to perform or observe any other covenant or term of this Contract.

9.04. **Seller's Remedies.** Upon the occurrence of an Event of Default, Seller shall have the following remedies:

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

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b.. The parties agree that Buyer does, in fact, have substantial equity in the Real Estate as of the date hereof, and as such, this Contract shall be considered the same as a promissory note secured by a real estate mortgage, and Seller's remedy shall be that of foreclosure in the same manner that real estate mortgages are foreclosed under Indiana law.

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

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

10.01. If Seller fails to convey the Real Estate as required by this Contract, Buyer 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 Buyer may pursue such other remedy as is available at law or in equity.

10.02. If, after seven (7) days notice from Buyer, Seller fails to make any payment required of him under this Contract or to perform or observe any other of his covenants or agreements, 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 him pursuant to this Contract.

Section 11. General Agreements.

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 consist 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 Buyer, Buyer 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 this right or remedies upon any breach of any of the covenants, terms and 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.

ALL OF WHICH IS AGREED TO this 1st day of January, 2013.

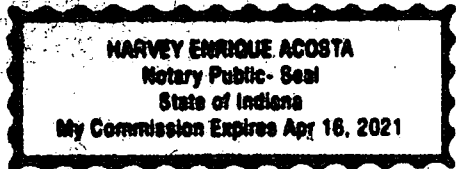

James E. Pena, Seller


Osbaldo & Aimee Santos, Buyer

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Before me, a Notary Public in and for said County and State, on this 2nd day of November, 2013, James E. Pena personally appeared before me and acknowledged the execution of the above and foregoing Contract for Conditional Real Estate to be his voluntary act and deed.

WITNESS my hand and Notarial Seal.



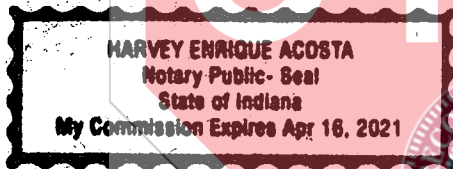
[Signature]
Notary Public:
County of Residence: Lake.
Commission Expires: April 16, 2021.

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

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Before me, a Notary Public in and for said County and State, on this 2nd day of November, 2013, Osbaldo & Aimée Santos personally appeared before me and acknowledged the execution of the above and foregoing Contract for Conditional Real Estate to be his voluntary act and deed.

WITNESS my hand and Notarial Seal.



[Signature]
Notary Public:
County of Residence: Lake.
Commission Expires: April 16, 2021

daxes: c/o OSBALDO SANTOS AND AIMÉE SANTOS
400 S. LASALLE ST.
HOBART, IN 46342

"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]*