



Harrington, Moran, Barksdale, Inc., 8600 W. Bryn Mawr, Ste. 600 South, Chicago, IL 60631 office (773) 714-9200 fax (773) 442-0685  
[www.hmbirepo.com](http://www.hmbirepo.com)

Offer Acceptance Date: 6/30/2005

Patrick Orr\*  
4020 N. Rosewood Ave. Muncie, IN 47304

**RE: NOTICE OF CONTRACT ACCEPTANCE**  
**FHA Case No.: 151-628267**  
**Property Address: 2906 Imperial Muncie, IN 47302**  
**Purchaser: Linda and David Yokaitis**

Dear Patrick Orr\*:

The sales contract submitted on behalf of the above purchaser has been accepted by HUD. Enclosed is the purchaser's copy of the accepted contract.

x HUD's acceptance of the contract constitutes a conditional commitment to insure a mortgage based on the terms set forth in the contract, provided the purchaser is found to be acceptable. The maximum mortgage amount for this sale is set forth in Item 4 of the contract. Financing may be arranged with any HUD/FHA-approved mortgagee, including direct endorsement lenders.

This sale may not be financed with a HUD/FHA-insured mortgage, nor is it contingent upon the purchaser obtaining other financing.

At closing, HUD will pay a sales commission in the amount set forth in Item 6 of the contract. HUD will also pay financing and/or closing expenses up to the amount stated in Item 5 of the contract. All expenses related to financing or closing above these amounts must be borne by the purchaser.

The sales closing is expected to occur within the time frame specified in Item 9 of the contract.

Any questions related to this sale should be addressed to the undersigned.

Sincerely,

Marshan Marshall  
Closing Specialist  
(773) 714-9200 Ext. 4675

Enclosure

**Sales Contract**  
Property Disposition Program

U.S. Department of Housing and Urban Development  
Office of Housing  
Federal Housing Commissioner

HUD Case No.  
**151-628267**

1. I (We), LINDA/DAVID YOKAITIS  
(Purchaser(s)) agree to purchase on the terms set forth herein, the following property, as more particularly described in the deed conveying the property to the Secretary of Housing and Urban Development:

2906 Imperial, Muncie, Delaware, IN 47302  
(street number, street name, unit number, if applicable, city, county, State)

2. The Secretary of Housing and Urban Development (Seller) agrees to sell the property at the price and terms set forth herein, and to prepare a deed containing a covenant which warrants against the acts of the Seller and all claiming by, through or under him. Title will be taken in the following name(s) and style: LINDA L. And David R. Yokaitis

3. The agreed purchase price of the property is ..... 3. \$ 67,541.00  
Purchaser has paid \$ 1000.00 as earnest money to be applied on the purchase price, and agrees to pay the balance of the purchase price, plus or minus prorations, at the time of closing, in cash to Seller. The earnest money deposit shall be held by ERA Eagle Real Estate Inc.

4.  Purchaser is applying for FHA insured financing [  203(b),  203(b) repair escrow,  203(k) ] with a cash down payment of \$ 2010.00 due at closing and the balance secured by a mortgage in the amount of \$ 65,531.00 for 360 months (does not include FHA Mortgage Insurance Premium, prepaid expenses or closing costs Seller has agreed to fund into mortgage.).  
 Said mortgage involves a repair escrow amounting to \$ .....  
 Purchaser is paying cash or applying for conventional or other financing not involving FHA.

5. Seller will pay reasonable and customary costs, but not more than actual costs, nor more than paid by a typical Seller in the area, of obtaining financing and/or closing (excluding broker's commission) in an amount not to exceed ..... 5. \$ 1541.00

6a. Upon sales closing, Seller agrees to pay to the broker identified below a commission (including selling bonus, if offered by seller) of ..... 6a. \$ 3300.00

6b. If broker identified below is not the broad listing broker, broad listing broker will receive a commission of: .... 6b. \$         

7. The net amount due Seller is (Purchase price [Item 3] less Items 5 and 6) ..... 7. \$ 62,700.00

8. Purchaser is:  owner-occupant (will occupy this property as primary residence)  investor  
 nonprofit organization  public housing agency  other government agency. Discount at closing: \_\_\_\_\_ %  
Discount will reduced by amounts, if any, listed on Line Items 5 and 6.

9. Time is of the essence as to closing. The sale shall close not later than 45 days from Seller's acceptance of contract. Closing shall be held at the office of Seller's designated closing agent or \_\_\_\_\_

10. If Seller does not accept this offer, Seller  may  may not hold such offer as a back-up to accepted offer.

11. Lead based paint addendum  is  is not attached; Other addendum  is  is not attached hereto and made part of this contract.

12. Should Purchaser refuse or otherwise fail to perform in accordance with this contract, including the time limitation, Seller may, at Seller's sole option, retain all or a portion of the deposit as liquidated damages. The Seller reserves the right to apply the earnest money, or any portion thereof, to any sums which may be owed by the Purchaser to the Seller for rent. Purchaser(s) Initials: LY Seller's Initials: HS

13. This contract is subject to the Conditions of Sale on the reverse hereof, which are incorporated herein and made part of this contract.  
**Certification of Purchaser:** The undersigned certifies that in affixing his/her/its signature to this contract he/she/it understands: (1) all the contents thereof (including the Conditions of Sale) and is in agreement therewith without protest; (2) he/she/it is responsible for satisfying itself as to the full condition of the property; and (3) that Seller will not perform repairs after acceptance of this contract.  
Purchaser(s): (type or print names & sign) LINDA L. & DAVID R. YOKAITIS Purchaser(s) Address: 2004 N. MADDOX Muncie, IN 47304

Purchaser(s) Social Security Number (SSN) or Employer Identification Number (EIN) (include hyphens) Phone No: 311-60-5811 - 305-52-8896  
Date Purchaser(s) Signed Contract: 6/11/05

Seller: Secretary of Housing and Urban Development By: (type name & title) HMB, INC As HUD's Representative  
Date Contract Accepted by HUD: 6/30/05

**Certification of Broker:** The undersigned certifies that: (1) neither he/she nor anyone authorized to act for him/her has declined to sell the property described herein to or to make it available for inspection or consideration by anyone because of his/her race, color, religion, sex, familial status, national origin, or disability; (2) he/she has both provided and explained to the purchaser the notice regarding use of Seller's closing agent; (3) he/she has explained fully to the purchaser the entire terms of the contract, including Condition B on the reverse hereof; and (4) he/she is in compliance with Seller's earnest money policy as set forth on HUD forms SAMS-1111, Payee Name and Address, and SAMS-1111-A, Selling Broker Certification, which he/she has executed and filed with Seller.

Broker's Business Name & Address: (for IRS reporting) (Include Zip Code) ERA Eagle Real Estate Inc 4020 N. Rosewood Ave. Muncie, IN. 47304  
Broker's EIN or SSN: (Include hyphens) 35-197 3222  
Signature of Broker: [Signature]  
SAMS NAID: 35-1973222  
Broker's Phone No: 765-741-9111

Type or print the name and phone number of sales person: \_\_\_\_\_  
This section for HUD use only. Broker notified of:  
 Acceptance  Back-Up No. \_\_\_\_\_  
 Rejection  Return Earnest Money Deposit  
Authorizing Signature & Date: [Signature] 6/30/05



LOAN# 000005787

**PRE-APPROVAL NOTIFICATION**

ASSURAFIRST FINANCIAL COMPANY  
3417 W. FOX RIDGE LN.  
MUNCIE, IN 47304

765-288-2100

Date: June 9th, 2005

LINDA L YOKAITIS  
DAVID R YOKAITIS  
2004 N MADDOX  
MUNCIE, IN 47304

We are pleased to notify you that your loan application for a **FHA** mortgage Pre-Approval has been approved in the amount of \$ 69,260.00 . This loan amount is based on current market rate and terms and is subject to change upon the execution of a rate and term Lock-In Agreement. This Pre-approval is valid for 60 days from the date of this notification assuming that there are no changes in your financial status. This pre-approval should not be considered a commitment to lend until the following conditions are met:

- Receipt and approval of a fully executed purchase/builder contract  
(not applicable on refinance transactions)
- A satisfactory appraisal completed by an approved appraiser
- An acceptable survey, flood certification, and title insurance binder
- You select a mortgage program, which falls within the pre-approval amount

In addition to the above standard conditions, your Pre-Approval is subject to the following conditions being met by you before settlement can occur:

**EMPLOYMENT/INCOME:** Employment and income status must remain the same as of the date of pre-approval. Any reduction of income (including overtime), change of position, loss of job or lay off can cause this pre-approval to be null and void.

**CREDIT:** Credit status must remain the same as of the date of pre-approval. Any change in credit status such as, delinquent payments, increased payments and/or the extension of additional credit can cause this pre-approval to be null and void.

**FUNDS TO CLOSE:** At closing, sufficient and verifiable funds are required to satisfy down payment, closing costs, points, prepaids or any other associated costs without resorting to secondary financing. A reduction in the amount of funds verified as of the date of pre-approval or secondary financing can cause this pre-approval to be null and void.

**LAWSUITS/JUDGEMENTS:** Undisclosed or pending lawsuits, judgement liens or collection claims can cause this pre-approval to be null and void.

**OTHER CONDITIONS:**

1. RATIOS ARE OK WITH APPROXIMATE TAXES OF \$2600/YEAR

ASSURAFIRST FINANCIAL COMPANY'S obligation to extend you a mortgage loan is conditioned upon your satisfying various preconditions including without limitation, those set forth above, as well as other conditions which are customary in a residential mortgage loan closing. If you have any questions, feel free to contact our office.

Very truly yours,

Rosemary Welborn  
ROSEMARY WELBORN  
VICE PRESIDENT / BRANCH MANAGER



North Lyndenbrook Place  
3401 W Fox Ridge Lane  
Muncie, IN 47304  
Phone: 765-747-4617

June 10, 2005

HUD

To Whom It May Concern:

Mrs. Linda Yokaitis has over the 3% for the down payment on the property located at 2906 Imperial, Muncie, IN 47302 with Bankone in Muncie, Indiana.

If you have any questions, please contact me at 765-747-4610.

Sincerely,

A handwritten signature in cursive script that reads "Sarah V McCord".

Sarah V McCord  
Branch Manager  
Assistant Vice President

**LEAD-BASED PAINT DISCLOSURE ADDENDUM  
SELLER HAS NO RECORDS OR REPORTS PERTAINING TO LEADBASED PAINT  
AND/OR LEAD-BASED PAINT HAZARDS**

Property Case #: 151-628267

Property Address: 2906 IMPERIAL  
MUNCIE, IN, 47302

**Lead Warning Statement**

Every Purchaser of any interest in residential real property on which a residential dwelling was built before 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The Seller of any interest in residential property is required to provide the Purchaser with any information on lead-based paint hazards from risk assessments or inspections in the Seller's possession and notify the Purchaser of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended before purchase.

**Inspection Contingency**

Seller has no records or reports pertaining to lead-based paint and/or lead-based paint hazards. The Purchaser has a contingency period that expires fifteen (15) calendar days from the date of the Purchaser's signature below, to conduct at the Purchaser's expense, an independent lead-based paint inspection, visual assessment for deteriorated paint, or risk assessment. The Purchaser may withdraw from the contract by providing written notice of withdrawal on or before the contingency expiration date (as evidenced by the postmark on the Purchaser's notice of withdrawal). The Purchaser will be entitled to a refund of earnest money only if the Purchaser obtains an independent lead-based paint inspection performed by a Certified Lead-Based Paint Inspector or Risk Assessor, and the Purchaser provides the Seller with a copy of the inspection report.

**Financing Type (Selling Broker to initial applicable clause)**

       No FHA Financing of 1960-1977 Property: The purchase of this property is not being financed with an FHA insured loan. The Purchaser has an inspection contingency that expires 15 days from the date of the Purchaser's signature below. The property is being sold as is with respect to all conditions including, subject to the above contingency, the potential presence of lead or lead-based paint hazards.

*1/DRY*

       Any FHA Insured Financing Except 203(k): This property is being sold subject to FHA insured financing under any program other than a 203(k) Rehabilitation Mortgage. Upon contract execution the Seller will procure a lead-based paint inspection and will deliver the inspection report to the Selling Broker by overnight delivery service along with a paint stabilization plan and cost estimate if deteriorated lead-based paint is found and a supplemental Lead-Based Paint Disclosure Addendum.

The Purchaser shall have the right to review the inspection report, paint stabilization plan and cost estimate. If the Purchaser is dissatisfied with the information provided, the Purchaser may withdraw from the contract and receive a full refund of earnest money by providing written notification to the Seller of the intention to withdraw. Written notification must be postmarked by the later of fifteen (15) calendar days from the date of the Purchaser's signature below or two (2) business days following the date of the Purchaser's signature on the supplemental Lead-Based Paint Disclosure Addendum.

*DRY*

If deteriorated lead-based paint was identified in the Report and the Purchaser does not exercise its option to withdraw from the sale contract, the Seller will stabilize the deteriorated lead-based paint in accordance with the stabilization plan and obtain lead clearance by the close of the escrow period or any extensions thereof.

     FHA 203(k) Financing: This property is being sold subject to a 203(k) Rehabilitation Mortgage. Upon contract execution the Seller will procure a lead-based paint inspection and will deliver the Report to the Purchaser by overnight delivery service along with a lead-based paint stabilization plan, if deteriorated lead-based paint is found, and a supplemental Lead-Based Paint Disclosure Addendum.

The Purchaser shall have the right to review the inspection report, paint stabilization plan and cost estimate. If the Purchaser is dissatisfied with the information provided, the Purchaser may withdraw from the contract and receive a full refund of earnest money by providing written notification to the Seller of the intention to withdraw. Written notification must be postmarked by the later of fifteen (15) calendar days from the date of the Purchaser's signature below, or two (2) business days following the date of the Purchaser's signature on the supplemental Lead-Based Paint Disclosure Addendum.

If deteriorated lead-based paint was identified in the Report and the Purchaser does not exercise its option to withdraw from the sale contract, the Purchaser shall stabilize the deteriorated lead-based paint as part of its work plan for the property rehabilitation and shall obtain lead clearance before occupancy. Purchaser shall complete the 203(k) Rehabilitation Financing Lead Agreement form.

Purchaser Acknowledgement (initial)

*DRY/HL*  
*DRY/HL*

Purchaser has received the pamphlet Protect Your Family from Lead In Your Home.

Purchaser has received a 15-day opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Selling Broker Acknowledgement (initial)

*[Signature]*

Selling Broker is aware of his/her responsibility to ensure compliance with 42 U.S.C. 852d.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

*Linda S. Yohantis* (Purchaser) 6/11/05 (date)

*David R. Yohantis* (Co-Purchaser) 6/11/05 (date)

*[Signature]* (Selling Broker) 6/11/05 (date)

*Elizabeth B. Bunn*

(Seller)

June 2, 2005

(date)

**Radon Gas and Mold Notice  
and Release Agreement**

**U.S. Department of Housing  
and Urban Development  
Office of Housing  
Federal Housing Commissioner**

Property Case #:

151-628267

Property address:

2906 Imperial  
Muncie, IN 47302

**PURCHASERS ARE HEREBY NOTIFIED AND UNDERSTAND THAT  
RADON GAS AND SOME MOLDS HAVE THE POTENTIAL TO CAUSE  
SERIOUS HEALTH PROBLEMS.**

Purchaser acknowledges and accepts that the HUD-owned property described above (the "Property") is being offered for sale "AS IS" with no representations as to the condition of the Property. The Secretary of the U.S. Department of Housing and Urban Development, his/her officers, employees, agents, successors and assigns (the "Seller") and HMBI, independent management and marketing contractors ("M & M Contractor") to the Seller, have no knowledge of radon or mold in, on, or around the Property other than what may have already been described on the web site of the Seller or M & M Contractor or otherwise made available to Purchaser by the Seller or M & M Contractor.

Radon is an invisible and odorless gaseous radioactive element. Mold is a general term for visible growth of fungus, whether it is visible directly or is visible when barriers, such as building components (for example, walls) or furnishings (for example, carpets), are removed.

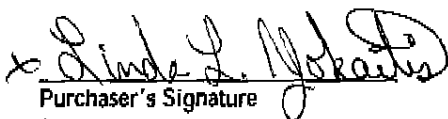
Purchaser represents and warrants that Purchaser has not relied on the accuracy or completeness of any representations that have been made by the Seller and/or M & M Contractor as to the presence of radon or mold and that the Purchaser has not relied on the Seller's or M & M Contractor's failure to provide information regarding the presence or effects of any radon or mold found on the Property.

Real Estate Brokers and Agents are not generally qualified to advise purchasers on radon or mold treatment or its health and safety risks. **PURCHASERS ARE ENCOURAGED TO OBTAIN THE SERVICES OF A QUALIFIED AND EXPERIENCED PROFESSIONAL TO CONDUCT INSPECTIONS AND TESTS REGARDING RADON AND MOLD PRIOR TO CLOSING.** Purchasers are hereby notified and agree that they are solely responsible for any required remediation and/or resulting damages, including, but not limited to, any effects on health, due to radon or mold in, on or around the property.

In consideration of the sale of the Property to the undersigned Purchaser, Purchaser does hereby release, indemnify, hold harmless and forever discharge the Seller, as owner of the Property and separately, M & M Contractor, as the independent contractor responsible for maintaining and marketing the Property, and its officers, employees, agents, successors and assigns, from any and all claims, liabilities, or causes of action of any kind that the Purchaser may now have or at any time in the future may have against the Seller and/or M & M Contractor resulting from the presence of radon or mold in, on or around the Property.

Purchaser has been given the opportunity to review this Release Agreement with Purchaser's attorney or other representatives of Purchaser's choosing, and hereby acknowledges reading and understanding this Release. Purchaser also understands that the promises, representations and warranties made by Purchaser in this Release are a material inducement for Seller entering into the contract to sell the Property to Purchaser.

Dated this 11<sup>th</sup> day of June, 2005

  
Purchaser's Signature

Linda L. Yokaitis  
Purchaser's Printed Name

  
Purchaser's Signature

DAVID R. YOKAITIS  
Purchaser's Printed Name

**INSPECTION ADDENDUM TO SALES CONTRACT**

Property Address: 2906 Imperial Muncie IN 47302  
Street City State Zip Code

FHA Case #: 151628267

HUD makes no representations or warranties concerning the property condition. As a result, I acknowledge that I am responsible for ensuring that the property, in its current condition, is acceptable to me.

If I enter into a contract to purchase the above referenced property from HUD, I may have a home inspection performed by a qualified inspector to identify major defects in the roof, structure, plumbing, electrical and heating systems. I have fifteen (15) calendar days from the day of HUD's acceptance of a sales contract to complete the inspection. Failure to comply with this timeframe may forfeit my right to an inspection with utilities activated. Utilities must be activated in my (Purchaser's) name and may not remain on for more than two (2) days.

Regardless of the test results, I (we) understand fully that neither HUD nor HMBI as HUD's Representative, will be responsible for costs associated with nor perform any repairs to the property. If the inspection discloses a major defect, the following provisions will apply:

**1) Insured sale:**

- a) I may close the sale as scheduled without repairs being performed nor a price reduction or,
- b) I may request termination of the contract with a full refund of the earnest money, provided that HMBI, as HUD's Representative concurs with the inspection report. As a condition to having the contract terminated and the earnest money deposit refunded, I agree to have the test completed and to provide my written rejection, with the appropriate documentation, to HMBI within fifteen (15) calendar days from the date my sales contract was signed by HMBI as HUD's Representative; otherwise, HUD and HMBI will assume that the inspection was satisfactory and I will proceed to closing. The cancellation contingency is limited to roof, foundation, defective components within the mechanical systems (electrical, plumbing and heating). Defective kitchen appliances, window air conditioner units, light fixtures, receptacles and switchplate covers, as well as leaky faucets, missing showerheads and other similar defects are not considered in the mechanical systems nor is equipment age or energy efficiency ratings.

**2) Uninsured sales:** No repairs will be authorized. The inspection will not be a basis for canceling the sale. The same provisions, as listed above, will also apply if any of the utilities cannot be turned on due to code violations, known defects, utility company policy or if the inspection cannot be completed as the result of a major component defect.

If FHA insured financing is used, the cost of the inspection, up to the maximum amount allowed by HUD, may be financed into the mortgage or included as part of the financing/closing costs figure stated on Line 5 of the sales contract.

I also understand fully and hereby agree to bear all expenses associated with the testing of the systems, including repair of damage and rewinterization of the property.

Purchaser's Signature: [Signature] Date: 6/11/05

Purchaser's Signature: [Signature] Date: 6/11/05

I agree to coordinate the inspection of this property's systems with HMBI. I also agree that I will be present during the inspection and am responsible for any costs incurred by my purchaser(s) associated with the inspection. I also agree to ensure that the property is returned to the same condition as before the inspection. This includes repair of damage and re-winterization of the property when deemed appropriate by HMBI. I also agree to notify HMBI upon completion of the testing.

Selling Broker's Signature: [Signature] Date: 6/11/05

**Addendum to the Sales Contract**  
Property Disposition Program

**U.S. Department of Housing  
and Urban Development**  
Office of Housing  
Federal Housing Commissioner

**Warning:** Falsifying information on this or any other form of the Department of Housing and Urban Development is a felony. It is punishable by a fine not to exceed \$250,000 and/or a prison sentence of not more than two years.

**Individual Owner-Occupant Certification**

I/we, LINDA L. & DAVID R. YOKAITIS  
submit this offer to purchase the property located at

Property address: 2906 Imperial  
Muncie, IN 47302

as an owner-occupant purchaser. I/we certify that I/we have not purchased a HUD-owned property within the past 24 months as an owner-occupant. This offer is being submitted with the representation that I/we will occupy the property as my/our primary residence for at least 12 months.

Purchaser's Name, Signature & Date: LINDA L. YOKAITIS  
x Linda L. Yokaitis 6/11/05

Purchaser's Name, Signature & Date: DAVID R. YOKAITIS  
x David Yokaitis 6/11/05

**Broker Certification**

I certify that I have not knowingly submitted the HUD-9548, Sales Contract, for the above listed property, on behalf of an investor purchaser. I further certify that I have discussed the penalties for false certification with the purchaser(s).

Broker's Name, Signature & Date: [Signature] 6/11/05

**NOTICE TO PURCHASER ADDENDUM TO SALES CONTRACT**

***This addendum must be completed and accompany each written sales offer when the offered amount exceeds the appraised value at the time the offer is submitted***

**Property Address:**

2906 Imperial Munich IN 47302  
Street City State Zip Code

**FHA Case #:** 151-628-267

I (we) understand that HUD's appraised value for the above-mentioned property is:..... \$ 62,000

I am (we are) submitting the offer (line 3 of the Sales Contract) in the amount of ..... \$ 67,541  
with the full knowledge and understanding that it exceeds the appraised value.

**Purchaser's Signature:** [Signature] **Date:** 6/11/05

**Purchaser's Signature:** [Signature] **Date:** 6/11/05

**Selling Broker's Signature:** [Signature] **Date:** 6/11/05



Utility Activation Form

Date 6/11/05  
 Broker Patrick Lee Orr  
 Buyer LINDA L. YOKAITIS / DAVID R. YOKAITIS  
 Fax 765-381-1111  
 HUD Case Number 151-628267  
 Property Address 2906 Imperial  
Muncie IN 47302  
 Expected Activation Date 6/20/05  
*Deactivation must occur within 48 hours.*

As agent for and on behalf of the U.S. Department of Housing and Urban Development, permission is hereby granted to have the utilities activated at the above address for the purpose of inspecting the property. The undersigned purchaser or agent for same hereby holds HMBI and the U.S. Department of Housing and Urban Development harmless and assumes full responsibility for any and all related deposits, connection and usage fees associated with this activation. The undersigned further assumes full responsibility for any damage, which may occur as a result of the above action. Certified funds in the amount of \$60.00 must be submitted in advance if utilities are activated between October 1 - March 31.

Kindly sign below accepting the above terms and conditions and mail this form to HMBI along with the sales contract package and certified funds for approval.

David Yokaitis ~~6/20/05~~  
 Agreed by Linda L. Yokaitis / RR10 Date 6/22/05  
 Buyers Name/Buyers Agent

HMBI use only

Signature of Approval Mark S. Murrell Date 6/30/05