

Installment Contract Addendum

This addendum is attached to and becomes a part of the Contract between **Andrew W. Sherman** and **Jennifer M. Sherman** Buyer(s), and **Salb Construction, Inc.**, Seller, for the purchase of property located at:

4901 Colonial Way, Lawrence, Kansas

The balance of \$105,570.00 (as shown on page 1 at 2d) to be paid in equal monthly installments of \$793.11 including both principal and interest at 8.25% per annum, amortized over thirty (30) years, on the unpaid principal balance from the date of possession until paid in full; said monthly payments to commence on the 1st day of December, 1995, and continue on the 1st day of each month thereafter until the 1st day of December, 1998, WHEN THE ENTIRE REMAINING BALANCE OF BOTH PRINCIPAL AND INTEREST SHALL BE DUE AND PAYABLE IN FULL.

Accrued interest shall first be deducted from each monthly payment, and the remaining balance of that payment shall be applied on the principal. Buyer(s) may pay any additional amount on the principal at the time of any monthly payment, and the interest shall cease on the additional principal so paid.

Buyer(s) shall also pay the escrow agent each month one-twelfth of the estimated annual insurance premiums and taxes at the same time the regular monthly payment of principal and interest are made, thereby creating a fund for the payment of insurance premiums, taxes and assessments when the same become due and payable. Should the amount thus accumulated not be sufficient to pay said items in full, Buyer(s) agrees to pay upon demand the additional amount necessary for those purposes. Should the amount so accumulated be in excess of the amount needed for those purposes, the excess may be applied to the reduction of principal or held for payment on future insurance premiums, taxes and assessments at the option of the Buyer(s).

An executed copy of this Contract, the Warranty Deed herein provided for, the abstract of title/title insurance policy, and all insurance papers shall be completed at closing and deposited in escrow with Douglas County Abstract, Escrow Agent. All future payments shall be made to Escrow Agent at Douglas County Abstract. Escrow fees, including the initial set-up fee and monthly fees, shall be paid one-half by Buyer(s) and one-half by Seller(s).

Buyer(s) shall keep said property insured at all times against loss by fire, lightning, windstorm, explosion and tornado for at least the unpaid balance of the purchase price, and in a manner and for an amount to fully protect Seller(s). Said insurance shall be written in companies acceptable to Seller(s), and shall be in the name of Buyer(s) with a "Seller Under Contract" clause, and shall be made payable to the parties as their interest may appear.

Buyer(s) shall keep said property in good condition and repair at his own expense, and shall not make any changes or structural alterations in said property without the written consent of Seller(s). Buyer(s) shall not be the agent of Seller(s) in making repairs or improvements, and no mechanic's liens or claims therefor shall be valid against Seller(s), or against the interest of Seller(s) in said property.

Should Buyer(s) fail to pay the taxes and assessments or to provide insurance or to pay the premiums thereon when the same become due, or any part of said expenses thereof, then Seller(s) may, at his option, pay the same or any part thereof and add the amount so paid to the unpaid balance of the purchase price, the same to draw interest in the same manner as unpaid principal.

Buyer(s) shall comply with all valid laws and ordinances in his use and occupancy of said property, and agrees to not permit a nuisance or commit waste thereon.

Upon payment of all amounts to be paid hereunder by Buyer(s) and upon Buyer(s) fully complying with all the other terms and provisions hereof, Buyer(s) shall receive the Deed for said property which shall warrant the

Buyer(s) Initials AWF 9/11-95

Seller(s) Initials _____