

1000 E 80th Pl. Ind
Mar. 1982

42100-6

746653

MODIFICATION AND REINSTATEMENT AGREEMENT

3

THIS AGREEMENT, Made and entered into by and between the FIRST FEDERAL SAVINGS BANK OF INDIANA, a United States Corporation, having its principal office in the City of Gary, Lake County, Indiana, hereafter referred to as "Association" and CARL E. SMITH, hereinafter referred to as "Borrower",

WITNESSETH, That:

WHEREAS, the Savings Bank is the owner and holder of a promissory note of the Borrower for the original principal sum of \$22,200.00 bearing date of April 21, 1970, together with that certain real estate mortgage securing the payments thereof as made and executed by the Borrower to the Association concurrently with the execution of the aforesaid note, and recorded as Document #56294 in the Office of the Recorder of Lake County, Indiana on April 24, 1970, and which original mortgage was subsequently modified by the terms of a Mortgage Modification Agreement dated March 5, 1982 describing and covering the following described real estate, to wit:

Lots 1, 2 and 3, Block 9, East Englewood Addition to East Chicago, in the City of Gary, as shown in Plat Book 2, page 26 in Lake County, Indiana, commonly known as 1900 Hendricks, Gary, Indiana.

and;

WHEREAS, the Borrower has now defaulted in the payment of monthly installments and other sums due and payable under the terms of said Mortgage Note and Modification Agreement and said default has continued in excess of Sixty (60) days; and

WHEREAS, the Association has exercised its option to declare an acceleration of the unpaid balance of the note and all advances made under it, or the mortgage securing it, together with interest, and has notified Borrower that said amounts are now due and payable and if not paid will result in the Association filing proceeding for its collection including the foreclosure of said mortgage; and

WHEREAS, the Borrower desires for the Association to agree to set aside said acceleration, forebear from the filing of foreclosure proceedings and to accept a reinstatement of the mortgage account rather than demanding its full balance due thereon because of the Borrower's default; and

WHEREAS, the Association is willing to accept such a reinstatement on the condition that the Borrower agrees to a modification of the terms of the above-described promissory note and mortgage.

NOWHEREFORE, in consideration of the Association's forbearance, the payment of the sum of \$1,000.00 by Borrower to the Association, the receipt of which is hereby acknowledged by the Association, and the mutual covenants and promises hereinafter set forth, it is hereby agreed as follows:

1. That the aggregate balance remaining unpaid upon the aforesaid indebtedness as of the date hereof is the sum of \$12,835.82 with interest paid to January 31, 1984, computed as follows, to-wit:

Principal balance due	\$12,413.31
Accrued interest to January 31, 1984	164.40
Late charges accrued through January, 1984	385.11
Recording fee and title extension expense	123.00
Current escrow tax payment and/or deficiency	-0-
Attorney fee	750.00
TOTAL DUE:	<u>\$13,835.82</u>
Less: Amount paid in cash	<u>1,000.00</u>
AGGREGATE BALANCE REMAINING DUE:	<u>\$12,835.82</u>

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD
FEB 24 9 09 AM '84
WILLIAM B. SKI JR
RECORDER

3/10

2. That the Association holds the sum of \$272.65 in escrow to be used toward the payment of the real estate taxes and insurance premiums as they come due; including the payment of the 1983 taxes payable in May, 1984.

3. That said remaining indebtedness, with interest from February 1, 1984 thereon at the rate of twelve (12%) per cent per annum on the unpaid balance of principal remaining from time to time, shall be due and payable as follows:

The principal and interest shall be payable in 137 monthly installments of \$172.49 each, commencing on the 1st day of March, 1984, and continuing on the 1st day of each month thereafter, until the entire indebtedness, if not sooner paid, shall be due and payable on the 1st day of July, 1995.

all of which the Borrower jointly and severally promises and agrees to pay, without relief from valuation and appraisal laws and with attorney's fees in case of default;

4. That in addition to the principal and interest installments set out in paragraph 3 above, the Borrower hereby reaffirms and agrees to abide by all of the covenants contained in that certain Supplemental Agreement bearing the same date with said note and mortgage and executed concurrently herewith, which in part provides for the payment of one twelfth of the annual tax, assessment, insurance premiums and other annual charges on the real estate described in said mortgage, monthly, by Borrower to the Association, in addition to the principal and interest payments above provided for, and Borrower hereby agrees to begin these monthly payments on the 1st day of March, 1984, in the current estimated amount of \$122.51 per month.

5. The Borrower further covenants and agrees that any deficiency in the amount of such aggregate monthly payment shall, unless made good by the Borrower prior to the due date of the next such payment, constitute an event of default under the mortgage and note. In the event that any payment shall become overdue for a period in excess of fifteen (15) days, the Borrower agrees to pay a "late charge" of five cents (\$.05) for each dollar (\$) so overdue, for the purpose of defraying the expense incident to handling the delinquent payment.

6. The Borrower hereby covenants that he is the owner of the property described in the aforesaid mortgage and that said mortgage is a valid and subsisting first lien thereon; that there are no offsets, counterclaims, or defenses to the sum above-mentioned as remaining unpaid, or to any part thereof, either at law or in equity; and that said mortgage shall continue as a valid first lien upon the real estate hereinabove and therein described, as security for the repayment of said remaining unpaid balance, with interest, at the time and in the manner hereinabove provided;

7. The Borrower further agrees that all terms, conditions, and covenants of the aforesaid note and mortgage and Supplemental Agreement, shall remain unaltered and in full force and effect except as herein expressly modified, and that all provisions included in any of those mortgage documents referring to the payments of interest at the rate of twelve (12%) per cent per annum.

8. That the Association agrees to proceed to set aside its acceleration of the balance due, waive the previous defaults and forbear from the filing of foreclosure proceedings because of said previous defaults, and to pay its attorneys fees out of the monies received as consideration pursuant to this agreement;

9. That the Association shall consider the above-described promissory note completely reinstated on a current basis as of this date with all previous defaults in payments by the Borrower having been cured by this agreement; and hereafter accept installment payments from borrower and apply them to the principal balance due as set out herein.

