

R-55626

# 78004047-00

Peoples Fed'l SA  
7135 Indiana Blvd  
Hammond, Ind

806047

MODIFICATION AGREEMENT

This Agreement, made this 31st day of May 1985, between Peoples Federal Savings and Loan Association of Hammond, Indiana, (hereinafter the Association) and Thomas E. Rucinski and Janice H. Rucinski, husband and wife, (hereinafter the Mortgagors),  
Witnesseth:

1. The Mortgagors executed a certain adjustable promissory note dated the 28th day of May 1982 whereby the Mortgagors promised to pay the Association the sum of One Hundred Thousand Dollars (\$100,000.00) with an initial interest rate of 16.00% percent per annum. Said promissory note was modified on the 24th day of December 1982 to provide for monthly payments of One Thousand One Hundred Forty-Five and 89/100 Dollars (\$1,145.89) which would be increased annually by an amount equal to four (4 percent of the monthly installment amount payable immediately preceding such increase).

2. The aforementioned note of the mortgagors is secured by a certain mortgage recorded on June 9, 1982 as Document No. 671212 and a mortgage modification agreement recorded on January 3, 1983 as Document No. 692306 in the Recorder's Office of Lake County, Indiana, upon the following described real estate:

Lot 16, Unit 1, Briar Ridge Country Club, Addition a Planned Unit Development in the Town of Schererville, as shown in Plat Book 53 page 79, in Lake County, Indiana.

3. Mortgagors warrant to the Association that there is no second mortgage or other subsequent lien now outstanding against the real property described in the aforesaid mortgage held by the Association; and that the lien of the aforesaid mortgage held by the Association is a valid first, and subsisting lien on said real property.

4. In consideration of the premises and of the mutual agreement herein contained, and upon the express condition (1), that the lien of the aforesaid mortgage held by Association: is a valid, first lien and (2) that there is no second mortgage or lien to the mortgage held by Association and further upon the express understanding that breach of either condition shall void this Agreement, the parties hereby agree to the following terms:

a. The Mortgagors and the Association; for themselves, their heirs, executors, administrators, successors and assigns, mutually agree that the balance on the note and mortgage is now Ninety Seven Thousand Six Hundred Fifty-Five and 34/100 Dollars (\$97,655.34) which shall bear an initial interest rate of 9.90% which shall be paid in initial monthly payments of One Thousand Forty Three and 44/100 Dollars (\$1,043.44) beginning on the 1st day of June 1985. Mortgagors shall make monthly payments which are subject to change as stated below until the entire indebtedness evidenced by the note is fully paid except that any remaining indebtedness, if not sooner paid, shall be due and payable on May 31, 2000.

b. This agreement note contains provisions allowing for changes in the interest rate and the monthly payment. If the interest rate increases the borrower's monthly payments will be higher. If the interest rate decreases, the borrower's monthly payments will be lower.

c. The interest rate may change on the first day of September, 1986 and on that day every twelfth month thereafter. Each date on which the interest rate could change is called a "Change Date."

d. Beginning with the first Change Date, the interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one year as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index." If the Index is no longer available, the Association will choose a new index which is based upon comparable information. The Association will give notice of this choice.

STATE OF INDIANA  
LAKE COUNTY  
RECORDED  
JUN 10 1985  
REC'D

CHICAGO TITLE INSURANCE COMPANY  
INDIANA DIVISION

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e. Before each Change Date, the Association will calculate the new interest rate by adding two and three eighth percentage points. (2.375%) to the Current Index. The Association will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be the new interest rate until the next Change Date. The Association will then determine the amount of the monthly payment that would be sufficient to repay the principal you are then expected to owe at the Change Date in full on the maturity date at the new interest rate in substantially equal payments. The result of this calculation will be the new amount of the monthly payment.

f. The new interest rate will become effective on each Change Date. Mortgagors will pay the amount of the new monthly payment beginning on the first monthly payment date after the Change Date until the amount of the monthly payment changes again.

g. The Association will deliver or mail to mortgagors a notice of any changes in the interest rate and the amount of the monthly payment before the effective date of any change. The notice will include information required by law to be given and also the title and telephone number of a person who will answer any questions you may have regarding the notice.

h. The maximum yearly interest rate that will be charged is 15.90%.

i. The minimum yearly interest rate that will be charged is 9.90%.

j. Interest rate adjustments will not exceed 2.00% per change period.

5. Except as herein modified said note and mortgage shall remain in full force and effect in all respects and the covenants of the aforesaid mortgage and note are expressly incorporated by reference herein. The Mortgagors hereby bind themselves, their heirs, successors, executors, administrators, and assigns to perform the covenants and agreements of said recorded mortgage and note in all respects as now modified.

In Witness Whereof, the parties have hereunto set their hands and seals this 31st day of May, 1985.

BY: Daniel W Moser

Peoples Federal Savings and Loan Association

Thomas E. Rucinski

Mortgagor

Janice H. Rucinski  
Mortgagor

STATE OF INDIANA, COUNTY OF LAKE )

Before me, the undersigned, a Notary Public in the aforesaid County, and State, on this 31st day of May, 1985, personally appeared Thomas E. Rucinski and Janice H. Rucinski and acknowledged execution of the modification agreement dated the 31st day of May 19 85.

Witness my hand and official seal.

Kathleen M. Bobos  
NOTARY PUBLIC Kathleen M. Bobos

My Commission Expires: 7-25-88

Resident of Porter County.

This Instrument Prepared by: Daniel W. Moser-Manager of Loans

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