

92036310

LN #076642-9

B4780
Lafayette
47902

MODIFICATION AGREEMENT

THIS AGREEMENT made and entered into, this 1st day of May, 1992, by and between INB National Bank, Northwest, a national banking association with its principal office at 437 South Street, Lafayette, Indiana, (the successor in interest to Lowell National Bank), herein called Lender, and Stephen J. Kosteba and Virginia R. Kosteba, husband and wife herein called Borrower:

WITNESSETH THAT;

WHEREAS Lender is the holder of a certain Note dated April 4, 1987, in the amount of \$ 32,000.00, executed by Stephen J. Kosteba and Virginia R. Kosteba which note is secured by Mortgage dated April 4, 1987, recorded in Record 911827 on April 15, 1987, Official Records of Lake County, Indiana; and

WHEREAS Borrower represents that the real estate described in the Mortgage is now owned by Borrower; and

WHEREAS the parties hereto desire to modify the terms of the Note and Mortgage;

NOW THEREFORE, in consideration of the mutual promises and other valuable consideration, the parties agree as follows:

1. The unpaid principal balance due under the Note as of the effective date of this Modification Agreement is \$ 28,752.93, plus a modification fee of \$ 287.53.

2. The Note and Mortgage shall be modified as follows effective May 1, 1992:

A. Interest

Interest will be charged on unpaid principal until full amount of principal has been paid. Interest shall accrue at an initial yearly rate of 8.125% (the "Interest Rate"). The initial Rate may change in accordance with Section C of this Modification Agreement. The Interest Rate required by Section A and Section C is the rate which will be charged both before and after any default.

B. Payments

(1) Time and Place of Payments

Principal and interest shall be paid by Borrower by making payments every month. Monthly payments shall be made on the 1st day of each month beginning on June, 1992. Each date on which monthly payment is paid is called a "Payment Date". Payments shall be made every month until all of the principal and interest and any other charges described below that the Borrower may owe are paid. Monthly payments will be applied to interest before principal. If, on May 1, 2007, amounts under this Note remain unpaid, those must be paid in full on that date, which is called the "Maturity Date". Monthly payments must be made at 437 South Street, Lafayette, Indiana 47902 or at a different place if required by the Note Holder.

(2) Amount of the Initial Monthly Payments

Each of the initial monthly payments will be in the amount of U.S. \$ 276.86. This amount may change in accordance with Section C of this Modification Agreement.

C. Adjustable Interest Rate and Monthly Payment Changes

(1) Change Dates

The Interest Rate may change on the 1st day of May, 1995, and on that day every twelve months thereafter. Each date on which the Interest Rate could change is called a "Change Date". The amount of the monthly payment may change on the 1st day of



ROBERT REED
JUN 5 11 35 AM '92

STATE OF INDIANA
OFFICE OF THE CLERK
COUNTY OF LAKE

1100
ca

June, 1995, and on that day every twelve months thereafter.

(2) The Index

Index for Measuring Interest Rate Changes (Interest Rate Index). The index to which your interest rate will be tied is the average of the most recent previous three month period of the one year Auction Average U.S. Government Treasury Bills, quoted on a bank discount basis. This information is published in the Federal Reserve Bulletin and made available by the Federal Reserve Bulletin board in Statistical Release h.15 (519). If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give notice of this choice to the Borrower. The current Index is the value of the Interest Rate Index 45 days prior to the Change Date.

(3) Calculation of Changes

Before each Change Date, the Note Holder will calculate the new Interest Rate by adding four percentage points (4.00 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section C (4) below, this rounded amount will be the new Interest Rate until the next Change Date. The Note holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that you are 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.

(4) Limits on Interest Rate Changes

The interest rate at the first Change Date will not be greater than 10.125 % or less than 6.125 %. Thereafter, the Interest Rate will be increased or decreased on any single Change Date by more than two percentage points (2.0%) from the Interest Rate for the preceding twelve (12) months. Your Interest Rate will never be greater than 14.125 %.

(5) Effective Date of Changes

The new Interest Rate will become effective on each Change Date. The new monthly payment will begin on the first payment Date after the Change Date and will continue until the amount of the monthly payment changes again.

(6) Notice of Changes

A notice of any changes in the Interest Rate and the amount of the monthly payment will be sent before the effective date of any change. The notice will include information required by law to be given to the Borrower and also the title and telephone number of a person who will answer any question regarding the notice.

Borrower hereby agrees to pay the indebtedness evidenced by the Note and secured by the Mortgage and to comply with and perform each and every covenant, condition and obligation contained therein as so modified or in any instrument at any time given to evidence or secured said indebtedness, or any part thereof.

IT IS understood and agreed that all terms and conditions of the aforementioned promissory Note and Mortgage including prior modification thereof, if any, shall remain in full force and effect without change except as heretofore otherwise specifically provided.

IN WITNESS WHEREOF, Lender has executed this agreement at Lafayette, Indiana, as of the day first above written.

INB National Bank, Northwest

A. Rebecca Doty
By: A. Rebecca Doty
Mortgage Loan Officer

Stephen J. Kosteba
Stephen J. Kosteba

Virginia R. Kosteba
Virginia R. Kosteba

STATE OF INDIANA)
COUNTY OF Lake)

SS:

On this 11th day of May, 1992, before me, the undersigned, a Notary Public in and for said County personally appeared Stephen J. Kosteba and Virginia R. Kosteba, know to be the person(s) whose name(s) is subscribed to the within instrument and acknowledged that they executed the same as their free act and deed.

WITNESS my hand and official seal.

Lamar J. Ginn
Notary Public

My Commission Expires:

May 28, 1994

Document is NOT OFFICIAL!

This Document is the property of the Lake County Recorder!



STATE OF INDIANA)
COUNTY OF CLINTON)

SS:

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this 12th day of May, 1992, personally appeared A. Rebecca Doty, Mortgage Loan Officer, of INB National Bank, Northwest, personally known to me to be such officer, and acknowledged the execution of the foregoing instrument to be the authorized act of said National Banking Association.

WITNESS my hand and Notarial seal this 12th day of May, 1992



Beth A. Houin
Notary Public
Beth A. Houin
Resident of Clinton Co.

My Commission Expires:

July 15, 1995

This instrument was prepared by INB National Bank, Northwest,

By: John E. McDonald
Senior Executive Vice President