

MODIFICATION AGREEMENT

93085378

This Agreement made this 9th day of December, 1993 between Peoples Bank, A Federal Savings Bank of Munster, Indiana (Hereinafter the Bank) and Charles C. Kalbfell and Judith A. Kalbfell, Husband and Wife (Hereinafter the Mortgagor) Witnesseth:

1. The Mortgagor executed a certain promissory note dated July 16, 1992 whereby the Mortgagor promised to pay the Bank the sum of One Hundred Fifteen Thousand and 00/100 Dollars (\$115,000.00).

2. The aforementioned note of the mortgagors is secured by a mortgage recorded on August 3, 1992 as Document No. 92049525 in the Recorder's Office of Lake County Indiana upon the following described real estate:

LOT 9, BLOCK 2 IN WHITE OAK MANOR, 2ND ADDITION TO THE TOWN OF MUNSTER AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 32 PAGE 58, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

Commonly known as: 1448 Melbrook Drive, Munster, Indiana 46321

3. Mortgagor represents that the lien of the aforesaid mortgage held by Bank 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 that the lien of the aforesaid mortgage held by Bank is a valid, first lien and that breach of said condition shall void this agreement, the parties hereby agree to the following terms:

a. That the above stated mortgage and note shall remain in full force and effect in all respects except as modified herein. The covenants of said agreement, mortgage and note are expressly incorporated by reference herein.

b. The parties hereto mutually agree that there is an outstanding principal balance of One Hundred Nine Thousand Thirty Eight and 74/100 Dollars (\$109,038.74) on said note and mortgage which shall bear interest at a rate of 5.875% per annum from January 1, 1994 until December 31, 1998. The interest may change on January 1, 1999 and on that day every twelve months thereafter. The principal and interest evidenced by said note and mortgage shall be paid by Mortgagors in consecutive installments of One Thousand Fifty Seven and 01/100 Dollars (\$1,057.01) subject to interest rate changes, beginning on the 1st day of February, 1994 and shall continue each month thereafter until the entire indebtedness due is paid in full except that any remaining indebtedness due, if not sooner paid, shall be due and payable on January 01, 2006.

c. 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 Note Holder will choose a new Index which is based upon comparable information. The Note Holder will give notice of this choice.

DL-11788-5  
FA-5439

Return to:  
First Area:  
5765  
Finance Center

STATE OF INDIANA  
FILED  
MUNSTER, INDIANA



900  
Ja

d. Before each Change Date, the Note Holder will calculate the new interest rate by adding 2.750% to the Current Index. The Note Holder will then round the result of the 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 Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the principal which you are expected to owe at the Change Date in full on January 1, 2006 at your new interest rate in substantially equal payments. The result of this calculation will be the new amount of the monthly payment.

e. The new interest rate will become effective on each Change Date. You 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.

f. The Note Holder will deliver or mail to you 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 title and telephone number of a person who will answer any questions you may have regarding the notice.

g. The maximum yearly interest rate that will be charged is 11.25%.

h. The minimum yearly interest rate that will be charged is 5.875%.

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

In Witness Whereof, the Parties have set their hands and seals hereto.

This Document is the property of the Lake County Recorder.

Peoples Bank, A Federal Savings Bank

*Charles C. Kalbfell*  
Charles C. Kalbfell

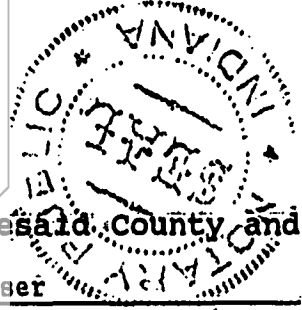
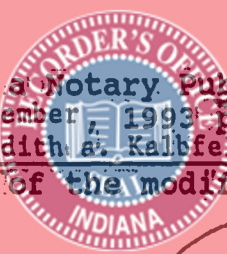
*Judith A. Kalbfell*  
Judith A. Kalbfell

By: *Daniel W. Moser*  
DANIEL W. MOSER, VICE PRESIDENT

COUNTY OF LAKE

STATE OF INDIANA

Before me the undersigned, a Notary Public in the aforesaid county and State, on this 9th day of December, 1993 personally appeared Charles C. Kalbfell & Judith A. Kalbfell and Daniel W. Moser and acknowledged the execution of the modification agreement dated this 9th day of December, 1993.



*Sharon V. Vacendak*  
Notary Public

Notary Public Printed Name: Sharon V. Vacendak

My Commission Expires: 1-1-94 Resident of Lake Co.

This Instrument Prepared By:  
Frank J. Bochnowski  
Attorney at Law  
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Munster, IN 46321  
(219) 836-9690