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MODIFICATION AGREEMENT

This Agreement made this 11th day of April, 1994 between Peoples Bank, A Federal Savings Bank of Munster, Indiana (Hereinafter the Bank) and Peoples Bank, FSB Trustee under Trust Agreement Dated March 19, 1990 and known as Trust No. 10003. (Hereinafter the Mortgagor) Witnesseth:

1. The Mortgagor executed a certain promissory note dated April 16, 1990 whereby the Mortgagor promised to pay the Bank the sum of Six Hundred Seven Thousand Five Hundred and 00/100 (\$607,500.00).

2. The aforementioned note of the mortgagors is secured by a mortgage recorded on April 27, 1990 as Document No. 097421 in the Recorder's Office of Lake County Indiana upon the following described real estate:

A PART OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 15, TOWNSHIP 36 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN IN THE CITY OF HAMMOND, LAKE COUNTY, INDIANA, DESCRIBED COMMENCING AT A POINT ON THE WEST LINE OF SAID SOUTHWEST 1/4 OF THE NORTHEAST 1/4 SAID POINT BEING THE SOUTHWEST CORNER OF ROSECLAIRE SUBDIVISION; AS SHOWN IN PLAT BOOK 40 PAGE 33, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA; THENCE SOUTH ALONG THE WEST LINE OF SAID SOUTHWEST 1/4 OF THE NORTHEAST 1/4 142 FEET TO THE INTERSECTION OF THE CENTERLINE OF ORCHARD DRIVE; THENCE SOUTHEASTERLY ALONG THE CENTER LINE OF SAID ORCHARD DRIVE 297.3 FEET, MORE OR LESS; THENCE NORTHERLY ON A STRAIGHT LINE 310.44 FEET MORE OR LESS TO THE SOUTHEAST CORNER OF LOT 43, ROSECLAIRE SUBDIVISION; THENCE WESTERLY ALONG THE SOUTH LINE OF ROSECLAIRE SUBDIVISION 246.23 FEET TO THE WEST LINE OF SAID SOUTHWEST 1/4 OF THE NORTHEAST 1/4 AND PLACE OF BEGINNING.  
Commonly known as: 3605-09-17 Orchard, Hammond, Indiana 46323

Said Note and Mortgage was modified on August 15, 1991 and the agreement was recorded on September 10, 1991 as Document No. 91045623. Said agreement is now null and void.

3. Mortgagor represents that 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 further upon the express understanding 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.

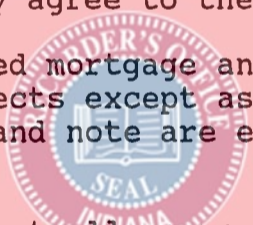
b. The parties hereto mutually agree that there is an outstanding principal balance of Ten Thousand and 00/100 Dollars (\$10,000.00) on said note and mortgage which shall bear interest at a rate of 7.50% per annum from May 1, 1994 until April 30, 1995. The interest may change on May 1, 1995 and on that day every twelve months thereafter. The principal and interest evidenced by said note and mortgage shall be paid by Mortgagors in consecutive installments of Three Hundred Seventy Five and 00/100 Dollars (\$375.00) subject to interest rate changes, beginning on the 1st day of November, 1994 and shall continue every six months 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 June 1, 2000.

c. Upon request of Mortgagor, Bank, at Bank's option so long as the Mortgage described in paragraph 2 above secures the indebtedness held by Bank, may make future advances to Mortgagor. Such future advances, with interest thereon, shall be secured by the Mortgage described in paragraph 2 above. At no time shall the principal amount of any future advances exceed \$385,000.00.

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Crown Point, Indiana

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d. If any future advances are made, Mortgagor agrees to make consecutive monthly installments of principal and interest on the 1st day of each month in such amount sufficient to repay the principal amount owed in full on June 1, 2015. in substantially equal payments.

e. 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.

f. Before each Change Date, the Note Holder will calculate the new interest rate by adding 3.50% 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%). The rounded amount will be the new interest rate until the next Change Date.

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

h. The Note Holder will deliver or mail to you a notice of any changes in the interest rate and the amount of the montly 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 13.50%

h. The minimum yearly interest rate that will be charged is 7.50%.

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

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

Peoples Bank, A Federal Savings Bank  
Trustee under Trust Agreement Dated  
March 19, 1990 and known as Trust No.  
10003

Peoples Bank, A Federal  
Savings Bank

By: See Attached

By: Daniel W Moser

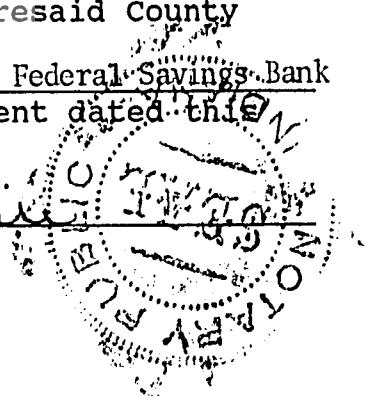
Daniel W. Moser  
Vice President



COUNTY OF LAKE )  
STATE OF INDIANA )

Before me the undersigned, a Notary Public in the aforesaid County and State, on this 11th day of April, 1994 personally appeared Daniel W. Moser, V.P. of Peoples Bank, a Federal Savings Bank and acknowledged the execution of the modification agreement dated this 11th day of April, 1994.

Vicki Jo Alkire  
Notary Public



Notary Public Printed Name: Vicki Jo Alkire

My Commission Expires: 5/8/96 Resident of Porter Co.

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

