

MODIFICATION AGREEMENT

This agreement made this 16 day of FEBRUARY 1996 by Peoples Bank SB of Munster, Indiana, an Indiana Corporation, party of the first part, hereinafter called Mortgagee and Walter Gideon party of the second part hereinafter called the Mortgagor.

The parties hereto mutually stipulate as follows:

1. The Mortgagor is indebted to Mortgagee under a certain promissory note dated August 24, 1994 in the principal amount of Two Hundred Fifty Nine Thousand Nine Hundred and 00/100 Dollars (\$259,900.00) said Note being secured by a Mortgage dated even therewith and recorded on August 30, 1994, as Document Number 94061215 in the office of the recorder of Lake County, Indiana on the following described real estate:

LOT 12 IN WINDFIELD ADDITION TO THE TOWN OF MUNSTER, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 71 PAGE 50, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

Commonly known as: 10225 Windfield Drive, Munster, Indiana 46321

Said mortgage was modified on August 31, 1995 and recorded September 8, 1995 as Document Number 95052831. Said modification agreement is now null and void.

Mortgagor represents to Mortgagee that there is no second mortgage or other subsequent lien now outstanding against the real property described in the aforesaid mortgage held by Mortgagee, and that the lien of the aforesaid mortgage held by Mortgagee is valid, first, and subsisting lien on said real property.

3. 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 Mortgagee is a valid, first lien and (2) that there is no second mortgage or lien to the mortgage held by mortgagee and further upon the express understanding that breach of either condition shall void this Agreement, the parties hereby agree to the following terms:

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

B. The parties hereto mutually agree that there is an outstanding principal balance of Two Hundred Fifty Two Thousand Five Hundred Thirty Three and 00/100 Dollars (\$252,533.00) or so much thereof as may from time to time be disbursed for the benefit of the borrowers on said mortgage which shall bear interest at a rate of (8.50%) per annum. The Interest evidenced by said note and mortgage shall be paid in consecutive monthly installments of Interest only on the principal balance outstanding from time to time beginning on the 1st day of February, 1996 and shall continue each month thereafter until the entire indebtedness due is paid in full except that any remaining indebtedness, if not sooner paid, shall be due and payable on October 1, 1996.

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

Walter Gideon
Walter Gideon

Peoples Bank SB

By Daniel W Moser
DANIEL W. MOSER, VICE PRESIDENT
FOR HOUSING FINANCE

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TICOR TITLE INSURANCE
Crown Point, Indiana

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STATE OF INDIANA
LAKE COUNTY
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COUNTY OF LAKE)
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STATE OF INDIANA) SS:

Before me, the undersigned a Notary Public in the aforesaid County and State, on this 16 day of FEB., 1996 personally appeared WALTER GIDEON AND DANIEL W. MOSER, VICE PRESIDENT FOR HOUSING FINANCE OF PEOPLES BANK SB and acknowledged the execution of the modification agreement dated this 16TH day of FEB., 1996.

Witness my hand and official seal.


Notary Public MARGARET THARP

Resident of LAKE County

My Commission Expires: 12-1-96

This instrument was prepared by: Frank J. Bochnowski, Attorney at Law #3908-45
9204 Columbia Avenue, Munster, Indiana 46321
219-836-9828