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Chicago Title Insurance Company

MODIFICATION AGREEMENT

This Agreement made this 30TH day of March, 1996 between Peoples Bank, A Federal Savings Bank of Munster, Indiana n/k/a Peoples Bank SB (Hereinafter the Bank) and Robert S. Bajda and Marilyn D. Bajda, as Trustees under the Bajda Living Trust, Dated November 25, 1992, for the Benefit of the Bajda Family (Hereinafter the Borrower) Witnesseth:

1. The Borrower executed a certain promissory note dated April 11, 1995 whereby the Borrower promised to pay the Bank the sum of Seventy Nine Thousand and 00/100 Dollars (\$79,000.00).

2. The aforesaid note of the borrower is secured by a mortgage recorded April 18, 1995 as Document No. 95020904 in the Recorder's Office of Lake County Indiana upon the following described real estate:

LOT 2, WAYMOND 1ST ADDITION TO THE TOWN OF HIGHLAND, AS SHOWN IN PLAT BOOK 75, PAGE 45, IN LAKE COUNTY, INDIANA.

Commonly known as: 9130 Waymond Avenue, Highland, Indiana 46322

3. Borrower 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 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 Seventy Seven Thousand Six Hundred Ninety Nine and 00/100 Dollars (\$77,699.00) on said note which shall bear interest rate of 6.875% per annum from April 1, 1996 until February 28, 2001. The interest rate may change on March 1, 2001 and on that day every twelve months thereafter. The principal and interest evidenced by said note and mortgage shall be paid by Borrower in consecutive installments of Six Hundred Eight and 76/100 Dollars (\$608.76) subject to interest rate changes, beginning on April 1, 1996 and shall continue each month thereafter until the entire indebtedness due is paid in full except the any remaining indebtedness due, if not sooner paid, shall be due and payable on May 1, 2015.

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".

d. Before each Change Date, the Note Holder will calculate the new interest rate by adding 2.75% 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.

Peoples Bank 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 May 1, 2015 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 maximum yearly interest rate that will be charged is 13.25%.

g. The minimum yearly interest rate that will be charged is 6.375%.

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

NOT OFFICIAL!
This document is the property of the Lake County Recorder!

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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

MARGARET E. VILLIARD
RECORDER

Handwritten initials and date: 03/30/96

