

4

98026120

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

98 APR 15 AM 8:00

MORRIS W. GAY

Note No. 9725250  
Note Amount: \$28,000.00  
Note Date: April 26, 1997  
Maturity Date: April 10, 2007  
Principal Balance: \$27,979.28  
("Note")

PINNACLE BANK  
fka Indiana Federal Savings  
Bank  
830 Pleasant St.  
St. Joseph, MI 49085  
("Note Holder")

Borrower's Name And Address  
Terrence J. O'Neill  
Peggy M. O'Neill  
2517 Lincoln St.  
Highland, IN 46383  
("Borrower" whether one or more)

Document is  
**NOT OFFICIAL!**

**This is a NOTE MODIFICATION AGREEMENT  
of the Lake County Recorder!**

Borrower acknowledges that the above referenced Note, originally issued in favor of the Note Holder is currently held by Note Holder. Borrower has requested that Note Holder agree to modify the Note as indicated below. The Note is modified as follows:

1.  **Extension of Maturity Date.** Note Holder agrees to extend the maturity date of the Note (herein the "Extended Maturity Date"). On the Extended Maturity Date the then outstanding balance of principal and accrued but unpaid interest will be due and payable. The Borrower acknowledges that this extension will have the effect of increasing the total amount of interest paid over the term of the Note.

2.  **Modification to Interest Rate.** The parties agree to modify the interest rate on the Note. From and after the 12th day of March, 1998, the modified interest rate applicable to the Note shall be:

Nine and One Half Percent (9.50%) per annum, or;

One (1.0%) percent per annum above the rate established from time to time by the Wall Street Journal as its prime rate ("Prime Rate") whether such Prime Rate is published or not. Such Prime Rate is not necessarily such lending institution's most favored rate. Subject to any maximum or minimum interest rate limitations specified herein or by applicable law, this variable rate of interest shall change automatically, on a quarterly basis without notice to the Borrower immediately with each change and to the extent of each change in the Prime Rate; or;

\_\_\_\_\_ (\_\_\_\_%) percent per annum above the

Interest as indicated above in this paragraph 2. shall be computed on the basis of a 30/360 day year.

1500  
CK# 270260

3.  **Modification to Payment Schedule.** The parties agree to modify the payment schedule under the Note. From and after the 12th day of March, 1998, the payment schedule applicable to the Note shall be:

- A single payment of principal and interest on \_\_\_\_\_.
- A single payment of principal on \_\_\_\_\_ together with interest payable \_\_\_\_\_ beginning \_\_\_\_\_, 19\_\_\_\_, on the unpaid principal balance.

1.0% of your outstanding balance or \$100.00, whichever is greater. Your payments will be due monthly on the 10<sup>th</sup> of each month. Your "Minimum Payment" will be the Regular Payment, plus any amount past due and all other charges. The Minimum Payment will not fully repay the principal that is outstanding on your Credit Line and your final payment will be a single balloon payment.

In \_\_\_\_\_ equal installments of principal, each in the amount of \$ \_\_\_\_\_ beginning \_\_\_\_\_, 19\_\_\_\_, and continuing on the same day of each successive \_\_\_\_\_ thereafter, with a final payment of all unpaid principal on \_\_\_\_\_, 19\_\_\_\_. In addition to each such principal payment, Borrower shall pay interest at the above stated rate on the then unpaid principal balance.

In \_\_\_\_\_ equal installments of principal, each in the amount of \$ \_\_\_\_\_ and \_\_\_\_\_ installment(s) of principal, each in the amount of \$ \_\_\_\_\_ beginning on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, and continuing on the same day of each successive \_\_\_\_\_ thereafter until fully paid, together with interest at the stated rate on the then unpaid principal owing in addition to each installment. In addition to each such principal payment, Borrower shall pay interest at the above stated rate on the then unpaid principal balance.

Payments will be made as per attached Schedule A.

4.  **Extension of Draw Period.** The draw period under the Note is extended to and including the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_. Borrower shall continue to make monthly payments of interest during the extended draw period.

5.  **Mortgage Modification.** Borrower acknowledges that the Note is secured by that certain Mortgage dated the 26th day of April, 1997, recorded the 1st day of May, 1997 in Document No. 97027333, in Lake County Indiana Records (herein the "Mortgage"), in favor of Note Holder. In consideration of the Note Holder agreeing to modify the Note as stated herein, Borrower, as mortgagor under the Mortgage, agrees that this Agreement shall serve to modify and amend the Mortgage consistent with the terms of this Agreement. Note Holder is authorized to record this Note Modification Agreement, or not to do so, as Note Holder may elect. Borrower agrees to promptly pay any recording expenses incurred by Note Holder.

6. **Modification to Loan Documents.** This Agreement shall serve to modify and amend the Note (and Mortgage, if applicable) and any other loan documents executed by Borrower in connection with the loan transaction relating to the Note including, not by way of limitation, any loan agreement or security agreement ("Loan Documents"). To the extent the terms and conditions of this Agreement are in conflict with the Loan Documents, this Agreement shall control.

7. **Further Acknowledgments by Borrower.** Borrower acknowledges and agrees that, as of the date of the execution of this Agreement, Note Holder has fully complied with all terms and conditions of the Note and other Loan Documents and that Borrower has no claims or defenses against Note Holder. Borrower further acknowledges that the agreement of Note Holder to modify the Note under this or any previous agreement shall not be construed or asserted by Borrower, its heirs, successors and assigns, as a requirement that Note Holder make any further modification of the Note.

8. **Release of Note Holder.** Borrower further acknowledges and stipulates that, in consideration of Note Holder's agreement to modify the Note, it agrees that the execution of this Agreement represents a complete release of all

claims, asserted or unasserted, known or unknown, contingent or existing as Borrower may have against Note Holder, its respective officers, employees and agents, arising out of the conduct and relationship of the parties and the Loan Documents from the inception of the borrowing relationship, through the date of this Agreement.

9. *Miscellaneous.* The parties further agree as follows:

1. All terms and conditions of the Note and other Loan Documents shall remain in full force and effect to the extent not expressly inconsistent herewith.
2. This Agreement shall in all respects be governed by and construed in accordance with the laws of the State of Indiana.
3. This Agreement may be amended only by a written amendment hereto, signed by Note Holder and Borrower.
4. Note Holder shall not be deemed to have waived any of its rights upon or under this Agreement unless such waiver be in writing and signed by Note Holder. No delay or omission on the part of Note Holder in exercising any right shall operate as a waiver of such right or any other right. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.
5. This Agreement shall be binding upon and inure to the benefit of the respective heirs, successors and assigns of the parties. This Agreement may be signed in any number of counterparts, each of which will be deemed an original.

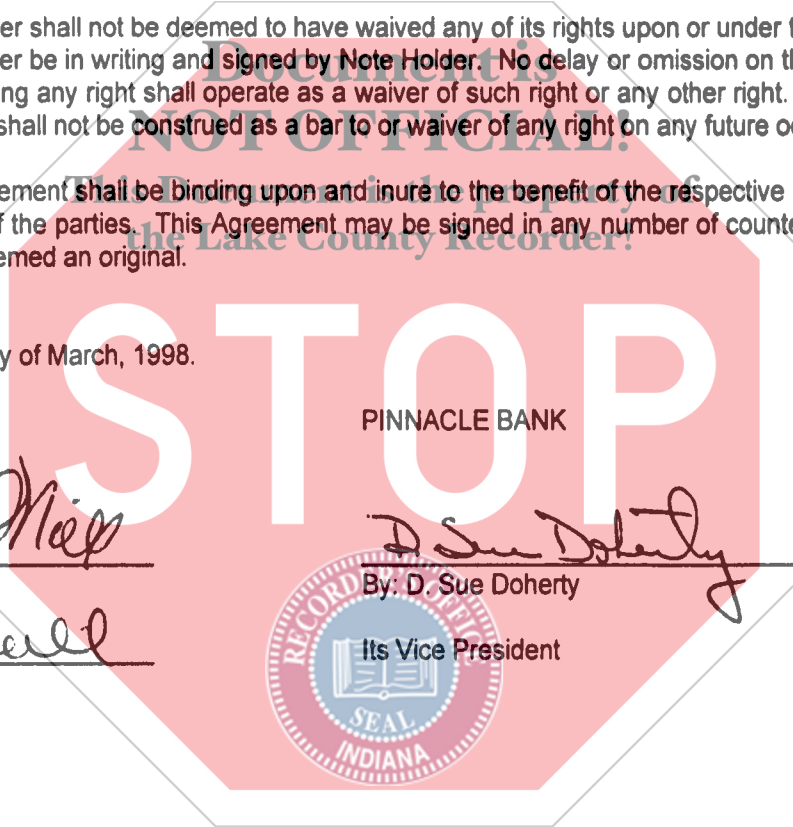
Dated this 12th day of March, 1998.

PINNACLE BANK

*Terrence J. O'Neill*  
 Terrence J. O'Neill

*Peggy M. O'Neill*  
 Peggy M. O'Neill

*D. Sue Doherty*  
 By: D. Sue Doherty  
 Its Vice President



STATE OF Indiana )  
 )SS:  
Lake COUNTY )

**ACKNOWLEDGMENT**

Before me, a Notary Public in and for said County and State personally appeared Terrence J. O'Neill and Peggy M. O'Neill, and acknowledged the execution of the above and foregoing Note Modification Agreement this 7<sup>th</sup> day of April, 1998.

Notary Public *Bill A. Salmon*  
 Residing in Lake County, Indiana  
 My Commission Expires: 3-10-2008

STATE OF Michigan )  
 )SS:  
Berrien COUNTY )

**ACKNOWLEDGMENT**

Before me, a Notary Public in and for said County and State personally appeared D. Sue Doherty, the Vice President of Pinnacle Bank , and acknowledged the execution of the above and foregoing Note Modification Agreement for and on behalf of Pinnacle Bank, this 9th day of April, 1998.

Michele J. Miller Notary Public,  
Michele J. Miller  
Residing in Berrien County, Michigan

My Commission Expires: 7-1-98

This instrument was prepared by: Michele J. Miller for Pinnacle Bank  
830 Pleasant St., St. Joseph, MI 49085

