

2

**MODIFICATION AGREEMENT**

This Agreement made this 30 day of April, 1998 between Peoples Bank SB (Hereinafter the Bank) and Alexander Kouklakis and Kathy Kouklakis, Husband and Wife (Hereinafter the Borrower) Witnesseth:

1. The Borrower executed a certain promissory note dated February 5, 1997 whereby the Borrower promised to pay the Bank the sum of Forty Eight Thousand and 00/100 Dollars (\$48,000.00).

2. The aforesaid note of the borrower is secured by a mortgage recorded on February 11, 1997 as Document No. 97008389 and re-recorded July 3, 1997 as Document Number 97043460 in the Recorder's Office of Lake County Indiana upon the following described real estate:

LOTS 1 AND 2 IN BLOCK 1 IN SUBDIVISION OF THE EAST 201 FEET OF THE NORTH 1320 FEET OF THE NORTHWEST 1/4 OF SECTION 32, TOWNSHIP 37 NORTH, RANGE 9 WEST OF THE 2ND PRINCIPAL MERIDIAN, IN THE CITY OF EAST CHICAGO, AS PER PLAT THEREOF RECORDED IN PLAT BOOK 2, PAGE 11, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

Commonly known as: 4902 Indianapolis Boulevard, East Chicago, Indiana 46312

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 Forty Seven Thousand Five Hundred and 00/100 Dollars (\$47,500.00) on said note which shall bear interest rate of 8.50% per annum from March 1, 1998 until February 28, 2003. The interest rate may change on March 1, 2003 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 Four Hundred Sixty Seven and 75/100 Dollars (\$467.75), subject to interest rate changes, beginning on April 1, 1998 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 March 1, 2003.

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 Bill 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 3.25% 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.

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 March 1, 2013 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 7.75%.

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

98048954  
STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD  
APR 13 1998  
RECORDER'S OFFICE

IN WITNESS WHEREOF, The Parties have set their hands and seals hereto.

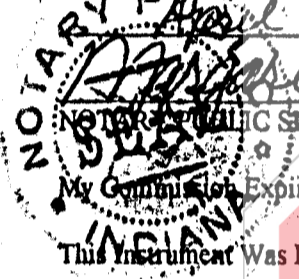
[Signature]  
Alexander Kouklakis  
[Signature]  
Kathy Kouklakis

Peoples Bank SB

By: [Signature]  
DANIEL W. MOSER, VICE PRESIDENT  
FOR HOUSING FINANCE

COUNTY OF LAKE )  
)  
STATE OF INDIANA )

Before me the undersigned, a Notary Public in the foresaid County and State on this 30 day of April, 1998 personally appeared: Alexander & Kathy Kouklakis and Daniel W. Moser, Vice President and acknowledged the execution of the modification agreement dated this 30 day of April, 1998.



Document is  
NOTARY PUBLIC SIGNATURE

Margaret Travis  
NOTARY PUBLIC PRINTED NAME

This Document is the property of  
the Lake County Recorder  
Resident of Lake County

This Instrument Was Prepared By: Frank J. Bochnowski, Attorney at Law  
9204 Columbia Avenue, Munster, Indiana 46321

