

152065C

MODIFICATION AGREEMENT

This Agreement made this 11th day of JUNE 2000 between Peoples Bank SB (Hereinafter the Bank) and Peoples Bank FSB Trustee under Trust Agreement Dated March 19, 1990 and known as Trust No. 10003 (Hereinafter the Borrower) Witnesseth:

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

2. The aforesaid note of the borrower 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:

NORTHEAST
A PART OF THE SOUTHWEST 1/4 OF THE ~~NORTHWEST~~ 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 AS 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 Drive, Hammond, Indiana 46323

Modification Agreement Dated April 11, 1994 and recorded April 18, 1994 as Document Number 94029057 is now null and void.

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 Ten Thousand and 00/100 Dollars (\$10,000.00) or so much thereof as may from time to time be disbursed for the benefit of the borrowers on said note which shall bear interest at a rate of 9.625% per annum from May 1, 2000 until April 30, 2001. The interest rate may change on May 1, 2001 and on that day every twelve months thereafter. The interest evidenced by said note and mortgage shall be paid by Borrower in consecutive installments of Interest only on the principal balance outstanding from time to time subject to interest rate changes, beginning on June 1, 2000 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 May 1, 2005.

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 3.50% 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%). 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 May 1, 2005 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.

TICOR TITLE INSURANCE
Crown Point, Indiana

Return to Peoples Bank

1500

- f. The maximum yearly interest rate that will be charged is 13.5%.
- g. The minimum yearly interest rate that will be charged is 7.5%.
- h. 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 SB

Peoples Bank, FSB Trustee Under
Trust Agreement Dated March 19, 1990
Known as Trust No. 10003

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

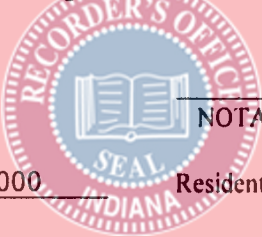
SEE ATTACHED
Jon E. DeGuilio
Senior Vice President and
Trust Officer

Attest:

COUNTY OF LAKE)
STATE OF INDIANA)

Before me the undersigned, a Notary Public in the foresaid County and State on this 1ST day
of JUNE, 2000 personally appeared: DANIEL W. MOSER, VICE PRESIDENT
acknowledged the execution of the modification agreement dated this 1ST day of
JUNE, 2000.

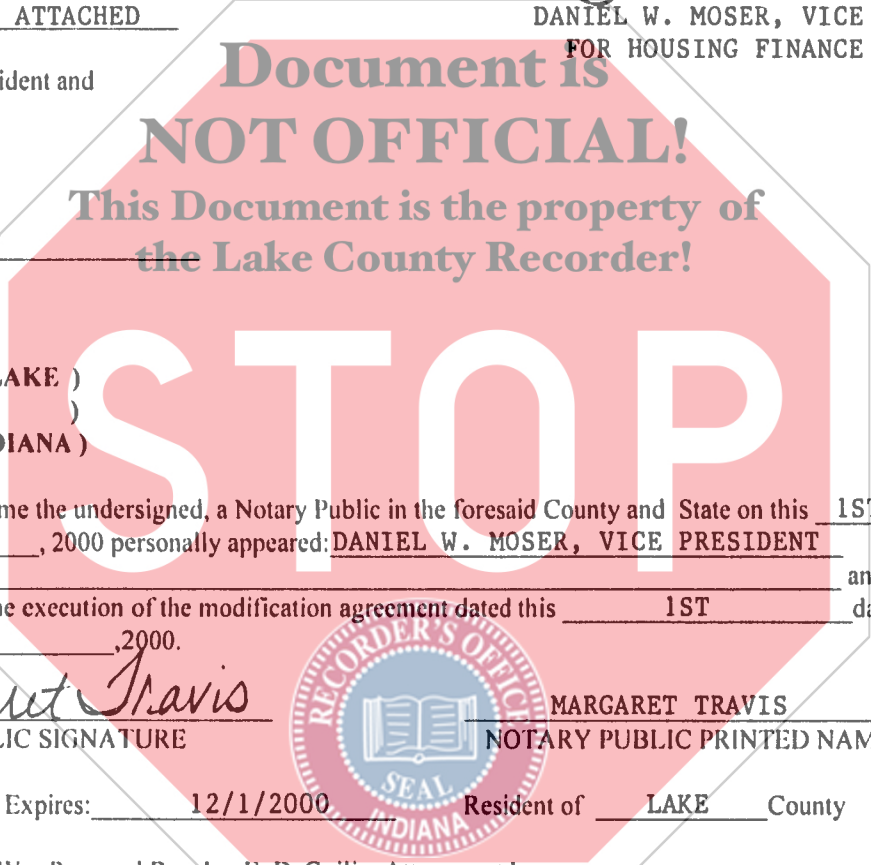
Margaret Travis
NOTARY PUBLIC SIGNATURE



MARGARET TRAVIS
NOTARY PUBLIC PRINTED NAME

My Commission Expires: 12/1/2000 Resident of LAKE County

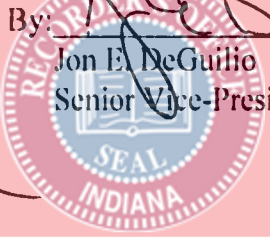
This Instrument Was Prepared By: Jon E. DeGuilio, Attorney at Law
141 W. Lincoln Highway, Schererville, IN 46375



Attachment to Modification Agreement To Peoples Bank for Land Trust# 10003. THIS INSTRUMENT is executed by the undersigned Trustee, not personally but solely as Trustee under the terms of that certain agreement dated the 19th day of March, A.D. 19 90, creating Trust No. 10003; and it is expressly understood and agreed by the parties hereto, anything herein to the contrary notwithstanding, that each and all of the covenants, undertakings, representations and agreements herein made are made and intended not as personal covenants, undertakings, representations and agreements of the trustee, individually or for the purpose of binding it personally, but this instrument is executed and delivered by Peoples Bank SB f/k/a Peoples Bank, A Federal Savings Bank as trustee, solely in the exercise of the powers conferred upon it as such Trustee under said agreement and no personal liability or personal responsibility is assumed by, nor shall at any time be asserted or enforced against Peoples Bank SB f/k/a Peoples Bank, A Federal Savings Bank, on account hereof, or on account of any covenant, undertaking, representation or agreement herein contained, either expressed or implied, all such personal liability, if any, being hereby expressly waived and released by the parties hereto or holder hereof, and by all persons claiming by or through or under said parties or holder hereof. Nothing contained herein will be construed as creating any liability on said Trustee, personally under the provisions of the Comprehensive Environmental Response, Compensation and Liability Act, (CERCLA) or the Indiana Responsible Property Transfer Law ("RPTL") as amended from time to time or any other federal, state or local law, rule or regulation. Said Trustee, personally, is not a "Transferor" or "Transferee" under RPTL and makes no representations concerning any possible environmental defects. In making any warranty herein the Trustee is relying solely on information furnished to it by the beneficiaries and not of its own knowledge and specifically exculpates itself from any liabilities, responsibilities or damages as a result of including any warranty in this instrument. IN WITNESS WHEREOF, Peoples Bank SB f/k/a Peoples Bank, A Federal Savings Bank has caused its name to be signed to these presents by its Senior Vice-President and Trust Officer and attested by its Administrative Secretary the day and year first above written.

Peoples Bank SB f/k/a Peoples Bank, A Federal Savings Bank as Trustee aforesaid and not personally.


By: 
 Jon E. DeGuilio
 Senior Vice-President and Trust Officer



ATTEST:
 By: 
 Janine K. Mahala
 Administrative Secretary

State of Indiana)
) SS:
 County of Lake)

I, Kelly Levine a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY, that Jon E. DeGuilio and Janine K. Mahala of PEOPLES BANK SB an Indiana Corporation. f/k/a Peoples Bank, A Federal Savings Bank personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Senior Vice-President and Trust Officer and Administrative Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary act of the said Indiana Corporation, as Trustee, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 19th day of May, 2000.
 My Commission Expires: 04/07/08

 Notary Public Signature
Kelly Levine