

2000-059488

MODIFICATION AGREEMENT

This agreement made this 11TH day of August, 2000 by Peoples Bank SB of Munster, Indiana, an Indiana Corporation, party of the first part, hereinafter called the Bank and Avalon Manor, Inc. party of the second part hereinafter called the Mortgagor.

The parties hereto mutually stipulate as follows:

1. The Mortgagor is indebted to the Bank under a certain promissory note dated November 23, 1999 in the principal amount of Two Million One Hundred Twenty Five Thousand and 00/100 Dollars (\$2,125,000.00) said Note being secured by a Mortgage dated even therewith and recorded on November 30, 1999 as Document Number 99098064 in the Recorder's Office of Lake County, Indiana on the following described real estate:
LOT 1 IN U.S. 30 1ST ADDITION, TO THE CITY OF HOBART, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 87 PAGE 63, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

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

2. 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 the Bank 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 Million Two Hundred Seventy Five Thousand and 00/100 Dollars (\$2,275,000.00) on said note and mortgage which shall bear interest at a rate of 8.75% per annum. The indebtedness 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 23rd day of August, 2000 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 November 23, 2000

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

Avalon Manor, Inc.

By: Nick Kaiafas
Nick Kaiafas, President

Peter Kaiafas
Peter Kaiafas, Secretary/Treasurer

Peoples Bank SB

By: Eddy Ladd



COUNTY OF LAKE)
STATE OF INDIANA)

SS:

Before me, the undersigned a Notary Public in the aforesaid County and State, on this 11th day of August, 2000 personally appeared Nick Kaiafas, President and Peter Kaiafas, Secretary Treasurer

and acknowledged the execution of the modification agreement dated this 11th day of AUGUST, 2000.

Witness my hand and official seal.

Linda J. McBride
Notary Public Linda J. McBride
My Commission Expires: 1-26-07

Resident of Lake County
This instrument was prepared by:

Frank J. Bochnowski, Attorney at Law
141 W. Lincoln Highway, Schererville, IN 46375
219-865-4832



AFTER RECORDING MAIL TO:
PEOPLES BANK SB
ATTN: PAT HOFFMAN
9204 COLUMBIA AVE
MUNSTER, IN 46321

11.00
Ac
T.I.

2000 AUG 17 10:59 AM
STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORDING