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STATE OF INDIANA  
LAKE COUNTY

FILED RETURN TO:

Patrick B. McEuen  
Singleton, Crist, Austgen & Sears  
9245 Calumet Ave., Suite 200  
Munster, IN 46321

2000 064086

2000 SEP -5 AM 8:51

August 22, 2000  
Highland, Indiana  
Property Address:

4605-4607 Indianapolis Blvd.  
East Chicago, IN 46312

**REAL ESTATE MORTGAGE MODIFICATION AGREEMENT**

WITNESSETH THIS AGREEMENT entered into this date by, between and among *John C. Gomez and Rose A. Gomez, Husband and Wife*, of Lake County, Indiana (the "Borrower") and *Bank Calumet, N.A.* (the "Lenders").

WHEREAS, on or about October 18, 1997, the Borrower did borrow from the Lender the sum of One Hundred Thirty Thousand and 00/100 Dollars (\$130,000.00), evidenced by an Adjustable Rate Note, Loan #16829 (the "Note"), a true and correct copy of which is attached hereto as Exhibit "A", which Note was secured by a Mortgage (the "Mortgage"), a true and correct copy of which is attached hereto as Exhibit "B", on the following described real estate:

the North 1/2 of lot 14 and all of lot 15 in block 3 in subdivision of that part of the West 3/7ths of the Southwest 1/4 of Section 29, Township 37 North, Range 9 West of the 2<sup>nd</sup> Principal Meridian, lying South of the Chicago Avenue; and a subdivision of part of blocks 3, 14, 13, 15 and 16 of the subdivision of the North 70 48/100 acres of said Southwest 1/4 of Section 29, in the City of East Chicago, as per plat thereof, recorded in plat book 2 page 41 in the Office of the Recorder of Lake County, Indiana.

Which is commonly known as: 4605-4607 Indianapolis Blvd.  
East Chicago, IN 46312; and

WHEREAS, Borrower is in default on the Note and the Mortgage, which fact is hereby acknowledged by Borrower; and

WHEREAS, Borrower and Lender desire to enter into an Agreement on such mutually acceptable terms as will provide to the Borrower the opportunity to avoid foreclosure of the Real Estate while also allowing the Lender to receive sufficient consideration for the original Note and this Modification thereof.

NOW THEREFORE, for and in consideration of the promises and covenants set forth herein and the terms and provisions hereof, and for other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged by Borrower and Lender, Borrower and Lender covenant and agree as follows:

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1. **BORROWER'S OBLIGATIONS.** The terms and provisions of the Note and Mortgage are hereby incorporated herein as if fully set forth, and are hereby reaffirmed except as herein specifically modified. In addition to those terms and conditions of the original Note, Borrower hereby covenants and agrees as follows:

a. That the principal balance due on the Note as of July 1, 2000 is \$ 8,724.58, and that each of the following shall be added to the principal balance thereof:

1)	Interest accrued from 6/29/00 to 08/31/00 -	\$	<u>69.03</u>
2)	Legal Fees -	\$	<u>1,900.00</u>
3)	Late Fees -	\$	<u>984.90</u>
4)	Negative escrows (Taxes and Insurance)	\$	<u>2,942.50</u>
<b>TOTAL (1-4) -</b>		<b>\$</b>	<b>5,896.43</b>

As a result of which the principal balance as of the date of this Agreement is **Fourteen Thousand Six Hundred Twenty and 01/100 Dollars (\$14,620.01)** (the "Modified Principal Balance"). The Modified Principal Balance shall be repaid to Lender in twelve (12) months, payable as set forth in subparagraph 1.b., *infra.*, and including one payment of principal, interest and other miscellaneous costs necessary to repay the Note in full (the "Balloon Payment").

b.1) Borrower will pay a fixed, monthly principal and interest payment on the Modified Principal Balance, at the initial rate of 8.5% *per annum*, on a monthly basis commencing September 1, 2000, through and including February 1, 2001. The initial monthly payment shall be **Three Hundred Fifty and 00/100 Dollars (\$350.00)**.

2) Commencing March 1, 2001, Borrower will pay principal and interest payments on the then-existing balance on a monthly basis in the amount of **Five Hundred Ninety-Six and 15/100 Dollars (\$596.15)**.

3) On September 1, 2001, the Borrower will pay principal and interest and costs to fully retire the balance (the "Balloon Payment Date"). If on the Balloon Payment Date, Borrower still owes amounts under the Note or this Modification, including accrued interest, applicable fees and charges, the remaining balance shall be due and payable in full.

c. Commencing on the date of Borrower's execution of this Agreement, Borrower will perform each and every other covenant, terms and provision set forth in the Note and Mortgage, including, but not limited to, the timely payment of taxes assessed against the Real Estate and providing Lender with Proof of Casualty Insurance covering the Real Estate pursuant to the terms and provisions of the Mortgage, as if this Modification Agreement had never been made.

d. The Modified Principal Balance and all accrued interest, along with all other amounts due and owing to the Lender on the Note, this Agreement and the Mortgage shall be due and payable in full on September 1, 2001.

e. Borrower will assume full responsibility for property taxes and insurance, and Lender and Borrower agree that ¶ 2 of the Mortgage is inapplicable to this Modification Agreement.

2. **LENDER'S RIGHTS AND OBLIGATIONS.** Lender hereby covenants and agrees that it shall forebear the filing of a suit to foreclose the Mortgage, so long as Borrower remains in strict compliance with each and every term and provision of this Agreement, and of the original Note and Mortgage. In the event that Borrower fails to remain in strict compliance with each and every terms and provision of this Agreement and of the Note and Mortgage, Lender shall have the right to foreclose the Mortgage in the same manner and to the same extent as provided in the Note and Mortgage and as if this Agreement did not exist.

3. **LENDER'S COSTS AND ATTORNEY'S FEES.** Notwithstanding any other term or provision of this Agreement or the Note or Mortgage to the contrary, Lender shall be entitled to recover from Borrower all the costs and attorney's fees incurred by Lender which are directly or indirectly related to or arising out of the enforcement of Lender's rights under this Agreement, or which may be incurred by Lender hereafter, directly or indirectly related to the enforcement of its rights under the Note and Mortgage.

4. **SEVERABILITY OF PROVISIONS.** Should any provision of this Agreement be held unenforceable for any reason, such shall not effect the enforceability of the remaining provisions, each of which shall be fully enforceable in accordance with their respective terms and provisions as if such unenforceable provision had not been included in this Agreement.

IN WITNESS WHEREOF, Borrowers and Lender have executed this Agreement as of the date first set forth above.

**BORROWERS:**

  
\_\_\_\_\_  
John C. Gomez

  
\_\_\_\_\_  
Rosie A. Gomez

**LENDERS:**

Bank Calumet

  
\_\_\_\_\_  
By: Artie R. Russell  
Its: Vice President - Mortgage Loan Department



STATE OF INDIANA )

) SS:

COUNTY OF LAKE )

Before me, the undersigned, a Notary Public in and for said County and State, this 22<sup>nd</sup> day of August, 2000, personal appeared John C. Gomez and Rosie Gomez and acknowledged the execution of the foregoing Second Real Estate Mortgage Modification Agreement.

In witness whereof, I have hereunto subscribed my name and affixed my official seal.

  
NOTARY PUBLIC: RESIDENT OF LAKE COUNTY

My Commission Expires: March 5, 2008

Printed Name:

SOPHIE ZDRAVESKI

Resident of LAKE County.