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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2006 052986

LOAN MODIFICATION AGREEMENT

WHEREAS, LAKE FEDERAL SAVINGS AND LOAN ASSOCIATION OF HAMMOND, n/k/a, LAKE FEDERAL BANK, FSB loaned Gregory A BeilFuss and Linda S Beilfuss, Husband and Wife, the sum of One Hundred Twelve Thousand and no/100--- Dollars (\$ 112,000.00), as evidenced by a note and mortgage dated July 5, 2001, and recorded July 30, 2001, as Document Number 2001 059675, in the public records in the County of Lake, State of Indiana where the mortgaged property is located, which note and mortgage are hereby incorporated herein as part of this instrument, and

WHEREAS, the undersigned, owner of said premises, has found it necessary and does hereby request a modification of the terms of said loan for the following reasons:

Upon payment of a \$850.00 fee, to convert this loan from a 5 year balloon to a 300 month Adjustable Rate Loan; Interest Rate to be 5.875%, effective June 1, 2006; payment to be effective July 1, 2006; late charge to be 5% of the adjusted principal and interest payment;

AND, WHEREAS, the parties desire to restate the modified terms of said so that there shall be no misunderstanding of the matter;

THEREFORE, it is hereby agreed that, as of the date of this agreement, the unpaid balance of said indebtedness is One Hundred Four Thousand Five Hundred Six Dollars and 74/100--- Dollars (\$ 104,506.74), all of which the undersigned promises to pay with interest until paid, and that the same shall be payable in monthly installments of Six Hundred Sixty Four and 40/100 Dollars (\$ 664.40), per month beginning on the First day of July, 2006, to be applied first to interest and balance to principal, plus a sum estimated to sufficient to discharge tax and insurance obligations (which sum may be adjusted as necessary); the new interest rate to become effective June 1, 2011; the interest rate may change July 1, 2011 and every June 1st thereafter; the interest rate will never be increased or decreased on any single Change Date by more than 2.0% from the rate from the preceding period; the payment date reflecting the change in the new interest rate will be July 1, 2011; the maturity date will be July 1, 2031; and that in all other respects said mortgage contract shall remain in full force and effect. The Covenants of said agreement, mortgage and note are expressly incorporated by reference herein.

Signed, sealed and delivered this 5th day of June, 2006.

LAKE FEDERAL BANK< FSB
by,

Gerald R. Skrabala
Gerald R. Skrabala, President

Gregory A Beilfuss
Gregory A Beilfuss

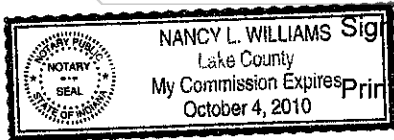
Stephen P. Davenport
Stephen P. Davenport, Vice President

Linda S Beilfuss
Linda S Beilfuss

STATE OF INDIANA, Lake County, ss:

Before me, the undersigned, a Notary Public in and for said County and State, this 5th day of June, 2006, personally appeared Gregory A Beilfuss and Linda S Beilfuss, and acknowledged the execution of the forgoing loan modification agreement. Witness by hand and official seal. Also personally appeared Gerald R. Skrabala and Stephen P. Davenport.
My commission expires: 10-04-10

Resident of Lake County.



Signature: *Nancy L. Williams*
Printed: Nancy L. Williams, Notary Public

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165060
JW

ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 5th day of June 2006 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to ... Lake Federal Bank, FSB

(the "Lender") of the same date and covering the property described in the Security Instrument and located at: 205 Holly Lane Schererville, Indiana 46375
[Property Address]

NOTICE: THE SECURITY INSTRUMENT SECURES A NOTE WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. INTEREST RATE AND PERIODIC PAYMENT CHANGES

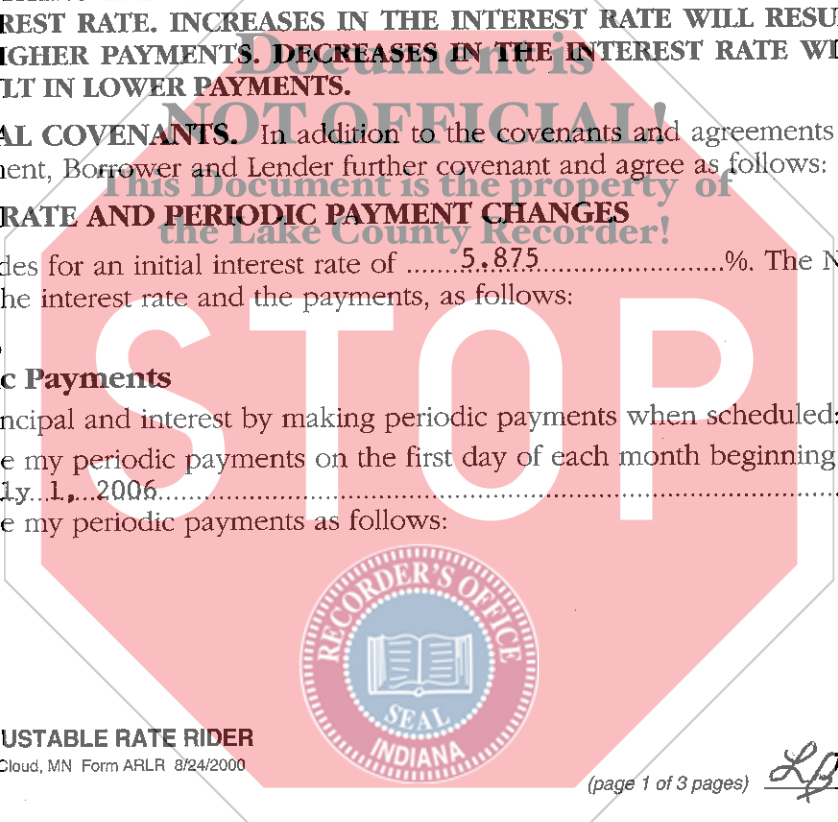
The Note provides for an initial interest rate of 5.875%. The Note provides for changes in the interest rate and the payments, as follows:

3. PAYMENTS

(A) Periodic Payments

I will pay principal and interest by making periodic payments when scheduled: (mark one):

- I will make my periodic payments on the first day of each month beginning on July 1, 2006
- I will make my periodic payments as follows:



LB *LB*

KS *AS*

before each Change Date is called the "Current Index."
If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

The most recent Index figure available as of the date 45 days

One Year Treasury Constant Maturity "Index" is:

Beginning with the first Change Date, my interest rate will be based on an Index. The

(B) The Index

and on every

The interest rate I will pay may change

and on that day every 12th

The interest rate I will pay may change on the first day of June, 2011

Each date on which my interest rate could change is called a "Change Date." (Mark one)

(A) Change Dates

4. INTEREST RATE AND PERIODIC PAYMENT CHANGES

Changes in my periodic payment will reflect changes in the unpaid principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my periodic payment in accordance with Section 4 of the Note.

(D) Periodic Payment Changes

This amount may change.

Each of my initial periodic payments will be in the amount of U.S. \$ 664.40

(C) Amount of My Initial Periodic Payments

..... or at a different place if required by the Note Holder.

I will make my periodic payments at 7048 Kennedy Avenue, Hammond, Indiana, 46323

full on that date, which is called the "Maturity Date."

My periodic payments will be applied to interest before Principal. If, on July 1, 2031

and any other charges described in the Note.

I will make these payments as scheduled until I have paid all of the principal and interest

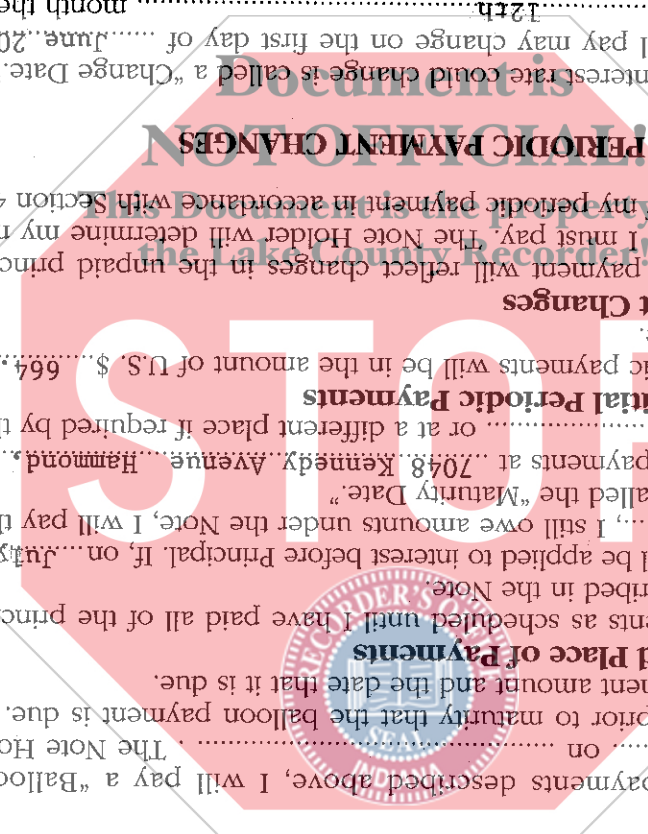
(B) Maturity Date and Place of Payments

state the Balloon Payment amount and the date that it is due.

or mail to me notice prior to maturity that the balloon payment is due. This notice will

\$ on The Note Holder will deliver

In addition to the payments described above, I will pay a "Balloon Payment" of



(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by Two and 500/1000 percentage points (2.500%) to the Current Index. The result of this calculation:

- will not be rounded off.
- will be rounded off by the Note Holder to the nearest 0.125%.
- will be rounded off by the Note Holder up to the nearest _____%.
- will be rounded off by the Note Holder down to the nearest _____%.

Subject to the limitations stated in Section 4(D) below, this amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the periodic payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my periodic payment.

(D) Limits on Interest Rate Changes

- My interest rate will never be increased or decreased on any single Change Date by more than 2.000 percentage points from the rate of interest I have been paying for the preceding period.
- My interest rate will never be greater than 12.000% or less than 6.000%.

(E) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new periodic payment beginning on the first periodic payment date after the Change Date until the amount of my periodic payment changes again.

(F) Notice of Changes

At least 25 days, but no more than 120 days, before the effective date of any payment change, the Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my periodic payment. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. FUNDS FOR TAXES AND INSURANCE

Uniform Covenant 3 of the Security Instrument is waived by the Lender.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

Gregory A Beilfuss (Seal)
 Gregory A Beilfuss -Borrower

Linda S Beilfuss (Seal)
 Linda S Beilfuss -Borrower