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STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

2014 006664

2014 FEB -4 AM 9:49

MICHAEL B. BROWN  
RECORDER

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This Document Prepared By  
And When Recorded Mail To:  
Old Second National Bank  
Attn: Loan Servicing  
37 S River St.  
Aurora, IL 60506

**MODIFICATION AGREEMENT**

This Modification Agreement (this "*Agreement*") is made as of the 15<sup>th</sup> day of January, 2014 (the "*Execution Date*") by and between Old Second National Bank ("*Lender*"), successor in interest to Heritage Bank, and Terry Shell and Maureen Shell ("*Borrower*").

**RECITALS**

Whereas, on January 12, 2007, Borrower executed a Home Equity Line of Credit Agreement (the "*Plan*"), loan number 930961102, in favor of Lender with a credit limit of U.S. \$200,000.00 (the "*Credit Limit*") on the terms and conditions set forth in the Agreement;

Whereas, the Plan requires Minimum Payments for a term of 7 years and had an initial **Annual Percentage Rate** of 8.25 percent;

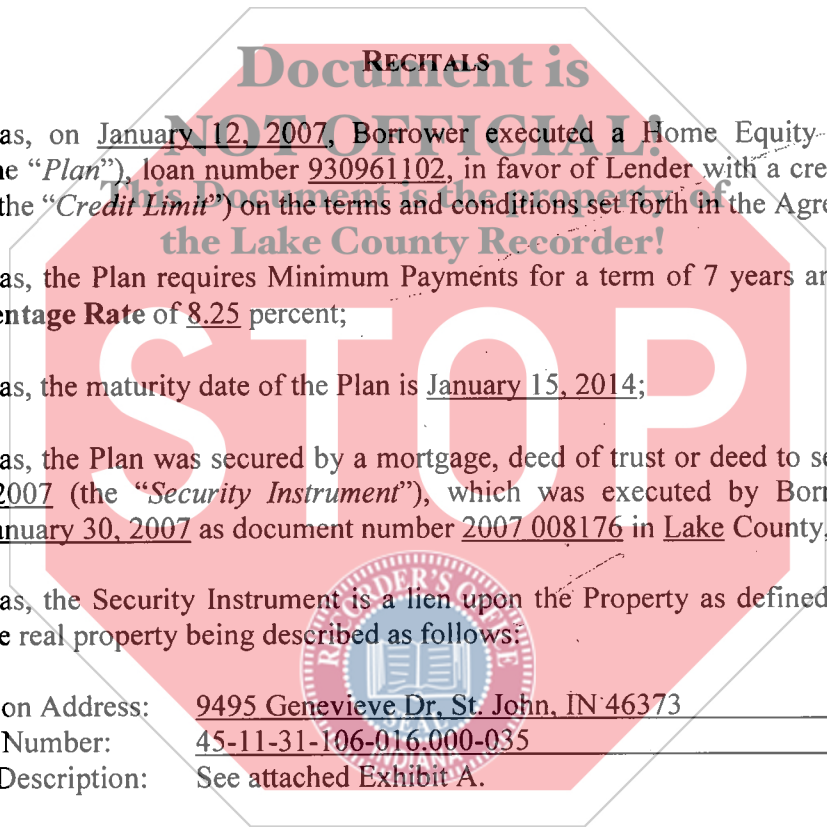
Whereas, the maturity date of the Plan is January 15, 2014;

Whereas, the Plan was secured by a mortgage, deed of trust or deed to secure debt dated January 12, 2007 (the "*Security Instrument*"), which was executed by Borrower, and was recorded on January 30, 2007 as document number 2007 008176 in Lake County, Indiana;

Whereas, the Security Instrument is a lien upon the Property as defined in the Security Instrument, the real property being described as follows:

Common Address: 9495 Genevieve Dr, St. John, IN 46373  
Parcel Number: 45-11-31-106-016.000-035  
Legal Description: See attached Exhibit A.

Whereas, Lender and Borrower have agreed to modify the Plan and Security Instrument under the terms and conditions set forth in this Agreement.



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Now, therefore, in consideration of modifications herein described, Lender's agreement not to demand payment in full of Borrower's Plan on its maturity date, the promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the parties hereto agree as follows:

#### AGREEMENTS

(In this Agreement, an "X" in any box means that the loan term following the X is applicable to Borrower's Plan and Security Instrument. "NA" in any box means that the loan term following the NA is not applicable to Borrower's Plan and Security Instrument.)

1. Lender is the owner and holder of Borrower's Plan and Security Instrument and at Borrower's request, has agreed to modify Borrower's Plan and Security Instrument pursuant to the terms of this Agreement.

2. As of January 15, 2014, the amount payable under the Plan by Borrower and due to Lender is U.S. \$ 200,000.00, consisting of the unpaid amount(s) advanced to Borrower under the Plan by Lender plus any interest and other amounts due and owing.

3. Borrower's Credit Limit  N/A is increased to U.S. \$ \_\_\_\_\_,  N/A is reduced to U.S. \$ \_\_\_\_\_, or  is unchanged.

4. Borrower's Margin  N/A is increased to \_\_\_\_\_%,  N/A is reduced to \_\_\_\_\_%, or  is unchanged.

5. The **Finance Charge** begins to accrue immediately upon Lender making an advance to Borrower. The **Finance Charge** is calculated as stated in the Plan. Borrower's initial periodic rate used to calculate the **Finance Charge** is 3.25% and the initial corresponding **Annual Percentage Rate** is 3.25%. The **Annual Percentage Rate** includes interest and not other costs. The initial periodic rate and the initial **Annual Percentage Rate** may change each month. The **Annual Percentage Rate** is based on the value of an index, which is The Wall Street Prime Rate published in the Wall Street Journal (the "*Index*"). To determine the **Annual Percentage Rate**, the value of the Index is added to Borrower's margin. The **Annual Percentage Rate** may increase if the Index increases. An increase shall take effect of the first day of the next billing cycle. An increase will result in an increase in the **Finance Charge** and it may have the effect of increasing Borrower's Minimum Payment. The **Annual Percentage Rate** will not increase more often than once a month. A decrease in the Index will have the opposite effect as an increase.

6. Borrower promises to pay all of Borrower's Minimum Payments and any and all sums due under Borrower's Plan and Security Instrument to the order of Lender as and when due and at such address as Lender may designate. Minimum Payments shall be due on the 15th of each month and shall equal the following: The amount of accrued **Finance Charges** on the last day of the Billing Cycle. The Billing Cycle ends on the 23<sup>rd</sup> of every month. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar

language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Plan and Borrower shall remain obligated to pay any further amount owed to Lender.

7. The term of this Agreement begins on the Execution Date hereof. The Draw Period shall also begin on the Execution Date of this Agreement and for the avoidance of doubt is the 120 month period during the term of this Agreement that Borrower may request advances. Borrower shall continue to make all required Minimum Payments.

8. The maturity date of Borrower's Plan is extended to October 30, 2014 (the "Extended Maturity Date"), until which time Borrower may borrow, repay, and reborrow the Credit Limit as set forth in Paragraph 3 hereof. All sums remaining due Lender from Borrower are due and payable on the Extended Maturity Date.

9. On the Extended Maturity Date, Borrower acknowledges and agrees that: (a) Borrower must pay the amount of any and all sums due under the Plan; (b) the Minimum Payment will not be sufficient to fully repay the principal that is outstanding under Borrower's Plan; (c) if they are not sufficient to fully repay the entire outstanding balance under Borrower's Plan, Borrower shall be required to pay the entire outstanding balance in a single balloon payment; and (d) at that time, Lender may, but is not obligated to, refinance Borrower's Plan.

10. Intentionally left blank.

11. If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior consent, Lender may require immediate payment in full of all sums secured by this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. This notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by the Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by the Security Instrument without further notice or demand on Borrower.

12. Except as specifically modified by this Agreement, the terms, conditions, provisions, and covenants of Borrower's Plan and Security Instrument shall remain unchanged and in full force and effect and are legally valid, binding and enforceable in accordance with their respective terms. It is the intention of the parties hereto that nothing in this Agreement shall be understood or construed to be a termination, extinguishment, discharge, satisfaction, novation, or release in whole or in part of the Plan, the Security Instrument, and the corresponding indebtedness. The parties hereto agree that this Agreement is a continuation of Borrower's Plan and Security Instrument as amended and modified hereby. The lien of Borrower's Security Instrument shall secure Borrower's Plan as hereby modified to the same extent as if said Plan as modified were set forth and described in full in the Security Instrument and the Security Instrument shall also be so amended hereby. This Agreement shall extend to and be binding upon the parties hereto, their heirs, personal representatives, successors and assigns. Borrower

hereby waives and releases all rights and benefits under and by virtue of the homestead exemption laws of this state with respect to the real estate described herein. If Borrowers consist of two or more persons, then their liability hereunder shall be joint and several.

13. From and after the date hereof, all references to the Plan shall mean the Plan dated January 12, 2007 as modified and amended by this Agreement and all references to the Security Instrument shall mean the Security Instrument dated January 12, 2007 as modified and amended by this Agreement.

14. Consent by Lender to the modifications and amendments set forth above does not waive Lender's right to require strict performance of the Plan and Security Instrument as modified and amended by this Agreement nor obligate Lender to make any future modifications or amendments to either the Plan or the Security Instrument.

15. Lender and Borrower agree that Borrower shall not be released from liability as an obligor under the Plan and as a mortgagor under the Security Instrument by virtue of the modifications and amendments in this Agreement. It is the express intent of the parties hereto that the transaction evidenced hereby is not intended to and shall not affect the lien priority of the Security Instrument.

16. Borrower ratifies and confirms the lien and security interests of the Security Instrument as modified and amended hereby upon the Property covered by said Security Instrument and that the payment of the indebtedness evidenced by the Plan as modified and amended hereby is secured by the Security Instrument.

17. By the execution hereof, Borrower acknowledges and agrees that Borrower is obligated to pay all amounts due and to perform all obligations required under the Plan and the Security Instrument as the same have been modified and amended by this Agreement, including but not limited to, Borrower's covenants and agreements set forth in the Plan and in the Security Instrument, and Borrower has no actions, defenses, demands and/or claims of set-off or deduction whatsoever, against (i) Lender, (ii) the indebtedness evidenced by the Plan as modified and amended by this Agreement, (iii) the Security Instrument as modified and amended hereby, or (iv) this Agreement.

18. Borrower should consult a tax advisor regarding the deductibility of interest and charges under the Plan.

19. Borrower agrees that Borrower shall provide Lender, on request, with information on Borrower's financial condition as Lender may request, so that Lender may conduct a review of Borrower's loan as Lender may consider necessary from time to time. Borrower also agrees that, to conduct such review, Lender may obtain credit reports and updated credit scores on Borrower and a new appraisal (or other valuation method) on the Property. Borrower further agrees that Lender may answer questions about its credit history with Borrower and obtain credit reports in connection with any collection of Borrower's loan.

20. In the event that Borrower's payments under the Plan become delinquent, Lender, its servicers, successors or assigns may, in addition to any other rights and remedies that it may have relating to such delinquency, report Borrower's name and account information to one or more consumer reporting agencies.

21. Any capitalized terms not otherwise defined herein shall have the meaning given those terms as set forth in the Plan or Security Instrument as applicable. The Recitals above are true and correct and are incorporated by reference into the body of this Agreement. When the terms and provisions in the Plan and Security Instrument in any way conflict with the terms and provisions of this Agreement, the terms and provisions of this Agreement shall prevail. The provisions of this Agreement shall be binding upon and inure to the benefit of the respective parties and their heirs, executors, administrators, agents, representatives, successors, and assigns. No changes in, additions to, or modifications of this Agreement shall be valid unless set forth in writing executed by all of the parties hereto. If any term of this Agreement is held by a court of competent jurisdiction to be invalid, illegal or contrary to public policy, such term or provision shall be modified to the extent necessary to be valid and enforceable and shall be enforced as modified; provided, however, that if no modification is possible, such provision shall be deemed stricken from this Agreement. In any case, the remaining provisions of this Agreement shall not be affected thereby.


LENDER AND BORROWER ACKNOWLEDGE AND AGREE THAT IN ADDITION TO BEING A MODIFICATION AGREEMENT, THIS AGREEMENT SERVES AS A CHANGE IN TERMS NOTICE UNDER APPLICABLE REGULATIONS AND THAT A SEPARATE CHANGE IN TERMS NOTICE WILL NOT BE DELIVERED TO BORROWER.

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Executed as of the Execution Date first written above.

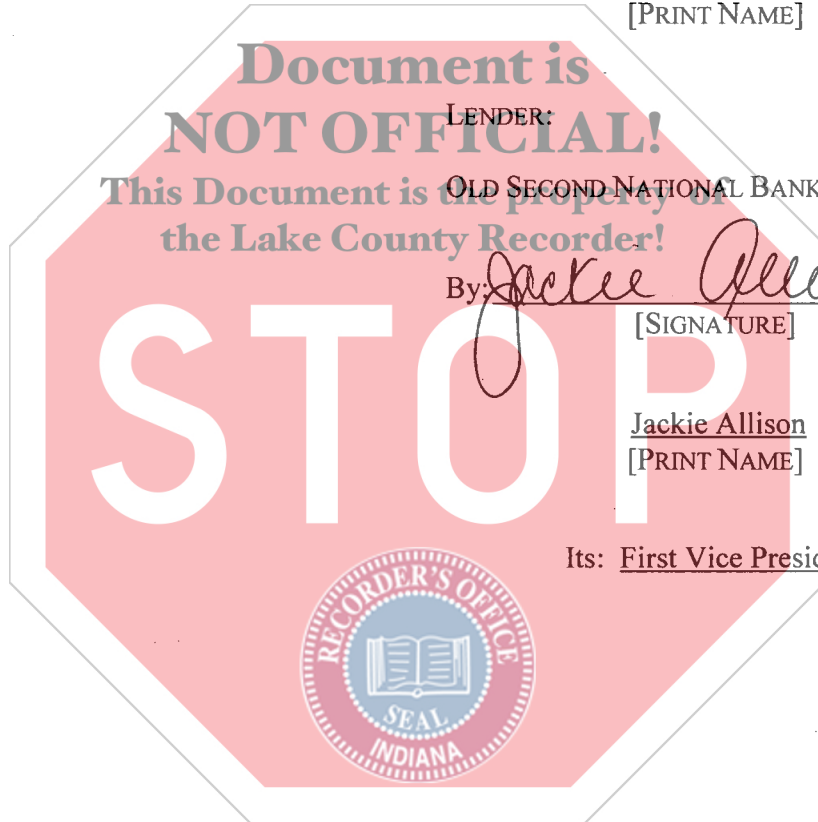
BORROWER:

  
[SIGNATURE]

Terry Shell  
[PRINT NAME]

  
[SIGNATURE]

Maureen Shell  
[PRINT NAME]



By:   
[SIGNATURE]

Jackie Allison  
[PRINT NAME]

Its: First Vice President

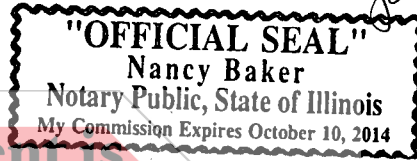
BORROWER ACKNOWLEDGEMENT

STATE OF IL )  
 )SS  
COUNTY OF COOK )

On this 27 day of January, 2014 before me, the undersigned Notary Public, personally appeared Terry and Maureen Shell and known to me to be the Borrower in the foregoing instrument, who executed the within and foregoing instrument and acknowledged said instrument to be his/her/their free and voluntary act and deed for the uses and purposes therein mentioned and on oath stated that he/she/they is/are authorized to execute this said instrument.

By Nancy Baker  
Notary Public in and for the State of Illinois  
My commission expires 10/10/14

Residing at 195 W Joe Orr Rd  
Chicago Heights, IL 60411



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LENDER ACKNOWLEDGEMENT

STATE OF IL ) **This Document is the property of**  
 )SS **the Lake County Recorder!**  
COUNTY OF Kendall )

On this 28 day of January, 2014 before me, the undersigned Notary Public, personally appeared Jacque Allison and known to me to be the 1<sup>st</sup> Vice President of Old Second National Bank (the Lender in the foregoing instrument), that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of Old Second National Bank, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument.

By Cynthia J. Edwards  
Notary Public in and for the State of IL  
My commission expires 9.28.15

Residing at 37 S River St, Aurora IL 60506

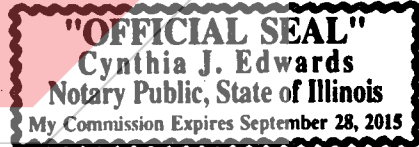


Exhibit A  
Legal Description

LOT 134 IN BRAMBLEWOOD, UNIT 2, AND ADDITION TO THE TOWN OF ST. JOHN  
AS PER PLAT THEREOF RECORDED IN PLAT BOOK 93 PAGE 68, IN THE OFFICE OF  
THE RECORDER OF LAKE COUNTY INDIANA.

