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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

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**MODIFICATION AND EXTENSION
OF MORTGAGE**

W. CARTER
RECORDER

BORROWER K & D Marathon, Inc.		MORTGAGOR David R. Spurlock Marcia A. Spurlock	
ADDRESS 220 - 165th Street Hammond, IN 46323		ADDRESS 1145 Bluebird Drive Munster, IN 46321	
TELEPHONE NO.	IDENTIFICATION NO.	TELEPHONE NO.	IDENTIFICATION NO.
ADDRESS OF REAL PROPERTY: 1145 Bluebird Drive Munster, IN 46321			

THIS MODIFICATION AND EXTENSION OF MORTGAGE, dated the 7TH day of OCTOBER, 1997, is executed by and between Mortgagor and MERCANTILE NATIONAL BANK OF INDIANA 5243 Hohman Avenue, Hammond, IN 46320 ("Lender").

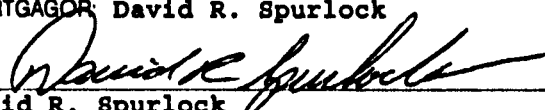
A. On OCTOBER 7, 1996, Lender made a loan ("Loan") to Borrower evidenced by Borrower's promissory note ("Note") payable to Lender in the original principal amount of ONE HUNDRED TWENTY THOUSAND AND NO/100 (\$ 120,000.00), which Note was secured by a mortgage ("Mortgage") executed by Mortgagor for the benefit of Lender encumbering the real property described on Schedule A below and recorded on OCTOBER 15, 1996 at book page in the records of the County Recorder of Lake County, Indiana. The Note and Mortgage and any other related documents are hereafter cumulatively referred to as the "Loan Documents."

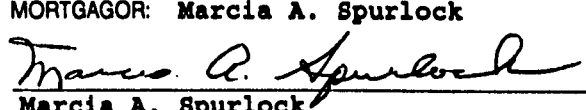
B. The parties have agreed to modify and extend the maturity date of the Note, and it is necessary to provide for a similar modification and extension of the Mortgage. The parties agree as follows:

1. The maturity date of the Note is extended to OCTOBER 7, 2000, at which time all outstanding sums due to Lender under the Note shall be paid in full.
2. The parties acknowledge and agree that, as of OCTOBER 7, 1997, the unpaid principal balance due under the Note was \$ 101,400.00, and the accrued and unpaid interest on that date was \$ 0.00.

MORTGAGOR ACKNOWLEDGES THAT MORTGAGOR HAS READ, UNDERSTANDS, AND AGREES TO THE TERMS AND CONDITIONS OF THIS AGREEMENT, INCLUDING THOSE ON THE REVERSE HEREOF.

Dated: OCTOBER 7, 1997

MORTGAGOR: David R. Spurlock

David R. Spurlock

MORTGAGOR: Marcia A. Spurlock

Marcia A. Spurlock

MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

14.00
279633

3. The Mortgage is further modified as follows:

7-1-03

4. Mortgagor represents and warrants that Mortgagor owns the property free and clear of any liens or encumbrances other than the liens described on Schedule B below.

5. Except as expressly modified herein, all terms and conditions of the Loan Documents shall remain in full force and effect. The parties hereby adopt, ratify and confirm these terms and conditions as modified.

6. Mortgagor agrees to execute any additional documents which may be required by Lender to carry out the intention of this Agreement. As of the date of this Agreement, there are no claims, defenses, setoffs or counterclaims of any nature which may be asserted against Lender by any of the undersigned.

SCHEDULE A

Lot 36, Fairmeadow Twenty-Second Addition, Block 1, to the Town of Munster,
as shown in Plat Book 43, Page 108, in Lake County, Indiana.
Instrument #96068143

SCHEDULE B

STATE OF INDIANA)
COUNTY OF LAKE) ss:

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____
David R. Spurlock and Macia A. Spurlock _____, who executed the foregoing
instrument _____ in my presence and stated that the representations contained therein are true.

Witness my hand and Notarial Seal this 7th day of October, 1997

Michelle M. Luna
Notary Public Residing In Lake _____ County
Michelle M. Luna
Printed Signature

My Commission Expires: 07-31-01 _____

STATE OF INDIANA)
COUNTY OF _____) ss:

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____
_____, the _____ of
_____, a(n) _____
_____, who executed the foregoing _____ for and on
behalf of said _____ in my presence and stated that the representations
contained therein are true.

Witness my hand and Notarial Seal this _____ day of _____, _____.

Notary Public Residing In _____ County

Printed Signature

My Commission Expires: _____

THIS DOCUMENT WAS PREPARED BY:
Derri L. Gibson

AFTER RECORDING RETURN TO LENDER.