SUBORDINATION AGREEMENT

FOR VALUE RECEIVED, the undersigned MERCANTILE NATIONAL BANK OF INDIANA being the holder of a certain note dated the 16th day of October, 1997, which note is secured by a certain real estate mortgage or statement of lien granted to the MERCANTILE NATIONAL BANK OF INDIANA by Michael C. and Nancy L. Schultz, dated the 16th day of October, 1997 accorded on the 10th day of November, 1997 as Document No. 97076722 in the Office of the Recorder of Lake County. Indiana, does consent and agree hereby that the lien of said mortgage or statemen of lien shall be subordinate to the lien of a mortgage to be taken by Mercantile National Bank of Indiana to the extent of Seventy-three thousand five hundred dollars (\$73,500.00).

The MERCANTILE NATIONAL BANK OF INDIANA lien is not to be subordinated to any amounts secured by said mortgage in excess of Seventy-three thousand five hundred dollars and no/100**(\$73,500.00)

Subject mortgage secured the following described real estate:

LOT 39 IN HOMESTEAD HEIGHTS 3RD ADDITION TO THE TOWN OF ST. JOHN AS PLAT THEREOF, RECORDED IN PLAT BOOK 80, PAGE 94, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA

More commonly known as: 101/37 Fehlberg Court, St. John, IN 46373

This Document is the property of

This instrument is not to be held or construed to be a release of the above-mentioned lien held by the MERCANTILE NATIONAL BANK OF INDIANA upon any part of the above-described real estate but is solely executed for the purpose of subordinating its lien to the extent provided.

IN WITNESS WHEREOF, the undersigned, MERCANTILE NATIONAL BANK OF INDIANA, has caused this subordination agreement to be executed by its duly authorized officers this 13th day of **April, 1**99<mark>8</mark>

MERCANTILE NATIONAL BANK OF INDIANA

Sandra K Lawler, Asst. Vice President

STATE OF INDIANA

COUNTY OF LAKE ()

Before me, a Notary Public in and for said County and State, personally appeared Sandra K Lawler, Asst. Vice President and Grace Rodriguez, Assistant Cashier of the MERCANTILE NATIONAL BANK OF INDIANA, and acknowledged the execution of the foregoing instrument for and on behalf of the MERCANTILE NATIONAL BANK OF INDIANA.

WITNESS my hand and notarial seal this 13th day of April, 1998.

My Commission Expires: 10/9/98

County of Residence: Lake

Dawn K. Pierce revare Dy.

MNB 330