

SUBORDINATION AGREEMENT

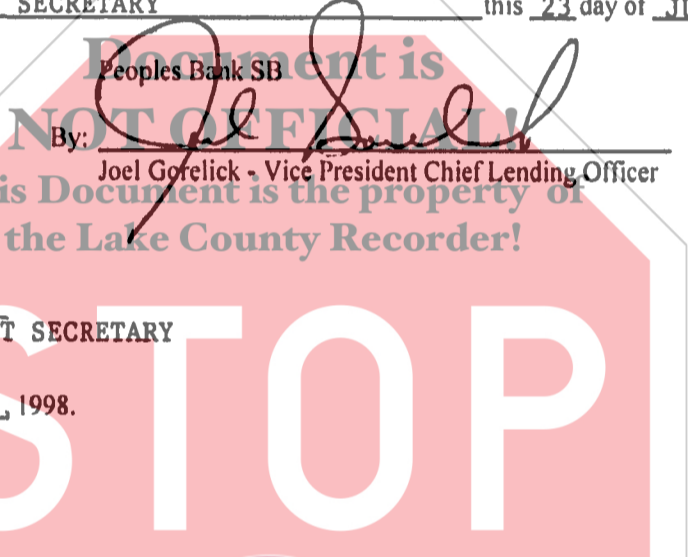
WHEREAS, James M. Schaum and Barbara A. Schaum, Husband and Wife is (are) the owner(s) of the following described real estate, to wit:
LOT ONE HUNDRED NINETEEN (119), SOMERSET PHASE II, A SUBDIVISION IN THE TOWN ON MUNSTER, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 69, PAGE 34, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

Commonly known as: 10206 Saint James Court, Munster, Indiana 46321

And whereas, on September 6, 1995 James M. Schaum and Barbara A. Schaum, Husband and Wife as owner(s) executed a mortgage on the aforesaid real estate to Peoples Bank SB in the amount of (\$25,000.00) as Mortgagee(s), which mortgage was recorded September 11, 1995 as Document No. 95053047. Whereas said owners executed a mortgage \$116,600.00 to Peoples Bank SB as mortgagee, which mortgage was dated June 18, 1998 and Recorded June 23, 1998 as Document No. 98047127.

Now, therefore in consideration of One Dollar (\$1.00) and other valuable considerations, the receipt whereof is hereby acknowledged, the aforesaid Peoples Bank SB, does hereby subordinate the aforesaid mortgage (\$25,000.00) lien dated September 6, 1995 and recorded on September 11, 1995 as Document 95053047 to and agrees that it shall be junior and inferior to the mortgage lien of Peoples Bank SB in the amount of (\$116,600.00) dated June 18, 1998 and Recorded June 23, 1998 as Document No. 98047127.

IN WITNESS THEREOF, the said Peoples Bank SB has caused this instrument to be signed by JOEL GORELICK its V.P. CHIEF LENDING OFF, and its corporate seal to be hereunto affixed and attested by PATRICIA J. MRVAN it's ASSISTANT SECRETARY this 23 day of JUNE, 1998.



ATTEST:
By: Patricia J. Mrvan
PATRICIA J. MRVAN, ASSISTANT SECRETARY

Peoples Bank SB
By: Joel Gorelick
Joel Gorelick - Vice President Chief Lending Officer

98048956

Witness my hand this 23 day of JUNE, 1998.

STATE OF INDIANA)
COUNTY OF LAKE)

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared JOEL GORELICK & PATRICIA J. MRVAN and acknowledged the execution of the foregoing Subordination Agreement as a free voluntary act and deed for the uses and purposes therein set forth.

Resident of LAKE County

My Commission Expires 12/1/2000

MARGARET TRAVIS
NOTARY PRINTED NAME
Margaret Travis
NOTARY SIGNATURE

This Instrument was prepared by: Frank J. Bochnowski, Attorney at Law
9204 Columbia Avenue
Munster, Indiana 46321

98 JUN 30 AM 10:11
LAKE COUNTY RECORDER

HOLD FOR FIRST AMERICAN TITLE

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