

SUBORDINATION AGREEMENT

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

Whereas 99080064 Robert B. Gardiner and Leslie S. Gardiner, husband and wife (hereinafter called the "debtor"), 99080064 desiring to borrow money and otherwise acquiring the extension of credit from _____

HFS BANK, FSB PO BOX 487 located in _____
HOBART, INDIANA 46342 (hereinafter called the "Lender". And whereas, the lender, as a condition to it loaning money to the debtor, has demanded that the undersigned as a creditor of the debtors, subordinate his or their debt or claim to the debt or claim of the Lender.

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NOW THEREFORE, as an inducement to said lender to loan money and/or extend credit to said debtor, and in consideration of a mortgage loan to be made to said Debtor by said Lender, the undersigned agrees that a certain mortgage of the Debtor to the undersigned creditor, which shall be evidenced by a Real Estate Mortgage dated April 10, 1998, in the amount of \$25,500.00 and as identified as document #98031716 as recorded in Lake County, Indiana; shall be and is hereby subordinated to the mortgage debt of said lender. Mortgage of said lender shall be evidenced by a mortgage document dated September 22, 19 99, in the amount of \$100,000.00 on property located at 498 S. Court Street, Crown Point, Indiana, and legally described as :

A part of the NE 1/4 of the SW 1/4 of Section 8, Township 34 North, Range 8 West of the 2nd P.M. commencing at a point 4 chains West of the Southwest corner thereof, running thence North 92.5 feet, being the Southeast corner of land heretofore deeded to Charles J. Daugherty, by Deed recorded in Deed Record 142, page 455, thence West along the South line of said Daugherty tract to the center of Court Street; thence Southwesterly along the center of Court Street to point directly West of the place of beginning; thence East to the place of beginning, excepting a strip of land 12 feet wide off from the East end thereof in the City of Crown Point.

Moreover, the undersigned agrees that this agreement and subordination provided for herein shall be equally effective in case of the death, incompetency, dissolution, liquidation or insolvency of, or the institution of bankruptcy or receivership proceeding against the Debtor, or the administration or the property or affairs of said Debtor arising from or in the connection with bankruptcy, receivership, liquidation, assignment or other like proceedings, and in any case, said Lender shall be subrogated to, and entitled to file claims for, the and other liabilities of said Debtor to the undersigned, and shall be entitled to all dividends or other payments made therein, to be taken and applied by said Lender as payment in gross upon its said debts and liabilities until the same shall have been paid in full, provided, however, that upon the full payment of the debts and liabilities of said Lender, the undersigned shall be

HFS Bank
555 East Third St.
P.O. Box 487 Hobart In. 46342-0487
12.00
E.P.
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subrogated (to the extent such dividends and other payments are applied on the debts and liabilities of said Lender) to the debts and liabilities of said Lender and entitled to all dividends and other payments thereafter made thereon.

Dated and executed at Hammond, Indiana, this
17th day of September, 1999

BANK CALUMET, NATL. ASSN. By:

Lawrence H. Stengel
LAWRENCE H. STENGEL, SENIOR VICE PRESIDENT

Acknowledged by:

Robert B. Gardiner
(Borrower) Robert B. Gardiner

Leslie S. Gardiner
(Borrower) Leslie S. Gardiner

STOP

State of Indiana)
) SS:
County of Lake)

Before me, a Notary Public in and for said County and State personally appeared Lawrence H. Stengel of Bank Calumet, Natl. Assn., who acknowledged the execution of said subordination agreement.

Witness my hand and notarial seal this 17 day of Sept, 1999. Commission Expires: February 12, 2008
My commission expires February 12, 2008
Resident of _____, County

Signature *Patricia J. Amick* (seal)

Printed Name _____