

Account Number 302207907

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

Archer Land Title

5265 Commerce Drive Suite I 2006 075814

2006 AUG 29 PM 2:18

Crown Point, IN 46307

219-736-0798 Fax 219-736-2267

MICHAEL A. BROWN
RECORDER

THE SUBORDINATION IS NOT VALID FOR RECORDING AFTER NINETY (90) DAYS FROM THE DATE FIRST APPEARING BELOW. ANY CHANGES TO THIS DOCUMENT WITHOUT PRIOR WRITTEN SUBORDINATING LENDER APPROVAL WILL RENDER THIS SUBORDINATION NULL AND VOID.

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Subordination Agreement

THIS SUBORDINATION AGREEMENT ("Agreement") is made this 6 June, 2006, by MORTGAGE ELECTRONIC REGISTRATION SYSTEM, INC. AND ITS SUCCESSORS AND ASSIGNS ("Subordinating Lender").

WHEREAS, Michael Reid ("Borrower"), whether one or more, executed a note in the original principal sum of \$ 55,000.00 dated 09/18/2003, secured by a deed of trust or mortgage of even date therewith in favor of NEW STATE MORTGAGE LLC covering property located at 5103 West 78th Court, Schererville, IN 46375, ("Property") recorded on 11/15/2004, as Instrument # 2004 096918, in Official Records of said County; and

WHEREAS, the note and deed of trust or mortgage have been assigned to Subordinating Lender; and

WHEREAS, Borrower has executed, or is about to execute, a deed of trust or mortgage and note not to exceed the sum of \$ 123,627.00 ("New Loan") in favor of _____ ("New Lender"); and

WHEREAS, New Lender is willing to make the New Loan provided the deed of trust or mortgage securing same is a lien or charge upon the Property prior and superior to the lien or charge of the deed of trust held by Subordinating Lender, and provided that Subordinating Lender will specifically and unconditionally subordinate its lien to the lien or charge of the deed of trust or mortgage in favor of New Lender; and

WHEREAS, it is to the mutual benefit of the Borrower, New Lender and Subordinating Lender that New Lender make such New Loan to Borrower; and Subordinating Lender is willing that the deed of trust or mortgage securing same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge held by Subordinating Lender.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to induce New Lender to make the New Loan, it is hereby declared, understood and agreed as follows:

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18261

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Borrower Name Michael Reid
Subordination Agreement
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1. The deed of trust or mortgage securing the New Loan in favor of New Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the Property, prior and superior to Subordinating Lender's lien or charge.
2. New Lender would not make its New Loan without this Agreement.
3. This Agreement shall be the whole and only agreement with regard to the subordination of the Subordinating Lender's lien or charge to the New Lender's lien or charge.

**MORTGAGE ELECTRONIC REGISTRATION SYSTEM, INC. AND ITS SUCCESSORS
AND ASSIGNS, by and through its attorney in fact, Residential Funding Corporation**

By: Reggie Shepherd
Reggie Shepherd
Vice President

ACKNOWLEDGMENT BY SUBORDINATING LENDER

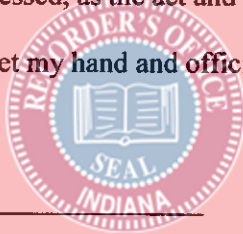
State of Texas

County of Dallas

On this, the 6 June, 2006, before me, a Notary Public, personally appeared Reggie Shepherd, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in her authorized capacity as Vice President of Residential Funding Corporation, for the purposes and consideration therein expressed, as the act and deed of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Lauren Bequette
Notary Public



(Notary Seal)

"I AFFIRM, UNDER THE PENALTIES FOR PERJURY,
THAT I HAVE TAKEN REASONABLE CARE TO REDACT
EACH SOCIAL SECURITY NUMBER IN THIS
DOCUMENT, UNLESS REQUIRED BY LAW."

NAME: Crystal Mason

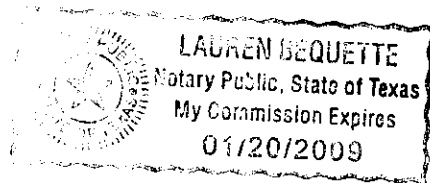


EXHIBIT A

LEGAL DESCRIPTION

Parcel 20-13-0244-0009

A certain tract or parcel of land in Lake County, in the State of Indiana, described as follows:

LOT 9, C. GORLEY'S ROLLING HILL ESTATES, UNIT #2, AS SHOWN IN PLAT BOOK 35, PAGE 53, IN LAKE COUNTY, INDIANA.

