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**SUBORDINATION AGREEMENT  
(MORTGAGE)**

This Subordination Agreement ("Agreement") is entered into by PNC Bank, National Association, as successor by merger to National City Bank, for itself and/or its successors and assigns ("Subordinating Mortgagee"), and PNC Mortgage, a division of PNC Bank, National Association ("New Lender") on 02/26/2010.

**RECITALS**

WHEREAS, ERICA MCDONALD and THOMAS A MCDONALD ("Borrower") executed a certain mortgage dated 07/02/2007, in favor of PNC Bank, National Association, as successor by merger to National City Bank or its predecessor-in-interest identified above, which mortgage was duly recorded on 07/30/2007, Record No. on Page \_\_\_\_\_, as Instrument No. 2007061517, in the Lake County Recorder's Office, State of IN ("Existing Mortgage"), with respect to the property ("Property"), described in Exhibit A (attached hereto and incorporated herein), the address and permanent parcel number for which are:

1540 State St, Hobart, IN 46342  
27-18-0422-0006

WHEREAS, the New Lender desires to make a loan in the amount of \$177,700.00 (the "New Loan") to be secured by a mortgage on the Property (the "New Mortgage"), which New Mortgage is dated 3/10/2010.

WHEREAS, in order to make the New Loan, New Lender has requested subordination of the lien of the Existing Mortgage to the lien of the New Mortgage, and Subordinating Mortgagee is hereby willing to subordinate the lien of the Existing Mortgage to the lien of the New Mortgage, to the extent of the New Loan, on the terms and conditions set forth below.

NOW THEREFORE, in consideration of these premises, Subordinating Mortgagee and New Lender agree as follows:

1. The lien of the Existing Mortgage is hereby subordinated and postponed in priority to the lien of the New Mortgage, in the same manner and with like effect as though the New Mortgage had been executed, delivered and recorded prior to the execution, delivery and recordation of the Existing Mortgage. Notwithstanding the foregoing, the subordination, as described herein, does not extend to (i) any future advance clause contained in the New Mortgage; (ii) any future advance of funds to Borrower by New Lender except for advances under the New Mortgage for foreclosure costs and advances for taxes and insurance premiums; or (iii) any debt or obligation of Borrower to New Lender other than the New Loan.

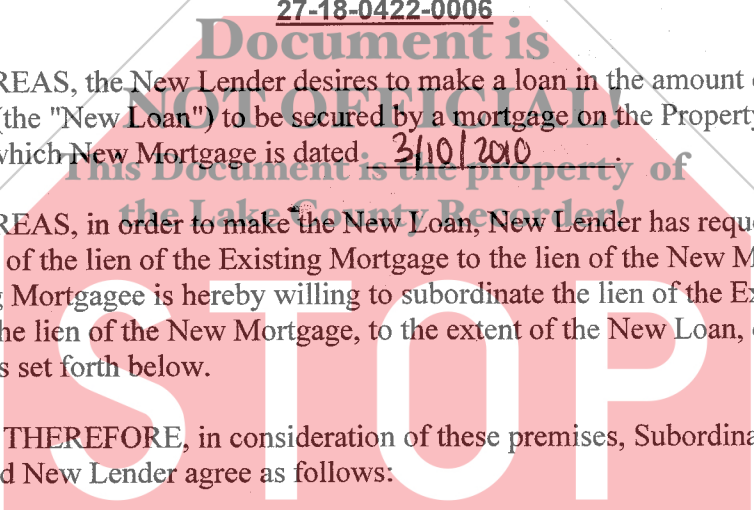
2. The subordination, as described herein, is expressly subject to the valid creation, grant, attachment and perfection of the lien of the New Mortgage, and nothing contained herein shall be construed to alter or release indebtedness due and owing to the

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MICHELLE J. PAMMAN  
RECORDER

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD



*Handwritten notes:*  
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CRA  
91571  
CA  
E

Subordinating Mortgagee under any obligations secured by the Existing Mortgage, and Subordinating Mortgagee specifically reserves and retains all right, title and interest that it holds pursuant to the Existing Mortgage, including, without limitation, any right to declare a default, accelerate, and exercise any remedies (including the right to foreclosure); and

3. The terms of the New Loan shall not be modified without the prior written consent of Subordinating Mortgagee. Any modification of the New Loan without the prior written consent of Subordinating Mortgagee shall render this Agreement null and void and of no further force and effect.

**PNC Bank, National Association, as successor by merger to National City Bank**

By: *Kelly Clemenich*  
Name: **Kelly Clemenich**  
Title: **Officer**

Signed and Acknowledged in the Presence of:  
*Demetra Hall*  
**Demetra Hall**, Witness

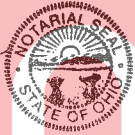
*Don Clevenger*  
**Don Clevenger**, Witness

STATE OF OHIO

County of Cuyahoga

Before me, the undersigned, a Notary Public in and for said County and State, this 20<sup>th</sup> Day of Feb 2010 personally appeared **Kelly Clemenich** as **Officer** of **PNC Bank, National Association, as successor by merger to National City Bank** and acknowledged the execution of the foregoing Agreement.

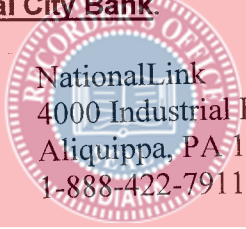
*Carol M. Matejka*  
Notary Public: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
County Of Residence: \_\_\_\_\_



CAROL M. MATEJKA, Notary Public  
State of Ohio, Cuyahoga County  
My Commission Expires Mar. 28, 2010

This instrument prepared by **Demetra Hall, PNC Bank, National Association, as successor by merger to National City Bank**

Please return to:



NationalLink  
4000 Industrial Blvd  
Aliquippa, PA 15001  
1-888-422-7911

B

Approval Mtg 091112



## **Exhibit "A"**

### **Legal Description**

All that certain parcel of land situated in the City of Hobart, County of Lake, State of Indiana, being known and designated as follows:

Lot 11, in Ittels State Street Addition, Unit No. 2, as per plat thereof, recorded in Plat Book 90 page 25, in the Office of the Recorder of Lake County, Indiana.

Being more fully described in Deed Document #03-98038, Dated 09/12/2003, Recorded 09/18/2003, in Lake County Records.

Tax ID: 45-13-05-326-012-000-018



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