

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

(X) Check this box if no longer subject to Section 16.
 Form 4 or Form 5 obligations may continue. See Instructions 1(b).

1. Name and Address of Reporting Person
 MOLL, JON H.
 2610 WEST BERWYN ROAD
 MUNCIE, IN 47304
2. Issuer Name and Ticker or Trading Symbol
 FIRST MERCHANTS CORPORATION
 FRME
3. IRS or Social Security Number of Reporting Person (Voluntary)
 ###-##-####
4. Statement for Month/Year
 July 1997
5. If Amendment, Date of Original (Month/Year)
6. Relationship of Reporting Person(s) to Issuer (Check all applicable)
 Director 10% Owner Officer (give title below) Other (specify below)
 First Merchants Bank, N.A.
7. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I -- Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security	2. Transaction Date	3. Transaction Code	4. Securities Acquired (A) or Disposed of (D)		5. Amount of Securities Beneficially Owned at End of Month	6. Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership
			Amount	A/D Price			
Common Stock					1,393.3956 (1)	D	
Common Stock					1,350	I	IRA Self-Directed
Common Stock					1,709.9506 (2)	I	Spouse

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Derivative Security	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date	4. Transaction Code	5. Number of Derivative Securities Acquired (A) or Disposed of (D)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities	8. Price of Derivative Security	9. Number of Derivative Securities Beneficially Owned at End of Month	10. Direct (D) or Indirect (I)	11. Nature of Indirect Beneficial Ownership
				Amount	A/D	Exercisable Date	Expiration Date					
Non-Employee Director Stock Option (Right to Buy)	31.25	07-01-97	A	V	600	A	01-01-98 06-30-07	Common 600		1,800	D	

Explanation of Responses:
 (1) Includes 11.2792 shares acquired in March 1997 and 10.9861 shares acquired in June 1997 under the First Merchants Corporation dividend reinvestment plan.

(2) Included 13.8416 shares acquired in March 1997 and 13.4818 shares acquired in June 1997 under the First Merchants Corporation dividend reinvestment plan.

(3) Effective midnight, December 31, 1996, reporting person resigned as a director of the Corporation.

SIGNATURE OF REPORTING PERSON
 Jon H. Moll (Confirming Statement on File)
 DATE
 July 31, 1997