SUBORDINATION BY LIEN HOLDER TO MORTGAGE LIEN

STATE OF IOWA §
§
COUNTY OF DELAWARE §

WHEREAS, RODNEY B. HERMAN AND WIFE, CAROL A. HERMAN, hereinafter called "Borrower", whether one or more, for the purpose of securing a loan from LOMAS MORTGAGE USA, INC., hereinafter called "Lender", and for the purpose of refinancing the existing superior lien(s) against the hereinafter described property, have executed, or will execute, that one certain Promissory Note in the original sum of $36,027.00, bearing interest as therein specified, and payable to the order of Lender as therein provided, said Note providing for acceleration of maturity in the event of default and for attorneys' fees, and for the purpose of securing said Note have, or will, execute a Mortgage to Jess Hay, Trustee, renewing and extending the existing superior liens described on Exhibit "A" attached hereto and creating a first and superior lien upon the real property described as follows:

LOT SEVENTEEN (17), MANCHESTER, IOWA, ACCORDING TO PLAT RECORDED IN BOOK I L.D., PAGE 284.

34-228

WHEREAS, THORPE CREDIT, INC., AN IOWA CORPORATION, hereinafter called "Subordinate Lien Holder", is the present owner and holder of that certain indebtedness(es) described on Exhibit "B" attached hereto and secured by lien(s) further described on said Exhibit "B", said lien(s) covering the aforedescribed real property; and

WHEREAS, Lender will not close said loan and advance the funds thereon and accept said Note and Mortgage unless and until Subordinate Lien Holder expressly subordinates said indebtedness(es) and the lien(s) securing same, and all of Subordinate Lien Holder's rights thereunder, to said Mortgage to Lender;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That Subordinate Lien Holder for a valuable consideration paid, and in order to induce Lender to close said loan and advance to Borrower the funds evidenced by said Note and accept said Note and Mortgage, expressly agrees that said indebtedness described on Exhibit "A" and all liens securing same, shall be and remain and are hereby made SUBORDINATE AND INFERIOR TO said Note and Mortgage to Lender, regardless of the frequency or manner of renewal, extension, change, or alteration of the Note secured by the superior Mortgage.

The undersigned Subordinate Lien Holder expressly represents to Lender that Subordinate Lien Holder is the owner and holder of said indebtedness described on Exhibit "B" and is entitled to execute this Subordination Agreement.

EXECUTED on January 25, 1994.

Thorp Credit, Inc. d/b/a ITT Financial Services

Thomas J. Henderson

By: Thomas J. Henderson
Assistant Vice President

sublienh.blk

FILE No. 7-2382
RECORDING FEE $ 21.00
TRANSFER FEE $

FILED FOR RECORD THE 4 DAY OF February, 19 94 AT 3:38 O'CLOCK P M. BOOK 4 PAGE 157

STATE OF IOWA, DELAWARE COUNTY
Deborah L. Peyton, Recorder
Misc.

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF §
§
COUNTY OF _____§

This instrument was acknowledged before me this _____ day of _____, 19_____, by _____.

My commission expires:

_____

_____
Notary Public in and for
the State of _____

CORPORATE ACKNOWLEDGEMENT

STATE OF GEORGIA §
§
COUNTY OF GWINNETT §

This instrument was acknowledged before me this 25th day of January, 19 94, by Thomas J. Henderson, as Asst. Vice President of ITT Financial Services, a corporation, on behalf of said corporation.

My commission expires:
Notary Public, Hall County, Georgia
My Commission Expires Nov. 7, 1994

Notary Public in and for
the State of Georgia

JENNIFER L. RODRIGUEZ NOTARY PUBLIC COUNTY, GA.

PREPARED BY AND RETURN TO:
LOMAS MORTGAGE
1820 REGAL ROW, 2ND FLOOR
DALLAS TX 75235

EXHIBIT "A"

MORTGAGE GIVEN BY RODNEY B. HERMAN AND WIFE, CAROL A. HERMAN TO BANCO MORTGAGE COMPANY, DATED MAY 7, 1981, FILED MAY 8, 1981 IN BOOK 15, T.L.M. AT PAGE 264, THEN ASSIGNED TO PITTSBURGH NATIONAL BANK, DATED JUNE 30, 1982, FILED JULY 12, 1982 IN BOOK 16, T.L.M. AT PAGE 252, THEN ASSIGNED TO CITY FEDERAL SAVINGS BANK, DATED AUGUST 18, 1986, FILED JANUARY 5, 1987 IN RECORD BOOK 21, T.L.M. AT PAGE 152, THEN ASSIGNED TO THE KISSELL COMPANY DATED MARCH 1, 1992, FILED APRIL 30, 1992 IN RECORD BOOK 29, T.L.M., AT PAGE 283, THEN ASSIGNED TO LOMAS MORTGAGE PARTNERSHIP, L.P. DATED MARCH 1, 1993, FILED APRIL 13, 1993 IN RECORD BOOK 32, T.L.M. AT PAGE 144.

EXHIBIT "B"

MORTGAGE GIVEN BY RODNEY B. HERMAN AND CAROL A. HERMAN, HUSBAND AND WIFE TO THORPE CREDIT, INC., AN IOWA CORPORATION DATED JULY 3, 1991, FILED SEPTEMBER 17, 1991 IN RECORD BOOK 28, T.L.M. AT PAGE 68.