211-2885
DELAWARE COUNTY IOWA
FILED ✓
'96 APR 16 AM 10:33
BOOK 40 PAGE 158
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
$21.00

Merten L. Miller
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To
Community Savingss
Bank

Community Savings
Bank ✓

Prepared By: Daniel H. Swift, 108 N. Madison, Manchester, Iowa 52057 (319) 927-4901

**SUBORDINATION AGREEMENT**

Agreement made this 9th day of April, 1996, between Merten L. Miller and Jayne E. Miller, City of Edgewood, County of Delaware, State of Iowa, herein referred to as Mortgagees, and Community Savings Bank, of 201 East Main Street, City of Manchester, County of Delaware, State of Iowa, herein referred to as Lender.

The parties recite and declare that:

A. Mortgagees are the owner and holder of a certain Promissory Note dated December, 1995, in the principal sum of Twenty Six Thousand Five Hundred and no/100 ($26,500.00)Dollars and interest, secured by a certain Mortgage for such sum and interest, made by Hawkeye Affordable Homes, Inc., an Iowa Corporation, herein after referred to as Mortgagor, to Mortgagees, dated December 13, 1995, and recorded January 23, 1996, in the office of the County Recorder of the County of Delaware, State of Iowa, in Book 39, Page 270, and covering the following described premises located in Delaware County, Iowa, to-wit:

> Lots Four (4), Five (5) and Six (6) of South Town Manor, a Subdivision of Part of Lot Two (2), Lot Three (3) and Lot Four (4), all in the Subdivision of Lot Five (5) of the Subdivision of the Northwest Quarter (NW¼) of the Northeast Quarter (NE¼) of Section Two (2), Township Ninety (90) North, Range Five (5), West of the Fifth P.M., City of Edgewood, Delaware County, Iowa.

B. Lender is about to loan the sum of Two Hundred Twenty Three Thousand and 00/100 ($223,000.00) Dollars on the Note of Hawkeye Affordable Homes, Inc., an Iowa Corporation, to be secured by a Mortgage on and covering the above-described premises.

C. To induce Lender to make such loan, it is necessary that the Mortgage held by Mortgagees by subordinated to the lien of the Mortgage about to be made to Lender as set forth above.

For the reasons set forth above, and in consideration of the mutual covenants and promises of the parties hereto, Mortgagee and Lender covenant and agree as follows:

1. **SUBORDINATION** - Mortgagees hereby covenant, consent and agree with Lender that the above-mentioned Mortgage held by Mortgagees is and shall continue to be subject and subordinate in lien to the lien of the Mortgage about to be made to Lender as stated above.

FILE No. 211-2885
RECORDING FEE $ 21.00
TRANSFER FEE $

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

2. **CONSIDERATION** - In consideration of Mortgagees so subordinating the Mortgage held by them to the Mortgage to be made to Lender, Lender shall make the above-described loan to Hawkeye Affordable Homes, Inc., an Iowa Corporation.

3. **APPROVAL OF LOAN TERMS** - Mortgagees acknowledge that they understand the terms of the loan from Lender to Hawkeye Affordable Homes, Inc., an Iowa Corporation. Mortgagees hereby approve the terms of such loan.

4. **BINDING EFFECT** - This Agreement shall be binding upon and inure to the benefit of the respective heirs, legal representatives, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement at Manchester, Iowa, on April 9, 1996.

HAWKEYE AFFORDABLE HOMES, INC.

By _____
Lloyd Thola, President

By _____
Dwain Thola, Secretary

_____
Merten L. Miller

_____
Jayne E. Miller

COMMUNITY SAVINGS BANK

By _____
Steven A. Brady, President

By _____
Jacqueline A. Johnson, Cashier

COMMUNITY SAVINGS BANK CORPORATE SEAL IOWA

FOR THE LEGAL EFFECT OF THE USE OF THIS FORM, CONSULT YOUR LAWYER

STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this 10th day of April, A.D. 19 96, before me, the undersigned, a Notary Public in and for the said state, personally appeared Lloyd Thola, and Dwain Thola, to me personally known, who being by me duly sworn, did say that they are the President and Secretary respectively, of the corporation executing the within and foregoing instrument **to which this is attached**, that (no seal has been procured by the) (~~the seal affixed thereto is the seal of the~~) corporation; that the instrument was signed (~~and sealed~~) on behalf of the corporation by authority of its Board of Directors; and that Lloyd Thola and Dwain Thola as officers acknowledged the execution of the foregoing instrument to the voluntary act and deed of the corporation, by it and by them voluntarily executed.

MARTIN BUTSCHI Iowa NOTARY PUBLIC SEAL

Expires: 9/13/98

Martin Butschi

MARTIN BUTSCHI, Notary Public in and for said state.

THE IOWA STATE BAR ASSOCIATION
Official Form No. 172
Revised April, 1992
This Printing April, 1992

Acknowledgment: For use in case of corporations (Section 558.39 and 558.39, Code of Iowa)

FOR THE LEGAL EFFECT OF THE USE OF THIS FORM, CONSULT YOUR LAWYER

STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this 12th day of April, A.D. 19 96, before me, the undersigned, a Notary Public in and for the said state, personally appeared Steven A. Brady, and Jacqueline A. Johnson, to me personally known, who being by me duly sworn, did say that they are the President and Cashier respectively, of the corporation executing the within and foregoing instrument **to which this is attached**, ~~that no seal has been procured by the~~ (the seal affixed thereto is the seal of the) corporation; that the instrument was signed (**and sealed**) on behalf of the corporation by authority of its Board of Directors; and that Steven A. Brady and Jacqueline A. Johnson as officers acknowledged the execution of the foregoing instrument to the voluntary act and deed of the corporation, by it and by them voluntarily executed.

MARTIN BUTSCHI Iowa NOTARY PUBLIC SEAL

Expires: 9/13/98

Martin Butschi

MARTIN BUTSCHI, Notary Public in and for said state.

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STATE OF IOWA )
) ss.
COUNTY OF DELAWARE )

I, Merten L. Miller, and I Jayne E. Miller, being first duly sworn on oath, state that I have read the foregoing Subordination Agreement and the statements and allegations contained therein are true and correct to the best of my present knowledge, belief and information.

Merten L. Miller

Jayne E. Miller

Subscribed and sworn to before me this 11th day of April, 1988.

MARTIN BUTSCHI
Iowa
NOTARIAL SEAL

Expires: 9/13/88

Notary Public in and for the State of Iowa
MARTIN BUTSCHI