DELAWARE COUNTY IOWA
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BOOK 133 PAGE 134
RECORDED
DELAWARE CO. RECORDER

8.00

295-2316

Susan Wulfekuhle, F&M Bank, PO Box 588, 101 East Main, Manchester, IA 52057

SUBORDINATION AGREEMENT

The Farmers & Merchants Savings Bank, Manchester, Iowa, is the owner and holder of the following described instrument(s) as executed by Delbert P. Aldrich and Diane M. Aldrich of Delaware County, State of Iowa:

Real Estate Mortgage dated March 22, 1994, recorded in the office of the Delaware County Recorder on March 30, 1994 at 2:22 p.m., Book 122, Page 234.

And, Dubuque Teacher's Credit Union has agreed to loan $18,000.00 to Delbert P. Aldrich and Diane M. Aldrich for the following purposes:

Home equity loan for expenses

THEREFORE, in consideration the Dubuque Teacher's Credit Union's agreement to make such loan to Borrower, Farmers & Merchants Savings Bank, Manchester, Iowa, consents to the Borrower obtaining the loan from the Lender for such purposes and agrees to and does subordinate in favor of the Dubuque Teacher's Credit Union and its successors and assigns its lien or security interests created or evidenced by the above-described instrument(s) insofar as they cover the following-described property and provided the Dubuque Teacher's Credit Union perfects a lien on that property:

Parcel A of the survey and plat of
Part of the Southeast Quarter of Section 3, Township 88 North, Range 4 West of the 5th P.M., Delaware County, Iowa, recorded in Bk 6, Pg.137, being further described as follows:
Beginning at the Northeast corner of the Southeast quarter of Section 3; thence S 0°00' W, 1,319.31 feet to the Southeast corner of the Northeast Quarter of the Southeast quarter; thence N 88°48'W 33.00 feet; thence N 44°16' W, 1,039.95 feet; thence N 0°00' E, 575.61 feet to the North line of the Southeast Quarter; thence S 89°52' E, 758.90 feet to the Point of Beginning, containing 16.782 acres and subject to easements of record.

Grantors reserve an easement for access along a 30 foot strip lying immediately South of the North line of the above described property for access to land adjoining to the West.

This subordination is limited to the amount actually loaned by the Dubuque Teacher's Credit Union to the Borrower (principal and accrued interest) for the forgoing purposes and also the amount actually advanced for foreclosure costs and other advances made or to be made by the Dubuque Teacher's Credit Union, for a total limitation not to exceed $18,000.00. Any amount which is excess of this figure will not be covered by this subordination unless prior written consent was obtained from the Farmers & Merchants Savings Bank, Manchester, Iowa for incurring the expenditure in question.

IN WITNESS WHEREOF, the Farmers & Merchants Savings Bank, Manchester, Iowa, has caused this subordination to be signed on the 6th day of February, 1997.

FARMERS & MERCHANTS SAVINGS BANK

BY Eric C. Anderson E.V.P.
Eric C. Anderson, Executive Vice President

BY Diane Hammell
Diane Hammell, Cashier

STATE OF IOWA Delaware County, ss:

On this 6th day of February, 1997 before me, Susan J. Wulfekuhle a Notary Public in and for Delaware County, Iowa appeared Eric C. Anderson and Diane Hammell to me personally known, who being by me duly sworn, did say that Eric C. Anderson is Executive Vice President and that Diane Hammell is the Cashier of the Farmers & Merchants Savings Bank a corporation located at Manchester, Iowa, and that the seal affixed to the said instrument is the corporate seal of the said corporation, and that said instrument was by them signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Eric C. Anderson and Diane Hammell acknowledged the execution of this instrument to be the voluntary act and deed of the said corporation, by them voluntarily executed.

WITNESS my hand and notarial seal, the day and year last above written.

SUSAN J. WULFEKUHLE
MY COMMISSION EXPIRES
2/26/99

Susan J. Wulfekuhle
Notary Public in and for Delaware County, Iowa

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