98-2533
DELAWARE COUNTY IOWA
'98 FEB 27 PM 12 02
138 PAGE 149
6.00
RECORDER

RETURN TO: Farm Credit Services, 907 W. Main, Manchester, Iowa 52057-1522
PREPARER: Dorothy A. Palmer 319/927-3159

SUBORDINATION AGREEMENT

In consideration of Farm Credit Services of the Midlands, FLCA, completing a loan in the amount of $100,000.00 to David A. Nieman and Esther Y. Nieman, secured by a Real Estate Mortgage dated May 28, 1997 on the folllowing real property in Delaware County, Iowa:

> The Northwest fractional Quarter (NWfr¼) and the North one-half (N½) of the Southwest Quarter (SW¼) of Section Four (4), Township Ninety (90) North, Range Five (5), West of the Fifth P.M., except that part conveyed to the State of Iowa by Warranty Deed recorded in Book 102, L.D., Page 207.

the undersigned, Farmers and Merchants Savings Bank does hereby agree that said mortgage to Farm Credit Services of the Midlands, FLCA, dated February 27, 1998, shall be a first lien on the land hereinabove described, and shall be paramount and senior to the mortgage of Farmers and Merchants Savings Bank, dated May 28,1997, and recorded in Book 135 at Page 36 of the real estate mortgage records in the Office of the Recorder of Delaware County, Iowa.

Farmers and Merchants Savings Bank does not by this Agreement release its mortgage in the real estate hereinabove described, which mortgage shall continue subject only to this subordination.

Farmers and Merchants Savings Bank

By: Eric C. Anderson E.V.P
Eric C. Anderson, Executive Vice President

STATE OF IOWA)
) SS:
COUNTY OF DELAWARE)

On this 26th day of February, 1998, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Eric C. Anderson to me known, who being by me duly sworn, did say that he is a loan officer of said corporation executing the within and foregoing instrument, that the seal affixed thereto is the seal of the corporation; that said instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors; and that Eric C. Anderson as said Executive Vice president acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation, by it and by him voluntarily executed.

Rosemary Drees
Notary Public - State of Iowa.

ROSEMARY DREES
My Commission Expires
7/30/99

DATE 2-27-98 BOOK 138 PAGE 149