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DELAWARE COUNTY IOWA
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BOOK 141 PAGE 181
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
16.00

(X)
Shar Boeckenstedt, Fidelity Bank & Trust, P.O. Box 277, Dyersville, IA 52040 319-875-7157
Prepared By:

DATE 8-28-98 BOOK 141 PAGE 181

THE BACK OF THIS DOCUMENT IS PRINTED WITH A SIMULATED WATERMARK; HOLD AT AN ANGLE TO VIEW

SUBORDINATION AGREEMENT
(Real Estate)

The undersigned is the owner and holder of a note and mortgage (hereinafter collectively called the "Mortgage") made by Dale Schindler and Shelly Schindler (hereinafter called "Borrower") and recorded on the 21st day of August, 1996, in the office of the Delaware County Recorder of the County of Delaware, State of Iowa, in Book 41, T.L.M., page 206 and covering the following described premises:

Lots Five (5) and Six (6), Block Thirty Seven (37), Earlville formerly Nottingham, Iowa, according to plat recorded in Book I L.D., pages 346-347.

The Borrower has applied for a secured loan in the amount of $80,000.00 for a term of 15 years from Fidelity Bank & Trust (hereinafter called "Bank"). Bank has declined to make such a loan unless the undersigned subordinates its mortgage in the above described premises to Bank.

The proceeds of this proposed loan will be used for the following purposes:

Refinance of borrowers present real estate loan with Bank and for construction of a basement under the house.

Therefore, in order to induce Bank to make said loan to Borrower, and in consideration of the consummation of said loan in reliance upon this Subordination Agreement, the undersigned hereby subordinates all right, title and interest under said outstanding mortgage or otherwise in and to the property described above as against said loan to be made by said Bank, in an amount not to exceed $22,375.00, so that the mortgage to be executed by Borrower to Bank shall grant a mortgage in said property superior to the outstanding mortgage of the undersigned and superior to the indebtedness secured thereby, except as herein limited.

Bank may renew or extend the time of payment or otherwise alter the terms of any of the indebtedness of Borrower to Bank and may deal with the security in any way desired by Bank without impairing or affecting this Subordination Agreement and without incurring any liability thereby.

This Subordination Agreement shall be binding upon the successors and assigns of the undersigned Bank and shall operate to the benefit of Lender, its successors and assigns.

NOTICE

ORAL OR IMPLIED CHANGES TO THIS OR ANY OTHER CREDIT AGREEMENT(S) (EXCEPT CONSUMER LOANS OR OTHER EXEMPT TRANSACTIONS) WITH THIS LENDER ARE NOT ENFORCEABLE AND SHOULD NOT BE RELIED UPON. IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT. THIS NOTICE ALSO APPLIES TO ANY OTHER CREDIT AGREEMENTS (EXCEPT CONSUMER LOANS OR OTHER EXEMPT TRANSACTIONS NOW IN EFFECT BETWEEN YOU AND THIS BANK.

The undersigned acknowledges receipt of a copy of this instrument.

Dated this 10 day of August, 1998.

By: Linda Gaul
TITLE: City Clerk

By: Annette Salow
Annette Salow, Mayor

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND - NOT A WHITE BACKGROUND

THE BACK OF THIS DOCUMENT IS PRINTED WITH A SIMULATED WATERMARK; HOLD AT AN ANGLE TO VIEW

STATE OF IOWA)
)ss:
COUNTY OF DUBUQUE)

On this ____ day of _____, 1998, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared _____ and _____, to me personally known, who, being by me duly sworn, did say that they are the _____ and _____ respectively, of the corporation, executing the foregoing instrument, that (no seal has been procured by)(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; that _____ and _____, acknowledged the execution of the instrument to be the voluntary act and deed of the corporation by it voluntarily executed.

_____
Notary Public in and for the State of Iowa.

MUNICIPALITY ACKNOWLEDGEMENT

On this 19 day of August, 1998, before me, Elaine M. Diesburg A Notary Public in and for the state of Iowa, personally appeared Annette Selow and Linda Gaul, to me personally known, and who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Earlville, Iowa; that the seal affixed to the foregoing instrument is the corporation seal of the corporation and that the instrument was signed and sealed on behalf of the corporation, by authority of its City Council, as contained in Earlville City Code, passed (the Resolution adopted) by the City Council, under Roll Call No. _____ of the City Council on the _____ day of _____, 19____, and that Annette Selow and Linda Gaul - acknowledged the execution of the instrument to be their voluntary act and deed and the voluntary act and deed of the corporation, by it voluntarily executed.

Elaine M. Diesburg
Notary Public in and for the State of Iowa.

ELAINE M. DIESBURG
MY COMMISSION EXPIRES
1-19-2001

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