Del. Co. AB.

DELAWARE COUNTY IOWA
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BOOK 1998 PAGE 138
DELAWARE COUNTY IOWA
26.00

Leah Veizcarra - Family Credit 11th FL, Court St.., Middletown CT 06457

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS AGREEMENT, made this 6th day of January, 1999, by American Trust and Savings Bank owner of the land hereinafter described and hereinafter referred to as "Owner" and Robert E. Mohr and Mari S. Mohr present owner and holder of the deed of trust and note first herinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, Robert E. Mohr and Mari S. Mohr did execute a lien, dated January 8, 1998 to American Trust and Savings Bank, as "Trustee," covering:

The following described real estate in Delaware County, Iowa:
Lot Thirty Two (32) of J.T. Williamson's Addition to Hopkinton, Iowa, according to the plat thereof in Book 19, L.D. Page 274.

to secure a note in the sum of $15,344.96, dated January 8, 1998 in favor of Robert E. Mohr and Mari S. Mohr, which Deed of Trust was recorded January 14, 1998, in book 46 page 216 of Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute a deed of trust and note in the sum of Sixty Three Thousand and No Cents $63,000.00, dated January 6, 1999, in favor of Mortgage Lender's Network, USA D/B/A FamilyCredit Connection

hereinafter reffered to as "Lender," payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith: and

WHEREAS, it is a condition precedent to obtaining said loan that said deed of trust last above mentioned shall unconditionally be and remain at all times a lien or charge upon the land herinbefore described, prior and superior to the lien first above mentioned; and

WHEREAS, Lender is willing to make said loan provided the deed of trust securing the same is a lien or charge upon the described property prior and superior to the lien first above mentioned and provided the Beneficiary will specifically and unconditionally subordinate the lien first mentioned to the lien in favor of Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such a loan to Owner; and Beneficiary is willing that the deed of trust securing the same shall, when recorded, constitute a lien or charge upon said loan which is unconditionally prior and superior to the lien first above mentioned.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

(1) That said deed of trust securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien first above mentioned.

(2) That Lender would not make its loan above described without this subordination agreement.

(3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien first above mentioned to the lien or charge of the deed of trust in favor of the Lender above referred to and shall supercede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in the lien first above mentioned, which provide for the subordination of the lien to a deed of trust.

Beneficiary declares, agrees and acknowledges that

(a) He consents to and approves (i) all provisions of the note and deed of trust in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's Loan;

(b) Lender is making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;

(c) He intentionally and unconditionally waives, relinquishes and subordinates the lien first above mentioned in favor of the lien or charge upon said land of the deed of trust in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquish and subordinate specific monetary and other obligation are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and

(d) An endorsement has been placed upon the lien first above mentioned that said lien has by this instrument been subordinated to the deed of the trust in favor of Lender above referred to.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

BY:
Vice-President
TITLE:

BY:

Vice-President
TITLE:

BY: Michael T. Collins

TITLE: Managing Director

STATE OF ILLINOIS

COUNTY OF COOK

On this 21st day of December, before me, a Notary Public,
Personally appeared Michael T. Collins
Who is known to me to be the Managing Director of FamilyCredit Connection.

Grace A Belmont

Notary Public

"OFFICIAL SEAL"
Grace A. Belmont
Notary Public, State of Illinois
My Commission Expires 1/20/2002

My Commission Expires:

STATE OF Iowa

COUNTY OF Dubuque

On this 22nd day of December, before me, a Notary Public,
Personally appeared Thomas Goric & Robert Peacock

Who is known to me to be the Vice-President & Vice-President of American Trust & Savings Bank

Julie L. Brecht

Notary Public

My Commission Expires:

JULIE L. BRECHT
MY COMMISSION EXPIRES
3/12/2000