DELAWARE COUNTY IOWA
FILED
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BOOK 2001 PAGE 2316
DEBORAH L. BYTON
DELAWARE CO. RECORDER
11.00

This Instrument Prepared by:
USDA Rural Development
1520 Market Street
St. Louis, MO 63103
(800)414-1226

USDA-FmHA
Form FmHA 460-2
(Rev. 9/88)

SUBORDINATION BY THE GOVERNMENT

The United States of America acting through the Administrator of Farmers Home Administration (called the "Government") is the owner and holder of the following-described instrument(s) executed by Judith A Stephenson and Edward C Stephenson, as husband and wife of Delaware County, State of Iowa:

Title of Instrument	*Date of Instrument*	*Date Filed*	*Book & Page/Document No.*
Mortgage	5/21/87	5/21/87	Book 22/Page 36

AND, Community Savings Bank (called the "Lender") has agreed to loan $26,000.00 (Twenty Six Thousand and no/100 Dollars) to Judith A Stephenson and Edward C Stephenson (called the "Borrower") for the following purposes:

Refinancing existing mortgage with FmHa

THEREFORE, in consideration the Lender's agreement to make such loan to Borrower, the Government (1) consents to the Borrower obtaining the loan from the Lender for such purposes, and (2) agree to and does subordinate in favor of the Lender and its successors and assigns its liens or security interests created or evidenced by the above-described instrument(s) insofar as they cover the following-described property and provided the Lender perfects a lien on that property:

LOT THREE (3) OF THE PLAT OF GRAYBILL'S FIRST SUBDIVISION AND EXTENSIONS OF THE LINE STREET AND NORTH SIXTH STREET, CITY OF CITY OF MANCHESTER, DELAWARE COUNTY, IOWA, ACCORDING TO PLAT RECORDED IN BOOK 3 PLATS, PAGE 217.

This subordination is limited to the amount actually loaned by the Lender to the Borrower (principal and accrued interest) for the forgoing purposes and also the amount actually advanced for foreclosure costs and other advances made by the Lender, for a total limitation not to exceed $26,000.00 (Twenty Six Thousand and no/100 Dollars).* Any amount which is in excess of this figure will not be covered by this subordination unless prior written consent was obtained from the Government for incurring the expenditure in question. The Lender must incorporate into the borrower's note a statement that the loan will be in default should any proceeds of the loan funds obtained

as a result of this subordination be used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as explained in Exhibit M of Subpart G of Part 1940 of Title 7 of the Code of Federal Regulations.

IN WITNESS WHEREOF, The United States of America has caused this subordination to be signed on the 29th day of June, 2001, pursuant to the delegated authority published in 7 CFR Part 1900, Subpart A.

UNITED STATES OF AMERICA,

BY _____
Ralph Westlin
TITLE: Supervisor, Payoff Section
U.S. Department of Agriculture

WITNESS _____
Claire Banaskavich
TITLE: Work Flow Coordinator, Payoff Section
U.S. Department of Agriculture

*(NOTE TO LENDER: You are advised to obtain a perfected security interest on the above property. When the indebtedness has been satisfied please mark this form "PAID IN FULL" and return it to the Farmers Home Administration at the following address: USDA Rural Development, 1520 Market Street, St. Louis, MO 63103 .)

State Missouri
County St. Louis

I, the undersigned, a Notary Public in and for the said State and County, acknowledge that Ralph Westlin, Supervisor, Payoff Section, and Claire Banaskavich, Work Flow Coordinator, Payoff Section, personally appeared before me and signed the foregoing instrument as their free and voluntary act.

Dated this 29th day of June 2001.

_____
Notary Public

My commission expires April 2, 2005

DEBRA A. KEHRER
Notary Public - State of Missouri
County of St. Louis
My Commission Expires Apr. 2, 2005

DEBRA A KEHRER NOTARY PUBLIC SEAL STATE OF MISSOURI