Citizens State Bk
P.O. Box 10
Hopkinton, IA

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DELAWARE COUNTY IOWA
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BOOK 110 PAGE 323
RECORDED
DELAWARE CO. RECORDER

Prepared By: Shelia Smith, FSA, 200 South 12th St., Manchester, IA 52057 563-927-4580

USDA
Form RD 460-2
(Rev. 4-97)

SUBORDINATION BY THE GOVERNMENT

Position 1 (Chattel Security)
Position 5 (Real Estate Security)

The United States of America acting through the United States Department of Agriculture (called the "Government") is the owner and holder of the following-described instruments executed by Ernest E. Jesenovec **and** Wilma K. Jesenovec **of** Delaware **County, State of** Iowa :

Title of Instrument	*Date of Instrument*	*Date Filed*	*Office Filed*	*Document File or Book No.*	*Page No.*
Real Estate Mortgage	05/30/90	06/01/90	Delaware County Recorder	110	323
Real Estate Mortgage	02/13/84	02/14/84	Delaware Cty. Recorder	94	323

AND, Citizens State Bank **(called the "Lender") has agreed to loan $** 120,000.00 **to** Ernest E. Jesenovec **and** Wilma K. Jesenovec **(called the "Borrower") for the following purposes:**

Construction and materials for house

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) agrees 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 instruments insofar as they cover the following-described property and provided the Lender perfects a lien on that property:

The Southeast Quarter (SE ¼) of the Northeast Quarter (NW ¼), and the West three-fourths (W ¾) of the North one-half (N ½) of the Southeast Quarter (SE ¼), and the North one-half (N ½) of the Southwest Quarter (SW ¼) of the Southeast Quarter (SE ¼), and the North seven-seventeenths (N 7/17) of the South seventeen-fortieths (S 17/40) of the Southeast Quarter (SE ¼) of the Southeast Quarter (SE ¼), and the East one-half (E ½) of the Southwest Quarter (SW ¼) and the East one-half (E ½) of the Southeast Quarter (SE ¼) of the Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼) of Section Twenty Five (25), Township Eighty Seven (87) North, Range Four (4), West of the Fifth P.M.; and all that part of the following described real estate that lies East of the Maquoketa River: The Northwest Quarter (NW ¼) of the Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼) and the South one-half (S ½) of the Northeast Quarter (NE ¼) of the Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼) and the West three-fourths (W ¾) of the South one-half (S ½) of the Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼) of Section Twenty Five (25) and the Northwest Quarter (NW ¼) of the Northwest Quarter (NW ¼) and the North one-half (N ½) of the Northeast Quarter (NE ¼) of the Northwest Quarter (NW ¼) and the West three-fourths (W ¾) of the South one-half (S ½) of the Northeast Quarter (NE ¼) of the Northwest Quarter (NW ¼) of Section Thirty Six (36), all in Township Eighty Seven (87) North, Range Four (4), West of the Fifth P.M., except any part included in the East three-eighths (E 3/8) of the North three eighths (N 3/8) of the Southwest Quarter (SW ¼) of the Southwest Quarter (SW ¼) of said Section Twenty Five (25).

This subordination is limited to the amount actually loaned by the Lender to the Borrower (principal and accrued interest) for the foregoing purposes and also the amount actually advanced for foreclosure costs and other advances made or to be made by the Lender, for a total limitation not to exceed $ 120,000.00 **.* 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 (1) for a purpose that will contribute the excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, provided by 7 C.F.R. part 1940, subpart G, or (2) for any purpose not provided for above.**

IN WITNESS WHEREOF, The United States of America has caused this subordination to be signed on the 30th day of May, 2001, pursuant to the delegated authority published in 7 C.F.R. part 1900, subpart A.

UNITED STATES OF AMERICA,

WITNESS: _____

BY Shelia D. Smith
SHELIA D. SMITH

_____

TITLE Farm Loan Manager

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 Department of Agriculture at the following address: 200 South 12th St., Manchester, IA 52057.)

STATE OF IOWA
COUNTY OF DELAWARE } ss:

ACKNOWLEDGMENT

On this 30th day of May, ~~19~~ 2001, before me, the subscriber, a Notary Public, in and for the above county and State, appeared Shelia D. Smith, known to me to be Farm Loan Manager, United States Department of Agriculture, and the person who executed the foregoing instrument, and he/she acknowledged to me that he/she executed the same as the free act and deed of the United States of America, for the uses the purposes mentioned in it.

IN WITNESS WHEREOF, I have set my hand and seal at Manchester, Iowa the day and year listed above.

[SEAL]

CATHY L. GREIF
Commission Number 175823
My Comm. Exp. 8-31-03

Cathy L. Greif
Cathy L. Greif
Notary Public
(Signature)
(Title)

My commission expires _____