Farm Credit Services
909 W. Main
Manchester IA
52057

DELAWARE COUNTY IOWA
FILED
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BOOK 2002 PAGE 121
DEBORAH L. PETTON
DELAWARE CO. RECORDER
16.00

Prepared by: Shelia D. Smith, FSA, 200 S. 12th St., Manchester, IA 52057 563-927-4250

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 Larry D. Diercksen and Susan E. Diercksen 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	06/10/94	06/21/94	Delaware County Recorder	123	207

AND, Farm Credit Services (called the "Lender") has agreed to loan $150,000.00 to Larry D. Diercksen and Susan E. Diercksen (called the "Borrower") for the following purposes:
Refinance contract with Victor and G. Eileen Billhorn

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:
See attached legal description of property to be subordinated.

The moneys borrowed are to be repaid by May 1, 2022.

Please notify our office if the loan becomes delinquent.

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 $ 150,000.00 .* 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 26th day of March, 2002, pursuant to the delegated authority published in 7 C.F.R. part 1900, subpart A.

UNITED STATES OF AMERICA,

WITNESS: _____

BY Shelia D. Smith

TITLE SHELIA D. SMITH, 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 26th day of March, 2002 (year), 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
(Signature)

My commission expires _____

Notary Public
(Title)

Legal Description – Larry Diercksen

The Northwest Quarter (NW1/4) of the Southeast Quarter (SE1/4), and the North one-third (N1/3) of the Southwest Quarter (SW1/4) of the Southeast Quarter (SE1/4), and the Southwest fractional Quarter (SWfr1/4) except that part described as commencing at the Northwest corner of said Southwest fractional Quarter (SWfr1/4) and running South 87° 54' East five hundred thirteen and two-tenths (513.2) feet, thence South 1° 58' West five hundred forty three and four-tenths (543.4) feet, thence North 87° 54' West five hundred five and eighty three one-hundredths (505.83) feet, thence North five hundred forty three and ninety eight one-hundredths (543.98) feet to the point of beginning, and further excepting that part conveyed to the State of Iowa for road purposes by deeds recorded in Book 63 L.D., Page 173 and in Book 95 L.D., Page 188, all in Section Eighteen (18), Township Eighty Eight (88) North, Range Five (5), West of the Fifth P.M., except Parcel C described as follows:

Commencing at the Northeast Corner of the Northwest Quarter of the Southeast Quarter of said Section 18; thence South 00° 04' 34" West 666.73 feet along the East line of the Northwest Quarter of the Southeast Quarter of Section 18; thence N 89° 06' 21" W 472.58 feet, to the Point of Beginning; thence N 88° 18' 53" W, 411.00 feet; thence N 00° 04' 34" E, 587.00 feet; thence S 88° 18' 53" E, 411.00 feet; thence S 00° 04' 34" W, 587.00 feet, to the Point of Beginning.