DELAWARE COUNTY IOWA
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DEBORAH L. TEYTON
DELAWARE CO RECORDER
1.00

Prepared by : Bob Douglas, 666 Walnut Street, Suite 2500, Des Moines, Iowa 50309 (515)-288-2500

SUBORDINATION

This Subordination is executed this 1st day of May, 2002, by Land O'Lakes, Inc. ("Subordinator") for the benefit of Iowa Bankers Mortgage Corporation, its successors or assigns ("Beneficiary").

WITNESSETH:

WHEREAS, the Subordinator has previously entered into a loan with Donald J. Pottebaum and Jean K. Pottebaum, husband and wife("Borrower") which is secured by a mortgage dated August 17, 1998, filed September 8, 1998 in Book 141, L.M., Page 238, of the Delaware County Recorder's Office, from Donald J. Pottebaum and Jean K. Pottebaum, husband and wife to Land O'Lakes, Inc. (the "Subordinated Mortgage"); and

WHEREAS, Beneficiary is currently entering into a loan for the amount of $1,285,000 with Borrower which is to be secured by a mortgage, however Beneficiary is requiring that its mortgage (the "New Mortgage"), which was recorded on May 30, 2002 in Book 2002, L.M., Page 2022 have priority ahead of the Subordinated Mortgage; and

WHEREAS, Subordinator is agreeable to subordinating the lien of the Subordinated Mortgage to the lien of the New Mortgage;

NOW, THEREFORE, in and for the considerations set forth herein, receipt of which is acknowledge as being received and adequate by the Subordinator, the parties agree as follows:

1. Subordinator, being the present owner and holder of the Subordinated Mortgage does hereby COVENANT, STIPULATE, and AGREE with Beneficiary that the Subordinated Mortgage is hereby expressly SUBORDINATED AND MADE SECONDARY AND INFERIOR, to the New Mortgage, as if the New Mortgage had been filed in the Delaware County Recorder's Office prior to the Subordinated Mortgage. This Agreement shall extend to any renewal, extension or rearrangement of all or any part of the debt secured by the New Mortgage, and notice of any such renewal, extension or rearrangement and the consent thereto by Subordinator, its successors or assigns shall not be necessary.

2. Subordinator stipulates and agrees that a foreclosure by the Beneficiary of its lien against all or any part of the real estate secured by the New Mortgage shall operate fully to foreclose, extinguish and discharge all liens, mortgages, encumbrances, security interests and assignments created under, renewed or extended under or existing by virtue of the Subordinated Mortgage, and any purchaser at such foreclosure sale or sales or any grantee in a conveyance in lieu thereof shall take title to the property so sold free and clear of the Subordinated Mortgages.

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3. This Agreement shall be binding upon both parties, their successors and assigns, including each and every subsequent owner and holder of the Subordinated Mortgages and the New Mortgage, and the terms hereof shall inure to the benefit of the Beneficiary, its successors and assigns, including, without limitation, each and every subsequent owner and holder of the New Mortgage, or any renewal, extension or rearrangement thereof.

IN WITNESS WHEREOF, the parties have executed this Subordination Agreement on the day and year first above stated.

Land O'Lakes, Inc.

By: Daniel Knutson

Its: Vice-President

STATE OF MINNESOTA)
) SS:
COUNTY OF Ramsey)

On this 1st day of ~~March~~ MAY, 2002, before me, the undersigned, a Notary Public in and for the said State, personally appeared Daniel Knutson to me personally known, who being by me duly sworn, did say that he is a Vice-President of the corporation executing the within instrument, that no seal has been procured by the said corporation; that the instrument was signed on behalf of the corporation by authority of its Board of Directors; and that Daniel Knutson as such officer acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation, by it and by him voluntarily executed.

Karen Marie Piepho
Notary Public in and for said State of Iowa

KAREN MARIE PIEPHO
NOTARY PUBLIC-MINNESOTA
MY COMMISSION EXPIRES 1-31-2005