DELAWARE COUNTY IOWA
FILED
2003 FE -3 PM 2:21
BOOK 3 PAGE 503
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
6.00

D. GOEBEL, FIRST STATE BANK, BOX 439, MANCHESTER, IA 52057, 563-927-3814

SUBORDINATION AGREEMENT

Whereas, the undersigned is the holder of a certain real estate mortgaged filed on October 14, 1998, in Book 142, Page 124 of the Delaware County Recorder's Office executed by Greg R. Lammers and Karla S. Lammers, husband and wife covering the following described real estate, to wit:

Lot Twelve (12) of Honey Creek Meadows Addition in the SW ¼ NW ¼ Section 16, T89N, R 5 W of the 5th P.M., Delaware County, Iowa, according to plat recorded in Book 3 plats, page 77.

First State Bank does hereby subordinate all its right, title and interest in the above described property in that certain mortgage to the mortgage with a stated amount of $73,100.00 dated January 27, 2003 by Greg R. Lammers and Karla S. Lammers and First State Bank,
filed February 3, 2003 in Book 2003
Page 501, assigned to Associated Mortgage, Inc.
Said Assignment of Mortgage dated January 27, 2003, executed by Greg R. Lammers and Karla S. Lammers, filed on February
in Book 2003, Page 502, with the Delaware County Recorder's office.

Dated this 27th day of January, 2003

FIRST STATE BANK

By: _____
Lori Cole, Vice President

By: _____
Joseph Wiewel, President

STATE OF IOWA)
) ss.
DELAWARE COUNTY)

On this January 27, 2003, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Lori Cole and Joseph Wiewel, to me personally known, who being duly sworn, did say that they are the Vice President and President respectively, of said corporation executing the within and foregoing instrument; that the seal affixed thereto is the seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and that the said Lori Cole and Joseph Wiewel, as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation; by it and by them voluntarily executed.

_____
Notary Public in and for the State of Iowa

DANIELLE M GOEBEL
NOTARIAL SEAL
IOWA
Commission Expires 2/1/03