DELAWARE COUNTY IOWA
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BOOK 302 PAGE 2285
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
11.00

Prepared by: Linda A Bessey for CSB; 201 E Main St; Manchester, IA 52057 (563) 927-4014

SUBORDINATION AGREEMENT

That City of Manchester, as owner of the following Real Estate Mortgage executed by Travis Riley recorded in the mortgage records of Delaware County, Iowa.

Dated	Date Recorded	Book-Page
6-25-02	10-24-2002	2002-3910

For valuable consideration City of Manchester (called the "Lender") hereby subordinates their rights under said mortgage to the rights created by the following described instrument:

Real Estate Mortgage dated May 7, 2003 to the Community Savings Bank of Edgewood, Iowa, in the amount of $27,300.00

WITNESS the due execution hereof this 7th day of May, 2003, by the said City of Manchester.

City of Manchester by:

Milt Kramer, Mayor

Erin Rempe, City Clerk

STATE OF IOWA)
COUNTY OF DELAWARE)SS

On this 7th day of May, 2003, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Milt Kramer and Erin Rempe, to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk of the City of Manchester, Iowa, respectively, of said corporation executing the within and foregoing instrument, and that the instrument was signed on behalf of the corporation by authority of its City Council, under roll call of the City Council and that they acknowledged execution of the instrument to be their voluntary act and deed and the voluntary act and deed of the corporation, by it voluntarily executed.

Notary Public in the State of Iowa

JULIE A. SWANSON
Commission Number 224151
My Comm. Exp. 8-23-05

R-037-2003

RESOLUTION APPROVING SUBORDINATION AGREEMENT

WHEREAS, the City of Manchester, Iowa, had granted to Travis Riley a Manchester Housing Rehabilitation Program Loan to assist LMI buyers of single family residences in housing rehabilitation; and

WHEREAS, the City of Manchester, Iowa has a second mortgage on the property of Travis Riley; and

WHEREAS, Travis Riley desires to refinance his existing mortgage with Community Savings Bank and ask that the City subordinate their present Manchester Housing Rehabilitation Program Forgivable Loan Agreement and take a second lien position; and

WHEREAS, through an interest rate reduction from 7.25% to 4.875% Travis Riley will then be able to reduce his monthly payment and shorten the term of his mortgage.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MANCHESTER, IOWA, that the Subordination Agreement dated May 5th, 2003, whereby the City shall hold the second mortgage on property owned by Travis Riley, be hereby approved and the Mayor and City Clerk be authorized to sign said Agreement.

Passed and approved the 5th day of May 2003.

Milt L. Kramer, Mayor

ATTEST:

Erin Rempe, City Clerk