DELAWARE COUNTY IOWA
FILED
2003 JN 12 PM 2:21
BOOK 3 PAGE 2828
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 3rd day of November, 1998, in Book 51, Page 17 of the Delaware County Recorder's Office executed by Joseph J. Vap and Pamela W. Vap, husband and wife covering the following described real estate, to wit:

THE NORTH ONE-HALF (N1/2) OF LOT TEN (10), EXCEPT THE EAST SIXTY (60) FEET THEREOF, OF IOWA LAND COMPANY'S ADDITION TO MANCHESTER, IOWA, ACCORDING TO PLAT RECORDED IN BOOK 4 L.D., PAGES 484-485.

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 $60,500 dated June 6, 2003 by Joseph J. Vap and Pamela W. Vap and First State Bank,
filed June 12, 2003 in Book 2003
Page 2826, assigned to Associated Mortgage, Inc.
Said Assignment of Mortgage dated June 6, 2003, executed by Joseph J. Vap and Pamela W. Vap, filed on June 12, 2003
in Book 2003, Page 2827, with the Delaware County Recorder's office.

Dated this 6th day of June, 2003

FIRST STATE BANK

By: _____
David R. Dudley, Executive Vice President

By: _____
Joseph Wiewel, President

STATE OF IOWA)
DELAWARE COUNTY) ss

On this 6th day of June, 2003, before me, the undersigned, a Notary Public in and for said County and State, personally appeared David R. Dudley and Joseph Wiewel, to me personally known, who being duly sworn, did say that they are the Executive 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 David R. Dudley 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

COLLEEN MEYER
NOTARIAL SEAL
IOWA
My Comm. Exp. 8-28-03