BILL WERGER

DELAWARE COUNTY IOWA
FILED
2004 FEB -2 PM 2:19
BOOK 2004 PAGE 323
RECORDER
DELAWARE COUNTY, IOWA
16.00

William D. Werger 401 East Main Manchester (563) 927-5920
Preparer Information

SUBORDINATION AGREEMENT

This agreement concerns the following described real estate in Delaware County currently owned by Brian L. Voelker and Marcia R. Voelker, to wit:

The Southwest Quarter (SW¼) of Section Five (5) and the Northeast Quarter (NE¼) of the Northeast Quarter (NE¼) of Section Seven (7), all in Township Eighty Seven (87) North Range Five (5), West of the Fifth P.M.,

WHEREAS Security State Bank, Anamosa, Iowa has a first lien against the above-described property by virtue of Deed of Trust given to the bank by Brian L. Voelker and Marcia R. Voelker dated March 1, 2003 and filed March 3, 2003 in Book 2003, Page 913 of the Delaware County records which secures a total indebtedness of $520,000.00; and

WHEREAS the United States of America by and through the Department of Agriculture-Farm Services Agency, on behalf of Brian and Marcia Voelker, has refinanced a portion of the indebtedness currently held by Security State Bank, Anamosa, Iowa in exchange for a valid second lien against the property, second only to the lien held by Security for note #IADA 50969 not to exceed $250,000.00; and

WHEREAS Security State Bank, Anamosa, Iowa agrees to subordinate its lien to the lien of the mortgage filed by the United States of America by and through the Department of Agriculture-Farm Services Agency in Book 2004, Page 284 Delaware County records to the extent of any indebtedness other than note #IADA 50969 currently held by Security State Bank, Anamosa, Iowa in the total amount of $250,000.00, subject to the following provisions:

1. Any principal payments made by the Voelkers toward loan #IADA 50969 shall reduce the extent of the first lien held by Security State Bank.
2. No advancement of principal, except to the extent necessary to protect the property through payment of taxes and insurance, shall be permitted to increase the amount subject to the first lien retained by Security State Bank.
3. The provisions of this agreement shall apply to any replacement note for #IADA 50969 to the extent that the then existing principal balance of the original note is not increased thereby.
4. The subordination will continue even if the loan and mortgage are subsequently assigned by Security State Bank, Anamosa, Iowa to a different lender.

5. If Note # IADA 50969 is paid and not replaced, the subordination will apply to the entire lien held by the United States of America by and through the Department of Agriculture-Farm Services Agency as evidenced by its mortgage and said lien shall be thereafter a first and prior lien.

Dated this 12th day of JAnuary 2004.

Security State Bank, Anamosa

By: Aaron L. Zumbach Sr VP & Sr LO

By: Glenn W. Hay Vice President

STATE OF IOWA)
) ss:
COUNTY OF JONES)

On this 12th day of January, 2004, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Aaron L. Zumbach and Glenn W. Hay, to me personally known, who being by me duly sworn, did say that they are the Sr VP Sr LO and Vice President of the corporation executing the within and foregoing instrument **to which this is attached,** that the seal affixed thereto is the seal of the corporation; that said instrument was signed **(and sealed)** on behalf of the corporation by authority of its Board of Directors; and that Aaron L. Zumbach and Glenn W. Hay as officer acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation, by it and by them voluntarily executed.

Notary Public In And For The State Of Iowa
Douglas W. Edel

DOUGLAS W. EDEL
Commission Number 711937
My Commission Expires
5-10-2004