RETURN TO:
GREGORY D. KINGERY
1056 GLASS ROAD NE
CEDAR RAPIDS, IA 52402

Space above line for recording purposes.

DELAWARE COUNTY IOWA
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2004 JL -8 AM 9:45
BOOK 2004 PAGE 3521
DEBORAH L PEYTON
DELAWARE CO RECORDER
17.00

Prepared by: Christine E. Brown
Wells Fargo Bank, N.A.
7015 Vista Drive
West Des Moines, IA 50266
(563)326-8939

Account Number: **0039688858**

SUBORDINATION AGREEMENT

NOTICE: This subordination agreement results in your security interest in the property becoming subject to and of lower priority than the lien of some other or later security instrument

This Agreement is made this **1st** day of **July, 2004**, by **Wells Fargo Bank, N.A.** a national bank (herein called "Lien Holder"), for the benefit of **Wells Fargo Bank, N.A., a national bank** (herein called the "Lender").

RECITALS

Lien Holder is the beneficiary/mortgagee under a deed of trust/mortgage, dated **MAY 23, 2002** executed by **Kurt Pettinger and Terri Pettinger** ("Debtor") which was recorded in the county of **Delaware**, State of **Iowa**, as **Book 2002 at Page 2047** on **May 31, 2002** (the "Subordinated Instrument") covering real property located in **Manchester** in the above-named county of **Delaware**, State of **Iowa**, as more particularly described in the Subordinated Instrument (the "Property").

Lot Seven (7) of North Oak Subdivision being a subdivision of the Southeast Quarter of the Northeast Quarter (SE¼-NE¼) and part of the Southwest Quarter of the Northeast Quarter (SW¼-NE¼) of Section 20, Township 89 North, Range 5 West of the Fifth Principal Meridian, in the City of Manchester, Delaware County, Iowa, according to plat recorded in Book 1999, Page 126.

Lender will make a loan to the Debtor secured by a deed of trust/mortgage on the Property which will be recorded (the "Lender Instrument"). The Lender Instrument will secure a promissory note/line of credit agreement in the amount of **$169,398.00**.

Lien Holder has agreed to execute and deliver this Subordination Agreement.

ACCORDINGLY, in consideration of the property and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lien Holder hereby agrees with Lender as follows:

1. Regardless of any priority otherwise available to Lien Holder, the lien of the Subordinated Instrument is, shall be and shall remain fully subordinate for all purposes to the lien of the Lender Instrument, to the full extent of the sum secured by the Lender Instrument, including not only principal and interest on the principal indebtedness secured thereby but all other sums secured by the Lender Instrument, excluding non-obligatory future advances.
2. Lien Holder warrants to Lender that Lien Holder presently owns the Subordinated Instrument and indebtedness secured thereby, free and clear of all liens, security interests and encumbrances.

3. This Agreement is made under the laws of the State of **Iowa**. It cannot be waived or changed, except by a writing signed by the parties to be bound thereby. This Agreement is made between Lender and Lien Holder. It shall be binding upon Lien Holder and the successors and assigns of Lien Holder, and shall inure to the benefit of, and shall be enforceable by, Lender and its successors and assigns. Neither the Debtor nor any other person (except Lender, its successors and assigns), shall be entitled to rely on, have the benefit of or enforce this Agreement.

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

WELLS FARGO BANK, N.A.

NOTICE: This subordination agreement contains a provision which allows the person obligated on your real property security to obtain a loan a portion of which may be expended for other purposes than improvement of the land.

By: **Christine C. Smith**
Title: Vice President, Loan Documentation

STATE OF Iowa)
) SS.
COUNTY OF Scott)

On this _24_ day of ___June_____, 20__04____, Before me **Kelli Meyer** personally appeared **Christine C. Smith** as vice president, loan documentation of Wells Fargo Bank, N.A.

☑ personally known to me

☐ proved to me on the basis of satisfactory evidence

To be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal,

Signature of Notary Public

My commission expires: 10/30/06

KELLI MEYER
Commission Number 706602
My Commission Expires
10/30/06