DELAWARE COUNTY IOWA
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BOOK 2004 PAGE 4474
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
32.00

CSB
P.O. Box 77
Edgewood IA
52042-0077

Prepared by: James W. Radig, P.O. Box 5878, Cedar Rapids, Iowa 52406-5878; 319-364-0900

SUBORDINATION AND NONDISTURBANCE AGREEMENT

THIS AGREEMENT is made this 1st day of September, 2004, by and between M2P2, LLC, a Delaware limited liability company, whose address is Box 68, Oakville, IA 52646 (the "Managing Agent"), and Mouw Family Investments, L.L.C., an Iowa limited liability company, whose address is 1409 Trailbend Drive, Swisher, Iowa 52338 ("Owner/Operator"), and Community Savings Bank, whose address is P.O. Box 77, Edgewood, Iowa ("Mortgagee").

RECITALS:

Owner/Operator owns real estate located in Delaware County, Iowa. In consideration of certain loans and other financial accommodations made available by the Mortgagee to the Owner/Operator, the Owner/Operator has agreed to grant the Mortgagee a mortgage lien on and security interest in the real estate legally described in Exhibit A hereto (the "Real Estate") and all improvements located thereon (the "Mortgaged Property") pursuant to a Mortgage dated as of September 4, 2004 (the "Mortgage"). The Owner/Operator has also assigned to the Mortgagee all leases and rents arising from the Real Estate pursuant to an Assignment of Leases and Rents (the "Assignment"). Said Mortgage was recorded on September 8, 2004 in Book 2004 Page 3433.

The Managing Agent has acquired certain rights concerning the use and control of two hog finishing buildings (the "Buildings") located on the Real Estate (the "Premises") pursuant to an Independent Contractor Agreement between it and the Owner/Operator, dated 8/29/04 (the "ICA").

The Mortgagee has required that the ICA be made subordinate to the lien of the Mortgage, and that the Managing Agent acknowledge certain facts and agree to certain covenants.

Accordingly, the parties hereto agree as follows:

1. Estoppel.

(a) A true and correct copy of the ICA is attached hereto; the ICA constitutes the entire understanding between Managing Agent and the Owner/Operator.

(b) The ICA is unmodified and in full force and effect.

(c) The Managing Agent is the only person or entity, other than Owner/Operator, having any right to possession or use of the Buildings, subject to the assignment and substitution provisions of the ICA. As of the date hereof, Managing Agent's pigs are not located by the Buildings. Managing Agent shall be entitled to use of the Buildings as set forth in Section 7 of the ICA. No

other agreement, pursuant to which any assignee of Managing Agent may now or hereafter have any right to possession or use of the Buildings or any part thereof, presently exists.

(d) The ICA is for the term specified in the ICA. The beginning date and the date of expiration of the agreement is accurately set forth in the ICA.

(e) As of the date hereof, Managing Agent has no obligations to make payments as set forth in the ICA. Managing Agent is not obligated to make payments until all of the conditions set forth in Section 8 of the ICA have been satisfied. No payment due or to become due under the ICA has been made more than 30 days in advance of its due date.

(f) On and as of the date hereof, neither the Managing Agent, nor, to Managing Agent's knowledge, the Owner/Operator is in default in the performance of its respective obligations under the ICA and the Managing Agent has no claim of breach, counterclaim, lien or offset presently existing under the ICA against the Owner/Operator or the payments due or to become due thereunder.

(g) The Managing Agent is solvent and free from bankruptcy and other reorganization proceedings and assignments for the benefit of creditors. The Buildings are currently under construction.

(h) The Managing Agent consents to assignment of the Owner/Operator's rights under the ICA to the Mortgagee for collateral purposes and agrees, subject to applicable law, that the Managing Agent will make payments due under the ICA directly to the Mortgagee upon receipt of written notice from the Mortgagee stating that the Mortgagee is entitled to receive such payments by terms of the Assignment. Owner/Operator agrees that Managing Agent may make payments due under the ICA directly to Mortgagee in accordance with the immediately preceding sentence. The Managing Agent acknowledges and agrees that the Mortgagee does not, and shall have no obligation to, assume any rights or duties of the Owner/Operator under the ICA unless and until Mortgagee expressly volunteers in writing to succeed to the interest of Owner/Operator under the ICA, and obtains the express written consent of the Managing Agent.

2. Subordination. Except as otherwise provided in paragraph 3 of this Agreement, the ICA, and Managing Agent's rights to use or control the use of the Premises under the terms of the ICA, are hereby subjected and subordinated, and shall remain in all respects and for all purposes subject and subordinate, to the lien of the Mortgage, and to the rights and interest of the Mortgagee and its successors and assigns, as fully and with the same effect as if the Mortgage had been duly executed, acknowledged and recorded, and the indebtedness secured by the Mortgage had been fully disbursed prior to the execution of the ICA or use of the Real Estate for the benefit of Managing Agent.

3. Mortgagee Not to Disturb Managing Agent. At any time that the Mortgage shall be in effect, Mortgagee agrees that so long as the Managing Agent is not in default (beyond any period given the Managing Agent under the ICA to cure such default) in the payments due or in the performance of any of the terms, covenants or conditions of the ICA on the Managing Agent's part to be performed, the Mortgagee will not join the Managing Agent as a party defendant in any action or proceeding foreclosing the Mortgage unless required to foreclose the Mortgage and then only for such purpose and not for the purpose of terminating the ICA, and further, that the Managing Agent's rights and privileges under the ICA, or any extensions or renewals thereof which may be effected in accordance with the ICA, shall not

be diminished or interfered with by the Mortgagee and the Managing Agent's use of the Premises shall not be disturbed by the Mortgagee.

4. Managing Agent's Consent Needed to Attorn to Mortgagee. All parties acknowledge that the ICA, in addition to providing for use of the Buildings, requires Owner/Operator to care and feed pigs to be supplied by Managing Agent. The parties further acknowledges that because the obligation of providing care to the livestock is of central importance to the ICA, Managing Agent may withhold consent of any attempts to transfer, assign or subcontract such obligation. Therefore, if the interest of the Owner/Operator shall be transferred to and owned by the Mortgagee by reason of foreclosure of the Mortgage or other proceedings brought by it in lieu of or pursuant to a foreclosure, or in any other manner, and the Mortgagee intends to succeed to the interest of the Owner/Operator under the ICA, the Managing Agent shall not be bound to the Mortgagee under the terms, covenants and conditions of the ICA for the balance of the term thereof remaining, unless the Managing Agent specifically consents in writing to such succession. If the Managing Agent so consents in writing, the Managing Agent shall attorn to the Mortgagee as its independent contractor, such attornment to be automatically effective immediately upon the execution of Managing Agent's written consent, without the execution of any further instruments on the part of any of the parties hereto. The respective rights and obligations of the Managing Agent and the Mortgagee upon such attornment, to the extent of the then remaining balance of the term of the ICA and any such extensions and renewals hereto, shall be and are the same as now set forth in the ICA, the terms of which are hereby fully incorporated herein by reference and made a part of this Agreement. However, if the Managing Agent refuses to consent, then the ICA shall be considered automatically terminated, and Managing Agent shall have ~~ten (10)~~ Thirty 30 days in which to remove all its pigs from the Buildings. MAM

5. Mortgagee Not Bound By Certain Acts of Owner/Operator. If the Managing Agent consents to succession by Mortgagee to the interest of the Owner/Operator under the ICA, the Mortgagee shall not be liable for any act or omission of Owner/Operator; nor subject to any offsets or defenses which the Managing Agent might have against the Owner/Operator, except for: offsets and defenses for violations of the Owner/Operator's obligations under the ICA occurring or continuing on or after the date on which the Managing Agent consents to Mortgagee's succession to the interest of the Owner/Operator under the ICA; nor bound by any payments which the Managing Agent might have paid for more than the then current installment; nor bound by any amendment or modification of the ICA made without the Mortgagee's consent, which consent shall not be unreasonably withheld.

6. Managing Agent to Provide Financial Information to Mortgagee. Managing Agent shall annually, or more often at the request of Mortgagee, provide to Mortgagee copies of Managing Agent's financial statements, prepared in accordance with generally accepted accounting principles. The annual statements shall have been audited by a Certified Public Accountant and be accompanied by the audit report.

7. Successors and Assigns. This Agreement and each and every covenant, agreement and other provision hereof shall be binding upon the parties hereto and their successors and assigns, including without limitation each and every holder of the ICA or any other person having an interest therein and shall inure to the benefit of the Mortgagee, and its successors and assigns.

8. Choice of Law. This Agreement is made and executed under and in all respects is to be governed and construed by the laws of the State of Iowa.

9. Captions and Headings. The captions and headings of the various sections of this Agreement are for convenience only and are not to be construed as confining or limiting in any way the scope or intent of the provisions hereof. Whenever the context requires or permits, the singular shall include the plural, and the plural shall include the singular.

10. Notices. Any notices which any party hereto may desire or may be required to give to any other party shall be in writing and the mailing thereof by certified mail, or equivalent, to the addresses as set forth above, or to such other places as any party hereto may by notice in writing designate, shall constitute service of notice hereunder.

COMMUNITY SAVINGS BANK

By: _____
Brett Nagel

MOUW FAMILY INVESTMENTS, L.L.C.

By: _____
Loren J. Mouw, Member Manager

M2P2, LLC

By: _____

STATE OF IOWA)
)ss.
COUNTY OF Pottawattamie)

The foregoing instrument was acknowledged before me this 18 day of Nov., 2004, by Brett Nagel, Vice President of Community Savings Bank, an Iowa banking corporation, on behalf of said corporation.

COMMUNITY SAVINGS BANK CORPORATE SEAL COUNCIL BLUFFS, IOWA

_____
Donna S. Hoeger
Notary Public

DONNA S. HOEGER
Commission Number 223743
My Commission Expires
7-28-05

STATE OF IOWA)
) ss:
COUNTY OF Linn)

On this 7th day of October, 2004, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Loren J. Mouw, to me personally known, who, being by me duly sworn, did say that he is the Member Manager of Mouw Family Investments, L.L.C., an Iowa limited liability company, executing the foregoing instrument, that the instrument was signed on behalf of Mouw Family Investments, L.L.C. by authority of its members; and that he acknowledge the execution of the instrument to be the voluntary act and deed of the limited liability company by it and by him voluntarily executed.

Notary Public in and for the State of Iowa

STATE OF IOWA)
)ss.
COUNTY OF Story)

The foregoing instrument was acknowledged before me this 17th day of November, 2004, by Mark McCulley, the Finishing Manager of M2P2, LLC, a Delaware limited liability company, on behalf said limited liability company.

SARA M YATES
Commission Number 731341
My Commission Expires
November 2, 2007

Notary Public

EXHIBIT A
TO
SUBORDINATION AND NONDISTRUBANCE AGREEMENT

The Real Estate referred to in the referenced Agreement is located in Delaware County, Iowa, and is legally described as follows:

PARCEL A, PART OF THE NW ¼ - SE ¼ SEC. 28, T89N, R4W OF THE FIFTH P.M., DELAWARE COUNTY, IOWA, ACCORDING TO PLAT RECORDED IN BOOK 2004, PAGE 1780

And

PARCEL B, PART OF THE NW ¼ SE ¼ OF SECTION 14, TOWNSHIP 88 NORTH, RANGE 4, WEST OF THE FIFTH P.M., DELAWARE COUNTY, ACCORDING TO PLAT RECORDED IN BOOK 2004, PAGE 1782