Book 2015 Page 2721
Document 2015 2721 Type 06 006 Pages 5
Date 10/05/2015 Time 10:59:49AM
Rec Amt $27.00

Daneen Schindler, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

SUBORDINATION AGREEMENT
Recorder's Cover Sheet

Preparer Information: Daniel H. Swift, Swift Law Firm, 108 N. Madison Street, PO Box 207, Manchester, IA 52057, Phone: (563) 927-4901

Taxpayer Information: N/A

Return Address: Community Savings Bank, 106 Northern Avenue, Earlville, Iowa 52041

Grantors: ~~N/A~~ Community Savings Bank
Grantees: ~~N/A~~ William S. Ries, Heather Ries & Robert A. Holtz
Legal Description: See Page 2

Document or instrument number if applicable:

SUBORDINATION AGREEMENT

MADE the 23rd day of September, 2015, by and between Community Savings Bank, an Iowa Banking Corporation, William S. Ries and Heather A. Ries, husband and wife, and Robert A. Holtz, a single person.

WHEREAS, William S. Ries and Heather A. Ries, husband and wife, have title to and own the following described real estate, located in Delaware County, Iowa, to-wit:

> The South one-half (S ½) of the Southwest Quarter (SW ¼) of Section Eight (8), and the North one-half (N ½) of the Northwest Quarter (NW ¼) of Section Seventeen (17), Township Eighty Nine (89) North, Range Four (4), West of the Fifth Principal Meridian, except Parcel A, Part Of The N ½ Of The NW ¼ Sec. 17, T89N, R4W Of The Fifth P.M., Delaware County, Iowa, according to plat recorded in Book 2002, Page 1910, and also except the East three hundred seventy two (372) feet of the North one-half (N ½) of the Northwest Quarter (NW ¼) of said Section Seventeen (17)

WHEREAS, William S. Ries and Heather A. Ries, husband and wife, are indebted to Robert A. Holtz, a single person, by virtue of a Promissory Note signed by William Ries and dated December 12th, 2012, in favor of Robert A. Holtz which was filed on December 12th, 2012 with the Office of the Delaware County Recorder in Book 2012, Page 4282 in the principal sum of One Hundred Fifty Thousand Dollars ($150,000.00); and

WHEREAS, Community Savings Bank, pursuant to Promissory Notes, Mortgages and Security Agreements entered in to with William S. Ries and Heather A. Ries, husband and wife, of even date herewith, as the same may be extended, amended, modified or restated from time to time, collectively, the loan agreement, has agreed to establish certain credit facilities and to extend certain other financial accommodations in favor of William S. Ries and Heather A. Ries, husband and wife, subject to the subordinations and other agreements contained herein; and

WHEREAS, in order to induce Community Savings Bank to enter into the loan agreements in favor of William S. Ries and Heather A. Ries, husband and wife, Robert A. Holtz, a single person, hereby agrees to the subordination contained herein upon the terms and conditions of this Subordination Agreement;

NOW, THEREFORE, for value received, and in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Robert A. Holtz, a single person, hereby agrees that his Promissory Note signed by William Ries and dated December 12th, 2012, in favor of Robert A. Holtz, a single person, as filed with the Delaware County Recorder on December 12th, 2012, in Book 2012, Page 4282 in the principal sum of One Hundred Fifty Thousand Dollars ($150,000.00) shall be subordinated and is subordinated in all respects through the indefeasible and irrevocable payment in full in cash of the debt of William S. Ries and Heather A. Ries, husband and wife, as owed to Community Savings Bank and all extensions, modifications, renewals and advancements associated therewith. Robert A. Holtz hereby subordinates any lien he may have to secure his debt on the property heretofore described herein to the debt of William S. Ries and Heather A. Ries, husband and wife, as owed, or to be owed to Community Savings Bank.

2. Until the debt of William S. Ries and Heather A. Ries, husband and wife, to Community Savings Bank, shall have been fully, finally and irrevocably paid in full in cash, and all financing arrangements between the Borrower and Lender have been terminated, including the payment of all Promissory Notes, satisfaction of all Mortgages, and the release of all Security Agreements and Financing Statements, Robert A. Holtz, a single person, will not accelerate the scheduled payments of any amounts owing on his debt or take any action to enforce or collect amounts so owing against William S. Ries and Heather A. Ries, husband and wife, or any security for said debt. Community Savings Bank shall be subrogated to Robert A. Holtz, a single person, with respect to all of his claims against William S. Ries and Heather A. Ries, and his rights, liens and security interest, if any, in any of William S. Ries and Heather A. Ries, husband and wife's assets and the proceeds thereof.

3. Should any party to this Agreement institute any action or proceeding (including arbitration) to enforce and interpret any provision of this Subordination Agreement, or for damages by reason of an alleged breach of any provision of this Subordination Agreement, the prevailing party shall be entitled to recover its costs and expenses and reasonable attorney fees for services rendered to the prevailing party in such action or proceeding. The term "prevailing party" as used in this paragraph shall include, without limitation, any party who is made a defendant in a litigation in which damages or other relief, or both, may be sought against such party and a final judgment for dismissal or decree is entered in such litigation in favor of such party defendant.

4. All covenants, agreements, representations and warranties made in this Subordination Agreement, shall, except to the extent otherwise provided herein, survive the execution and delivery of this Agreement and shall continue in full force and effect for so long as any of the Community Savings Bank's loans to William S. Ries and Heather A. Ries, husband and wife, remain unpaid.

5. This Subordination Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

6. This Subordination Agreement shall be governed by the laws of the State of Iowa and any dispute or controversy arising in connection with or related to this Agreement, shall be litigated only in the Iowa District Court in and for Delaware County, Iowa.

Dated this 23rd day of September, 2015.

COMMUNITY SAVINGS BANK

By _____
Scott J. Wegmann
Vice President /Branch Manager

STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this 23RD day of September, 2015, before me, the undersigned, a Notary Public in and for the said State, personally appeared Scott J. Wegmann, to me personally known, who being by me duly sworn, did say he is the Vice President/Branch Manager of the corporation executing the within and foregoing instrument, that (~~no seal has been procured by the~~) (the seal affixed hereto is the seal of the) corporation; that the instrument was signed (and sealed) on behalf of the corporation by authority of its Board of Directors; and that Scott J. Wegmann, as officer, acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation, by it and by him voluntarily executed.

LIZ RUDE
Commission Number 754108
My Commission Expires
8-8-2017

_____
Notary Public in and for said State

COMMUNITY SAVINGS BANK CORPORATE SEAL

Dated this 22ND day of September, 2015.

_____
Robert A. Holtz

NOTARIAL SEAL IOWA
SCOTT J. WEGMANN
COMMISSION NUMBER 725828
My Commission Expires:
12-03-2015

STATE OF IOWA, COUNTY OF Delaware, ss:

I, Robert A. Holtz, being first duly sworn on oath, depose and state that I have read the foregoing Subordination Agreement, and the statements and allegations contained therein, are true and correct to the best of my present knowledge, belief and information.

_____
Notary Public in and for the State of Iowa

Dated this 23RD day of September, 2015.

William S. Ries

STATE OF IOWA, COUNTY OF Delaware, ss:

I, William S. Ries, being first duly sworn on oath, depose and state that I have read the foregoing Subordination Agreement , and the statements and allegations contained therein, are true and correct to the best of my present knowledge, belief and information.

Notary Public in and for the State of Iowa

NOTARIAL SEAL IOWA
SCOTT J. WEGMANN
COMMISSION NUMBER 725828
My Commission Expires:
12.03.2015

Dated this 23RD day of September, 2015.

Heather A. Ries

STATE OF IOWA, COUNTY OF Delaware, ss:

I, Heather A. Ries, being first duly sworn on oath, depose and state that I have read the foregoing Subordination Agreement , and the statements and allegations contained therein, are true and correct to the best of my present knowledge, belief and information.

Notary Public in and for the State of Iowa

NOTARIAL SEAL IOWA
SCOTT J. WEGMANN
COMMISSION NUMBER 725828
My Commission Expires:
12.03.2015