

**BK: 2021 PG: 1355**  
**Recorded: 4/2/2021 at 8:09:40.0 AM**  
**Pages 10**  
**County Recording Fee: \$52.00**  
**Iowa E-Filing Fee: \$3.00**  
**Combined Fee: \$55.00**  
**Revenue Tax:**  
**LISA SMITH RECORDER**  
**Madison County, Iowa**

FOR RECORDER'S USE ONLY

---

Prepared By: Loan Documentation, BELL BANK, 205 West Washington Ave, Fergus Falls, MN 56537,  
(218) 998-5600

**ADDRESS TAX STATEMENT:**

MIDWEST HERITAGE BANK, 3580 EP True Parkway, West Des Moines, IA 50265

**RECORDATION REQUESTED BY:**

BELL BANK, FERGUS FALLS OFFICE, 205 West Washington Ave, Fergus Falls, MN 56537

**WHEN RECORDED MAIL TO:**

BELL BANK, FERGUS FALLS OFFICE, 205 West Washington Ave, Fergus Falls, MN 56537

---

**NOTICE: THIS SUBORDINATION OF MORTGAGE 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.**

**SUBORDINATION OF MORTGAGE**

The names of all Grantors (sometimes "Borrower") can be found on page 1 of this Subordination. The names of all Grantees (sometimes "Lender") can be found on page 1 of this Subordination. The property address can be found on page 2 of this Subordination. The legal description can be found on page 1 of this Subordination. The related document or instrument number can be found on page 1 of this Subordination.

**THIS SUBORDINATION OF MORTGAGE dated March 25, 2021, is made and executed among JEFFRY R. KIDDOO, PATRICIA L. KIDDOO and CORY R. KIDDOO ("Borrower"); MIDWEST HERITAGE BANK ("Mortgagee"); and BELL BANK ("Lender").**

**SUBORDINATED INDEBTEDNESS.** Mortgagee has extended the following described financial accommodations, secured by the Real Property (the "Subordinated Indebtedness"):

**Promissory Note dated March 26, 2018 in the original amount of \$800,000.00, as subsequently increased to the amount of \$1,600,000.00, and as further amended, extended, and modified from time to time.**

**SUBORDINATED MORTGAGE.** The Subordinated Indebtedness is or will be secured by the Real Property and evidenced by a mortgage dated March 26, 2018 from JEFFRY R. KIDDOO and PATRICIA L. KIDDOO

("Mortgagor") to MIDWEST HERITAGE BANK ("Mortgagee") (the "Subordinated Mortgage") and recorded in Madison County, State of Iowa as follows:

**Recorded on March 28, 2018, in Book 2018 Page 955.**

**REAL PROPERTY DESCRIPTION.** The Subordinated Mortgage covers the following described real property (the "Real Property") located in Madison County, State of Iowa:

See Exhibit A, which is attached to this Subordination and made a part of this Subordination as if fully set forth herein.

The Real Property or its address is commonly known as Farmland located in Madison County, IA. The Real Property tax identification number is 560112820041000; 560112882001000; 560112884000000; 560112886000000; 56011288801000; 630130142000000; 630130144000000; 630130146000000; 630130148000000; 630131142000000; 630131124000000; 630131122020000; 630131126010000; 630131126020000; 630132282020000; 630132284000000; 630132286000000; 630132288010000; 630132722000000; 630132724000000; 630132742010000; 630132362000000; 630132364012000; 630132366012000; 630132368000000; 630132622000000; 630132624000000; 630132626000000; 630132628010000; 630132642000000; 630132644000000; 630132646000000; 630132648000000; 630132542000000; 630132544000000; 630132546000000; 630132548000000; 630132766000000; 630132768000000; 630133442000000; 630133444000000; 630130286000000; 630130288012000.

**SUPERIOR INDEBTEDNESS.** Lender has extended or has agreed to extend the following described financial accommodations to Borrower, secured by the Real Property (the "Superior Indebtedness"):

**Promissory Note dated March 25, 2021 in the amount of \$7,221,126.08.**

**LENDER'S LIEN.** The Superior Indebtedness is or will be secured by the Real Property and evidenced by the following mortgage from JEFFRY R. KIDDOO and PATRICIA L. KIDDOO to Lender (the "Lender's Lien") and recorded in Madison County, State of Iowa as follows:

**Mortgage dated February 27, 2018, recorded on March 1, 2018, in Book 2018, Page 664, as modified by that certain Modification of Mortgage dated March 25, 2021, recorded on April 1, 2021, as in Book 2021, Page 1353.**

As a condition to the granting of the requested financial accommodations, Lender has required that the Lender's Lien be and remain superior to the Subordinated Mortgage.

**REQUESTED FINANCIAL ACCOMMODATIONS.** Mortgagor, who may or may not be the same person or entity as Borrower, and Mortgagee each want Lender to provide financial accommodations to Borrower in the form of the Superior Indebtedness. Mortgagor and Mortgagee each represent and acknowledge to Lender that Mortgagee will benefit as a result of these financial accommodations from Lender to Borrower, and Mortgagee acknowledges receipt of valuable consideration for entering into this Subordination.

**NOW THEREFORE THE PARTIES TO THIS SUBORDINATION HEREBY AGREE AS FOLLOWS:**

**SUBORDINATION.** The Subordinated Mortgage and the Subordinated Indebtedness secured by the Subordinated Mortgage is and shall be subordinated, in all respects to Lender's Lien and the Superior Indebtedness, and it is agreed that Lender's Lien shall be and remain, at all times, prior and superior to the lien of the Subordinated Mortgage. Mortgagee also subordinates to Lender's Lien all other Security Interests in the Real Property held by Mortgagee, whether now existing or hereafter acquired. The words "Security Interest" mean and include without limitation any type of collateral security, whether in the form of a lien, charge, mortgage, deed of trust, assignment, pledge, chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise.

**MORTGAGEE'S REPRESENTATIONS AND WARRANTIES.** Mortgagee represents and warrants to Lender that: (A) no representations or agreements of any kind have been made to Mortgagee which would limit or qualify in any way the terms of this Subordination; (B) this Subordination is executed at Borrower's

request and not at the request of Lender; (C) Lender has made no representation to Mortgagee as to the creditworthiness of Borrower; and (D) Mortgagee has established adequate means of obtaining from Borrower on a continuing basis information regarding Borrower's financial condition. Mortgagee agrees to keep adequately informed from such means of any facts, events, or circumstances which might in any way affect Mortgagee's risks under this Subordination, and Mortgagee further agrees that Lender shall have no obligation to disclose to Mortgagee information or material acquired by Lender in the course of its relationship with Mortgagee.

**MORTGAGEE WAIVERS.** Mortgagee waives any right to require Lender: (A) to make, extend, renew, or modify any loan to Borrower or to grant any other financial accommodations to Borrower whatsoever; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of any Superior Indebtedness secured by Lender's Lien, or notice of any action or nonaction on the part of Borrower, Lender, any surety, endorser, or other guarantor in connection with the Superior Indebtedness, or in connection with the creation of new or additional indebtedness; (C) to resort for payment or to proceed directly or at once against any person, including Borrower; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to give notice of the terms, time, and place of any public or private sale of personal property security held by Lender from Borrower or to comply with any other applicable provisions of the Uniform Commercial Code; (F) to pursue any other remedy within Lender's power; or (G) to commit any act or omission of any kind, at any time, with respect to any matter whatsoever.

**LENDER'S RIGHTS.** Lender may take or omit any and all actions with respect to Lender's Lien without affecting whatsoever any of Lender's rights under this Subordination. In particular, without limitation, Lender may, without notice of any kind to Mortgagee, (A) make one or more additional secured or unsecured loans to Borrower; (B) repeatedly alter, compromise, renew, extend, accelerate, or otherwise change the time for payment or other terms of the Superior Indebtedness or any part of it, including increases and decreases of the rate of interest on the Superior Indebtedness; extensions may be repeated and may be for longer than the original loan term; (C) take and hold collateral for the payment of the Superior Indebtedness, and exchange, enforce, waive, and release any such collateral, with or without the substitution of new collateral; (D) release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or guarantors on any terms or manner Lender chooses; (E) determine how, when and what application of payments and credits, shall be made on the Superior Indebtedness; (F) apply such security and direct the order or manner of sale of the security, as Lender in its discretion may determine; and (G) transfer this Subordination to another party.

**DEFAULT BY BORROWER.** If Borrower becomes insolvent or bankrupt, this Subordination shall remain in full force and effect. In the event of a corporate reorganization or corporate arrangement of Borrower under the provisions of the Bankruptcy Code, as amended, this Subordination shall remain in full force and effect and the court having jurisdiction over the reorganization or arrangement is hereby authorized to preserve such priority and subordination provided under this Subordination in approving any such plan of reorganization or arrangement. Any default by Borrower under the terms of the Subordinated Indebtedness also shall constitute an event of default under the terms of the Superior Indebtedness in favor of Lender.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Subordination:

**Amendments.** This Subordination constitutes the entire understanding and agreement of the parties as to the matters set forth in this Subordination. No alteration of or amendment to this Subordination shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Subordination, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the

expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance; to the extent permitted by applicable law. Mortgagee also will pay any court costs, in addition to all other sums provided by law.

**Authority.** The person who signs this Subordination as or on behalf of Mortgagee represents and warrants that he or she has authority to execute this Subordination and to subordinate the Subordinated Indebtedness and the Mortgagee's security interests in Mortgagee's property, if any.

**Caption Headings.** Caption headings in this Subordination are for convenience purposes only and are not to be used to interpret or define the provisions of this Subordination.

**Governing Law.** With respect to procedural matters related to the perfection and enforcement of Lender's rights against the Property, this Subordination will be governed by federal law applicable to Lender and to the extent not preempted by federal law, the laws of the State of Iowa. In all other respects, this Subordination will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Minnesota without regard to its conflicts of law provisions. However, if there ever is a question about whether any provision of this Subordination is valid or enforceable, the provision that is questioned will be governed by whichever state or federal law would find the provision to be valid and enforceable. The loan transaction that is evidenced by the Note and this Subordination has been applied for, considered, approved and made, and all necessary loan documents have been accepted by Lender in the State of Minnesota.

**Choice of Venue.** If there is a lawsuit, Mortgagee agrees upon Lender's request to submit to the jurisdiction of the courts of Otter Tail County, State of Minnesota.

**Successors.** This Subordination shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Subordination, and the covenants of Mortgagee herein in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any or all of the Superior Indebtedness.

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Subordination unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Subordination shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Subordination. No prior waiver by Lender, nor any course of dealing between Lender and Mortgagee, shall constitute a waiver of any of Lender's rights or of any of Mortgagee's obligations as to any future transactions. Whenever the consent of Lender is required under this Subordination, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**EACH PARTY TO THIS SUBORDINATION ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS SUBORDINATION, AND EACH PARTY AGREES TO ITS TERMS. THIS SUBORDINATION IS DATED MARCH 25, 2021.**

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK AND THE FOLLOWING PAGES ARE THE SIGNATURE AND NOTARY PAGES.**

BORROWER:

X Jeffery R. Kiddoo  
JEFFRY R. KIDDOO, Individually

X Patricia L. Kiddoo  
PATRICIA L. KIDDOO, Individually

X Cory R. Kiddoo  
CORY R. KIDDOO, Individually

MORTGAGEE:

MIDWEST HERITAGE BANK

By: \_\_\_\_\_  
Wayne N. Martens, Vice President

LENDER:

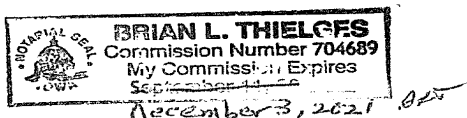
BELL BANK

X Jerry Polejewski  
Jerry Polejewski, Senior Vice President

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Iowa )  
 ) SS  
COUNTY OF Madison )

This record was acknowledged before me on March 24<sup>th</sup>, 2021, by JEFFRY R. KIDDOO, A Married Person.



Brian L. Thielges

Notary Public in and for the State of Iowa  
My commission expires  
12-3-21

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Iowa

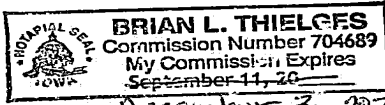
)

COUNTY OF Madison

) SS

)

This record was acknowledged before me on March 24, 2021, by PATRICIA L. KIDDOO, A Married Person.



Brian L. Thielges  
Notary Public in and for the State of Iowa  
My commission expires  
12-3-21

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Iowa

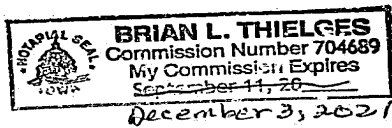
)

COUNTY OF Madison

) SS

)

This record was acknowledged before me on March 24, 2021, by CORY R. KIDDOO.



Brian L. Thielges  
Notary Public in and for the State of Iowa  
My commission expires  
12-3-21

BORROWER:

X \_\_\_\_\_  
JEFFRY R. KIDDOO, Individually

X \_\_\_\_\_  
PATRICIA L. KIDDOO, Individually

X \_\_\_\_\_  
CORY R. KIDDOO, Individually

MORTGAGEE:

MIDWEST HERITAGE BANK

By: Wayne N. Martens  
Wayne N. Martens, Vice President

LENDER:

BELL BANK

X \_\_\_\_\_  
Jerry Polejewski, Senior Vice President

INDIVIDUAL ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ )  
 ) SS  
COUNTY OF \_\_\_\_\_ )

This record was acknowledged before me on March \_\_\_\_\_, 2021, by JEFFRY R. KIDDOO, A Married Person.

\_\_\_\_\_  
Notary Public in and for the State of \_\_\_\_\_  
My \_\_\_\_\_ commission expires \_\_\_\_\_

CORPORATE ACKNOWLEDGMENT

STATE OF Iowa )
COUNTY OF Madison ) SS

This record was acknowledged before me on March 19, 2021, by Wayne N. Martens as Vice President of MIDWEST HERITAGE BANK.



[Signature]
Notary Public in and for the State of Iowa
My commission expires 3/9/2024

LENDER ACKNOWLEDGMENT

STATE OF Minnesota )
COUNTY OF Otter Tail ) SS

This record was acknowledged before me on March 30th, 2021, by Jerry Polejewski as Senior Vice President of BELL BANK.



[Signature]
Notary Public in and for the State of MN
My commission expires 1-31-2026



TRACT 1:

The Southeast Quarter, EXCEPT the South 330 feet of the East 223 feet thereof, AND the South Half of the South Half of the Northeast Quarter, all in Section 28, Township 75 North, Range 28 West of the 5th P.M., Madison County, Iowa EXCEPT Parcel "A", located in the Southeast Quarter of the Northeast Quarter and in the Northeast Quarter of the

Southeast Quarter of said Section 28, as shown on Plat of Survey filed in Book 2001, Page 1945 on May 14, 2001 in the Office of the Recorder of Madison County, Iowa.

TRACT 2:

The Northwest Fractional Quarter of Section 1, Township 74 North, Range 29 West of the 5th P.M., Madison County, Iowa.

TRACT 3:

The Northeast Quarter of the Northwest Quarter, and the Northwest Quarter of the Northeast Quarter and the West 8.75 acres of the Northwest Quarter of the Northeast Quarter of the Northeast Quarter of Section 11, all in Township 74 North, Range 29 West of the 5th P.M., Madison County, Iowa.

TRACT 4:

The Southwest Quarter of the Northeast Quarter of Section 11, Township 74 North, Range 29 West of the 5th P.M., Madison County, Iowa.

TRACT 5:

The South Half of the Southeast Quarter, and the Northwest Quarter of the Southeast Quarter, and the South Half of the Northeast Quarter of the Southeast Quarter of Section 22;

AND

The North Half of the Northeast Quarter and the North 76 rods of the East 10 1/2 rods of the Northeast Quarter of the Northwest Quarter of Section 27;

ALL IN Township 74 North, Range 29 West of the 5th P.M., Madison County, Iowa.

TRACT 6:

The Southwest Quarter of Section 23, EXCEPT the North 4 rods of the West 27 rods thereof, and EXCEPT Parcel "A" located in the West Half of the Southwest Quarter of said Section 23, as shown in Plat of Survey filed in Book 2012, Page 2757 on September 17, 2012, in the Office of the Recorder of Madison County, Iowa; ALL IN Township 74 North, Range 29 West of the 5th P.M., Madison County, Iowa.

TRACT 7:

The North Half of Section 26 in Township 74 North, Range 29 West of the 5th P.M., Madison County, Iowa, EXCEPT Parcel "A", located in the Southeast Quarter of the Northeast Quarter of said Section 26, as shown in Plat of Survey recorded on May 14, 1999, in Plat Record 3, Page 438 of the Madison County Recorder's Office.

TRACT 8:

The Northwest Quarter of Section 25 in Township 74 North, Range 29 West of the 5th P.M., Madison County, Iowa.

TRACT 9:

The South Half of the Southwest Quarter of Section 27; and the North Half of the Northwest Quarter of Section 34, all in Township 74 North, Range 29 West of the 5th P.M., Madison County, Iowa.

TRACT 10:

The South Half of the Southeast Quarter of Section 2, Township 74 North, Range 29 West of the 5th P.M., Madison County, Iowa, EXCEPT Parcel "A", located in the Southeast Quarter of the Southeast Quarter of said Section 2, as shown in Plat of Survey filed in Book 3, Page 616 on August 11, 2000, in the Office of the Recorder of Madison County, Iowa; AND EXCEPT Parcel "C", located in the Southeast Quarter of the Southeast Quarter of said Section 2, as shown in Plat of Survey filed in Book 2012, Page 2756 on September 17, 2012, in the Office of the Recorder of Madison County, Iowa.