

Prepared By/ Return To: Greg Grote, Charter Bank, 455 6<sup>th</sup> Street, P.O. Box 550, Waukee, IA 50263 (515) 987-1000

**SUBORDINATION AGREEMENT  
(Real Estate)**

The undersigned is the owner and holder of a note and mortgage (hereinafter collectively called the "Mortgage") made by Scenic Ridge Holdings, LLC and recorded on the 2<sup>nd</sup> day of May, 2022 in the office of the Madison County Recorder of the County of Madison, State of Iowa in Book 2022 of Mortgages, at Page 1281, and covering the following described premises (set forth legal description of property):

The Northeast Quarter (1/4) of Section Twelve (12), in Township Seventy-seven (77) North, Range Twenty-eight (28) West of the 5th P.M., Madison County, Iowa, except that part thereof deeded for highway purposes

McCartney Trim Corporation has applied for a secured loan in the amount of \$829,500.00 for a term of nine months from Charter Bank. Charter Bank has declined to make such a loan unless the undersigned subordinates its mortgage in the above described premises to Charter Bank.

The proceeds of this proposed loan will be used for the following purposes:

Construct a New Home

Therefore, in order to induce Charter Bank to make said loan to McCartney Trim Corporation, and in consideration of the consummation of said loan in reliance upon this Subordination Agreement, the undersigned hereby subordinates all right, title and interest under said outstanding mortgage or otherwise in and to the property described above as against said loan to be made by said Charter Bank, in an amount not to exceed \$829,500.00, so that the mortgage to be executed by McCartney Trim Corporation to Charter Bank shall grant a mortgage in said property superior to the outstanding Real Estate contract of the undersigned and superior to the indebtedness secured thereby, except as herein limited.

Charter Bank may renew or extend the time of payment or otherwise alter the terms of any of the indebtedness of McCartney Trim Corporation to Charter Bank and may deal with the security in any way desired by Charter Bank without impairing or affecting this Subordination Agreement and with out incurring any liability thereby.

This Subordination Agreement shall be binding upon the successors and assigns of the Charter Bank and shall operate to the benefit of Lender, its successors and assigns.

**NOTICE**

**ORAL OR IMPLIED CHANGES TO THIS OR ANY OTHER CREDIT AGREEMENT(S) (EXCEPT CONSUMER LOANS OR OTHER EXEMPT TRANSACTIONS) WITH THIS LENDER ARE NOT ENFORCEABLE AND SHOULD NOT BE RELIED UPON. IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT. THIS NOTICE ALSO APPLIES TO ANY OTHER CREDIT AGREEMENTS (EXCEPT CONSUMER LOANS OR OTHER EXEMPT TRANSACTIONS) NOW IN EFFECT BETWEEN YOU AND THIS BANK.**

Dated this 18<sup>th</sup> day of October, 2023.

Charter Bank

by: Greg Grote, President  
Greg Grote, President

STATE OF IOWA            )  
  ) ss:  
COUNTY OF DALLAS    )

On this 18<sup>th</sup> day of October, 2023, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Greg Grote, to me personally known, who, being by me duly sworn, did say that he is the President, of the corporation, executing the foregoing instrument, that the seal affixed thereto 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; that the President, acknowledged the execution of the instrument to be the voluntary act and deed of the corporation by it voluntarily executed.



Jane K. Inskeep  
Notary Public in and for the State of Iowa