

MICHELLE "MICKI" UTSLER, COUNTY RECORDER  
MADISON IOWA

COMPUTER ☒  
RECORDED ☒  
COMPARED ☐

**After Recording Return To:**

Principal Residential Mortgage, Inc.

[Company Name]

Attn: Loss Mitigation Department - B077

[Name of Natural Person]

711 High Street

[Street Address]

Des Moines, Iowa 50392

[City, State, Zip]

**Prepared By:**

Ruth Ruhl, Esquire

RUTH RUHL, P.C.

2305 Ridge Road, Suite 106

Rockwall, TX 75087

(877) 766-6677

## SUBORDINATION AGREEMENT

Loan No.: 4058961-6

State of Iowa §

§

County of Madison §

KNOW ALL MEN BY THESE PRESENTS:

THIS SUBORDINATION AGREEMENT, hereinafter referred to as Agreement, is made and entered into  
this 1st of June, 2004 by and among Mark D. Landreth and Denise L. Landreth ("Borrower"),

Principal Residential Mortgage, Inc.

("Lender"), and

Farmers & Merchants State Bank

("Subordinating Party").

### WITNESSETH:

**WHEREAS**, the Lender as a condition precedent to the modification of a Loan to the Borrowers requires the subordination of the lien held by the Subordinating Party;

**WHEREAS**, the Subordinating Party agrees to subordinate its debt and lien on the hereinafter described Property;

**NOW THEREFORE**, in consideration of such Loan being modified and other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, and in consideration of other significant benefits, the Borrowers, the Lender and the Subordinating Party mutually agree as follows:

Loan No.: 4058961-6

1. The Property subject to this Agreement is located at 309 E Buchanan, Winterset, Iowa 50273

[Property Address]

and is legally described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

2. The superior debt is more fully evidenced in a note in the original principal sum of seventy four thousand two hundred seventy three and 00/100 Dollars (\$ 74,273.00 ), executed by Mark D. Landreth and Denise L. Landreth

on March 27th, 1998 , made payable to Lender and secured by a Security Instrument dated March 27th, 1998 , and filed of record on March 27th, 1998 , in Volume/Book 197 Page 34 , Instrument No. 3702 , in the Real Property Records of Madison County, Iowa . The superior debt shall mean all debts and liabilities, including any future indebtedness of Borrower(s) secured by the Security Instrument whether such debts or liabilities may now exist or are hereinafter incurred or arise, and whether the obligation or liability of Borrower(s) thereon be direct, contingent, primary, secondary, joint, several or otherwise and irrespective of whether such debts or liabilities be evidenced by a modification, note, contract, escrow account or otherwise, and irrespective of the person or persons in whose favor such debts or liabilities may, at its inception have been or may hereafter be created or the manner in which it has been or may hereafter be acquired by the undersigned.

3. The subordinated debt is more fully evidenced in a note in the original principal sum of eight thousand and 00/100 Dollars (\$ 8,000.00 ) executed by the Borrower(s), on September 16, 2000 , made payable to Farmers & Merchants State Bank

and secured by a Security Instrument dated September 16, 2000 , and filed of record on September 22, 2000 in Volume/Book 220 , Page 779 , Instrument No. 006073 , in the Real Property Records of Madison County, Iowa

4. The Subordinating Party who is now the holder of the subordinated debt, for the consideration recited above, agrees that the subordinated debt is made subordinate, subject, and inferior by this Agreement to the superior debt held by the Lender.

5. Lender may in its discretion at any time and from time to time, without further consent of or notice to the Subordinating Party and with or without valuable consideration, release any person primarily or secondarily liable upon the superior debt or may permit substitution, or withdrawals of any security or collateral at any time securing payment of said indebtedness or release any such security or collateral or modify, renew and extend or accept any partial payments upon said superior debt or alter in such manner as Lender shall deem proper, the terms of any instruments evidencing or securing such superior debt or any part thereof without in any manner impairing its rights hereunder. It shall not be necessary for Lender, in order to enforce its rights hereunder, to institute suit or exhaust its remedies against any person obligated to pay the superior debt.

6. This Agreement constitutes a continuing subordination until the superior debt and any modifications, renewal, extensions, or other liabilities arising out of said debt or any part thereof is repaid in full. This Agreement is cumulative of all other rights and securities of Lender. No waiver by Lender of any right hereunder with respect to a particular payment shall affect or impair its rights in any matters thereafter occurring.

7. The undersigned agrees to execute such further instruments as may be, in the opinion of Lender, from time to time necessary or appropriate to fully carry out the intent and purpose hereof.

Loan No.: 4058961-6

8. This Agreement shall be governed by the laws of the State of Iowa.

9. This Agreement is binding upon and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of each of the parties hereto, but the Subordinating Party covenants that he/she/it will not assign the claim of the Subordinating Party or any part thereof, without making the rights and interests of the assignee subject in all respects to the terms of this Agreement.

Date: \_\_\_\_\_

Date: \_\_\_\_\_

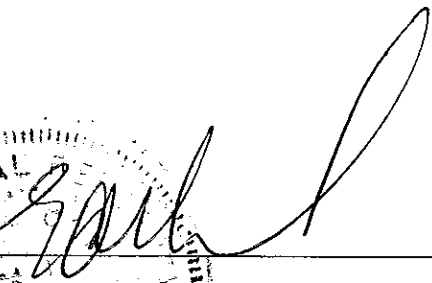
Principal Residential Mortgage, Inc. (Seal)  
-Lender

 (Seal)  
Mark D. Landreth -Borrower

 (Seal)  
Denise L. Landreth -Borrower

\_\_\_\_ (Seal)  
-Borrower


\_\_\_\_ (Seal)  
-Borrower

  
E.A. Hummel, Vice Pres. and Sec. - Default Adm.  
Its: \_\_\_\_\_

**SUBORDINATING PARTY:**

Date: 5-10-04

Farmers & Merchants State Bank

By:   
Consumer Loan Officer

Its: CH

[See Attached Acknowledgment(s)]

## BORROWER ACKNOWLEDGMENT

State of Iowa §  
County of Madison §

The foregoing instrument was acknowledged before me, [date],  
by Mark D. Landreth and Denise L. Landreth

[name of person acknowledged].

(Seal)



*Gina M. Hackett*

Notary Public, State of IOWA

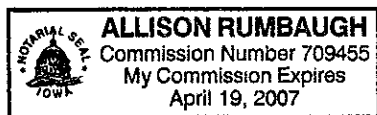
My Commission Expires: 8/16/05

## LENDER ACKNOWLEDGMENT

State of IOWA §  
County of POIK § ss.:  
§

On this 13 day of may, 2004, A.D., before me, a Notary  
[title of acknowledging officer], in and for said county, personally  
appeared E.A. Hummel, Vice Pres. and Sec. - Debut Adm. to me personally known, who being by me duly (sworn or  
affirmed) did say that person is [title of executing officer] of said entity  
and that said instrument was signed on behalf of said entity by authority of its board of (directors or trustees) and the  
said [title of executing officer] acknowledged the execution of said instrument to be the voluntary  
act and deed of said entity by it voluntarily executed.

(Seal)



*Allison Rumbaugh*

Notary Public, State of Id.

My Commission Expires:

## SUBORDINATING PARTY ACKNOWLEDGMENT

State of Iowa §  
County of MADISON § ss.:  
§

On this 17<sup>th</sup> day of May, A.D. 2004, before me, a  
Consumer Loan Officer [title of acknowledging officer], in and for said county, personally  
appeared Gina Hackett to me personally known, who being by me duly (sworn or  
affirmed) did say that person is Consumer Loan Officer [title of executing officer] of said entity  
and that said instrument was signed on behalf of said entity by authority of its board of (directors or trustees) and the  
said Gina Hackett acknowledged the execution of said instrument to be the voluntary  
act and deed of said entity by it voluntarily executed.

(Seal)



Nancy J. Corkrean  
Notary Public, State of Iowa

My Commission Expires: 5-17-05

Loan No.: 4058961-6

**EXHIBIT "A"**

SITUATED IN THE TOWN OF WINTERSET, COUNTY OF MADISON, AND STATE OF IOWA:

LOT FIVE (5) IN BLOCK FOUR (4) OF NORTH ADDITION TO THE TOWN OF WINTERSET, MADISON  
COUNTY, IOWA.

TAX ID NO.: 820003104060000