

MICHELLE "MICKI" UTSLER, COUNTY RECORDER  
MADISON IOWA

COMPUTER	<input checked="" type="checkbox"/>
RECORDED	<input checked="" type="checkbox"/>
COMPARED	<input type="checkbox"/>

FSA-460-2  
(03-19-03)

U.S. DEPARTMENT OF AGRICULTURE  
Farm Service Agency

**SUBORDINATION BY THE GOVERNMENT**

*Position 1 (Chattel Security)*  
*Position 5 (Real Estate Security)*

1. The United States of America acting through the United States Department of Agriculture (called the "Government") is the owner and holder of the following-described instruments executed by (a) Dale Duane Lauer of (b) Madison County, State of (c) Iowa :

<i>Title of Instrument</i>	<i>Date of Instrument</i>	<i>Date Filed</i>	<i>Office Filed</i>	<i>Document File or Book No.</i>	<i>Page No.</i>
(d)	(e)	(f)	(g)	(h)	(i)
Real Estate Mortgage	02/20/1991	02/21/1991	Madison County Recorder	158	266

AND, (j) Fars&Merchants State Bank (called the "Lender") has agreed to loan (k) \$ 16,000.00 to (l) Dale Duane Lauer and (called the "Borrower") for the following purposes: (m) Dozing & Fence Replacement

THIS WILL REPLACE SUBORDINATION DATED 02/2/1999 IN THE AMOUNT OF \$12,000. FILED 02/16/1999 IN BOOK 206 PAGE 93 AT RECORDER'S OFFICE MADISON COUNTY, IOWA

2. THEREFORE, in consideration the Lender's agreement to make such loan to Borrower, the Government (1) consents to the Borrower obtaining the loan from the Lender for such purposes, and (2) agrees to and does subordinate in favor of the Lender and its successors and assigns its liens of security interests created or evidenced by the above-described instruments insofar as they cover the following-described property and provided the Lender perfects a lien on that property:

The Southwest Quarter (SW 1/4) of the Northeast Quarter (NE 1/4) and the West Thirty-Eight (38) Acres of the Northwest Quarter (NW 1/4) of the Northeast Quarter (NE 1/4) of Section Sixteen (16), Township Seventy-four (74) North, Range Twenty-nine (29) West of the 5th P.M., Madison County, Iowa

V F&M

4 1/4 NE 1/4 & 4 1/4 NW 1/4 NE 1/4 SW 1/4 38 Acres W 4-L-19

2-21-91  
1650

66-91-2  
L333

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3. This subordination is limited to (1) the amount actually loaned by the Lender to the Borrower (principal and accrued interest) for the foregoing purposes, (2) future advances for taxes, insurance, and payments on liens prior to the Lender's lien, and (3) the amount actually advanced for foreclosure costs made by the Lender. Any amount in excess of such amount will not be covered by this subordination unless prior written consent was obtained from the Government for incurring the expenditure in question.

4. The Lender must incorporate into the Borrower's note a statement that the loan will be in default should any proceeds of the loan funds obtained as a result of this subordination be used (1) for a purpose that will contribute to the excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as provided by 7 C.F.R. part 1940, subpart G or any successor regulation, or (2) for any purpose not provided for above.

5. \*NOTE TO LENDER: You are advised to obtain a perfected security interest on the above property. When the indebtedness has been satisfied, please mark this form "PAID IN FULL" and return it to the Department of Agriculture at the following address:

Farm Service Agency  
815 E Hwy 92  
Winterset, Iowa 50273

6. IN WITNESS WHEREOF, The United States of America has caused this subordination to be signed on the (a) 27th day of (b) October, 2004

UNITED STATES OF AMERICA,

WITNESS: (c) BY (e) Robert E Miller  
TITLE (f) Farm Loan Officer

7. ACKNOWLEDGMENT

STATE OF (a) Iowa  
COUNTY OF (b) Madison

On this (c) 27th day of (d) October, 2004, before me, personally appeared (e) Robert E Miller, to be

known to me to be the same person whose name is subscribed to the foregoing instrument, and acknowledged that he/she signed and delivered the instrument as his/hers free and voluntary act, for the uses and purposes set forth.

My commission expires: (f) 2-23-07



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