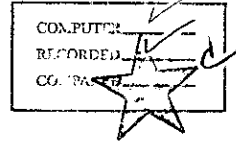


MICHELLE UTSLER, COUNTY RECORDER  
MADISON IOWA



Return Document to: James E. Van Werden, 1009 Main Street, P.O. Box 99, Adel, IA 50003, Phone: (515) 993-4545  
Preparer Information: James E. Van Werden, 1009 Main Street, P.O. Box 99, Adel, IA, 50003, Phone: (515) 993-4545  
Address Tax Statement: John L. Hanrahan, 3321 190<sup>th</sup> Street, Prolc, IA 50229

✓ MCA

**SUBORDINATION AGREEMENT  
(Real Estate)**

The undersigned is the owner and holder of a contract and mortgage (hereinafter collectively called the "Mortgage"), made by Ryan Paul Hanrahan (hereinafter called "Borrower") and recorded on the 30<sup>th</sup> day of December, 2006, in the Office of the Madison County Recorder of the County of Madison, State of Iowa, in Book 2006 or Mortgages, at Page 4979 and covering the following described premises:

Parcel "B" in the Southwest Fractional Quarter and the Southeast Fractional Quarter, all in the Southwest Quarter of Section 13, Township 76 North, Range 26 West of the 5<sup>th</sup> P.M., Madison County, Iowa, more particularly described as follows:

Commencing at the Southeast Corner of the Southwest Fractional Quarter of the Southwest Quarter of Section 13, Township 76 North, Range 26 West of the 5<sup>th</sup> P.M., Madison County, Iowa; thence North 00°40'06" West 902.51 feet along the East line of said Southwest Fractional Quarter of the Southwest Quarter to the Point of Beginning on the centerline of county road; thence South 73°43'03" West 600.40 feet along said centerline; thence Westerly 25.11 feet along a 440.74 feet radius curve concave Northerly with 25.11 foot chord bearing South 75°20'59" West along said centerline; thence North 02°27'16" West 261.96 feet; thence North 73°43'03" East 662.61 feet to a point on the East line of a one acre parcel in the East Fractional Half of the Southwest Quarter of said Section 13; thence South 00°40'06" East 264.86 feet along said East line to the centerline of a county road; thence South 73°43'03" West 28.43 feet to the Point of Beginning containing 3.855 acres including 0.569 acres of County Road right-of-way.



The Borrower has applied for a secured loan in the amount of \$93,000.00 for a term of five years from Farmers & Merchants State Bank, Winterset, Iowa (hereinafter called "Bank"). Bank has declined to make such a loan unless the undersigned subordinates their mortgage on the above described premises to Bank.

The proceeds of this proposed loan will be used for the following purposes: To acquire materials and supplies for the building of a residential structure for the undersigned.

Therefore, in order to induce Bank to make said loan to Borrower, 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 Bank, in an amount not to exceed \$93,000.00, so that the mortgage to be executed by Borrower to Bank shall grant a mortgage in said property superior to the outstanding mortgage of the undersigned and superior to the indebtedness secured thereby, except as herein limited.


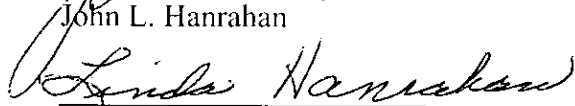
Bank may renew or extend the time of payment or otherwise alter the terms of any of the indebtedness of Borrower to Bank and may deal with the security in any way desired by Bank without affecting this Subordination Agreement and without incurring any liability thereby.

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

**NOTICE**

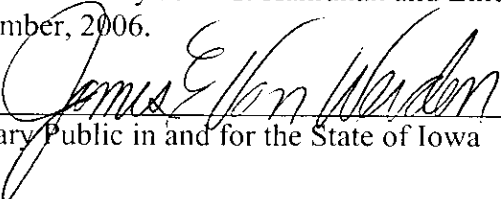
**ORAL OR IMPLIED CHANGES TO THIS OR ANY OTHER CREDIT AGREEMENT(S) EXCEPT CONSUMER LOANS OR OTHER EXEMPT TRANSACTIONS) WITH THIS LENDER ARE NOT ENFORCEABLE AND SHOULD NOT BE RELIED UPON. IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING 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 BANK.**

Dated this 30<sup>th</sup> day of November, 2006.

  
\_\_\_\_\_  
John L. Hanrahan  
  
\_\_\_\_\_  
Linda Hanrahan

STATE OF IOWA, COUNTY OF DALLAS ) ss:

Subscribed and sworn to before me by John L. Hanrahan and Linda Hanrahan, husband and wife, on this 30<sup>th</sup> day of November, 2006.

  
\_\_\_\_\_  
Notary Public in and for the State of Iowa

