

COMPUTER
RECORDED
COMPARED

Prepared by Union State Bank, 201 West Court, Winterset, Iowa 50273

MICHELLE UTSLER
RECORDER
MADISON COUNTY, IOWA

SUBORDINATION AGREEMENT

The undersigned Bank is the owner and holder of a note and mortgage (hereinafter collectively called the "Mortgage") made by Curtis C. and Connie M. Allen (hereinafter called "Borrower") and recorded on the 2nd day of August, 1996 in the office of the Madison County Recorder of the County of Madison, State of Iowa in Book 183 of Mortgages, at Page 587 and covering the following described premises (set forth legal description of property).

See Attached Exhibit A

The Borrower has applied for a secured loan in the amount of \$ 76,498.30 for a term of Thirty-nine (39) months from Union State Bank (hereinafter called "lender"). Lender has declined to make such a loan unless the undersigned Bank subordinates its mortgage in the above described premises to lender.

The proceeds of this proposed loan will be used for the following purposes: Refinance of current Earlham Mobile Home Terrace, Inc. loans with Union State Bank 201 West Court Winterset, Iowa, 50273

Therefore, in order to induce Lender to make said loan to Borrower, and in consideration of the consummation of said loan in reliance upon this Subordination Agreement, the undersigned Bank 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 Lender, in an amount not to exceed \$ 76,498.30, so that the mortgage to be executed by Borrower to lender shall grant a lien in said property superior to the outstanding mortgage of the undersigned Bank, except as herein limited.

The mortgage shall otherwise remain in full force and effect, the subordination herein provided being limited in application to the original term of the proposed loan herein set forth.

This Subordination Agreement shall be of no force or effect unless the proposed loan from Lender to Borrower is completed with 10 days from date of this Subordination Agreement.

This Subordination Agreement shall be binding upon the successors and assigns of the undersigned 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 TRANSACTION) WITH THE BANK 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 THE BANK AND THE LENDER.

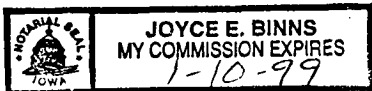
The undersigned acknowledges receipt of a copy of this instrument.

Dated this 21st day of November 19 96

By: Steven D. Warrington V.P. By: Duane Gordon V.P.

STATE OF IOWA)
) ss
COUNTY OF Madison)

On this 21st day of November 19 96, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Steven D. Warrington and Duane Gordon, to me personally known, who, being by me duly sworn, did say that they are the Vice President and Vice President respectively, of the corporation, executing the foregoing instrument, that (no seal has been procured by)(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 Steven D. Warrington and Duane Gordon, acknowledged the execution of the instrument to be the voluntary act and deed of the corporation by it voluntarily executed.



Joyce E. Binns
NOTARY PUBLIC IN AND FOR THE STATE OF IOWA

Exhibit A:
Legal Description:

That part of the West Half ($\frac{1}{2}$) of the Northwest Quarter ($\frac{1}{4}$) of Section Thirty (30) in Township Seventy-six (76) North, Range Twenty-seven (27), West of the 5th Principal Meridian, Madison County, Iowa, lying South of the following described line: Commencing at the West Quarter Corner of said Section Thirty (30), thence along the West line of said Section Thirty (30), North $00^{\circ}00'00''$ 566.92 feet to the Point of Beginning, thence North $87^{\circ}21'42''$ East 359.90 feet; thence North $00^{\circ}00'00''$ 425.39 feet; thence North $04^{\circ}51'57''$ East 373.74 feet; thence North $44^{\circ}12'15''$ East 79.62 feet; thence North $90^{\circ}00'00''$ East 496.07 feet; thence South $12^{\circ}36'28''$ East 144.27 feet, thence along the South line of the Northwest Fractional Quarter ($\frac{1}{4}$) of the Northwest Quarter ($\frac{1}{4}$) of said Section Thirty (30) North $89^{\circ}27'54''$ East 525.70 feet to the Southeast Corner of the Northwest Fractional Quarter ($\frac{1}{4}$) of the Northwest Quarter ($\frac{1}{4}$) of said Section Thirty (30), and the terminal point; and the Fractional Northwest Quarter ($\frac{1}{4}$) of the Southwest Quarter ($\frac{1}{4}$) of said Section Thirty (30), except the following described parcel: Commencing at the West Quarter Corner of said Section Thirty (30), thence South $0^{\circ}00'00''$ 455.96 feet along the West line of the Southwest Quarter ($\frac{1}{4}$) of said Section Thirty (30) to the Point of Beginning; thence South $89^{\circ}21'38''$ East 250.00 feet; thence South $0^{\circ}00'00''$ 200.00 feet; thence North $89^{\circ}21'38''$ West 250.00 feet to the West line of the Southwest Quarter ($\frac{1}{4}$) of said Section Thirty (30); thence North $0^{\circ}00'00''$ 200.00 feet to the Point of Beginning, containing 1.1478 acres including 0.2984 acres of U. S. Highway #169 right-of-way, and except Lots One (1), Two (2), and Ten (10) of C & C Allen's Addition, Winterset, Iowa, and Lot Five (5) of C & C Allen's Addition to Winterset, Iowa.