

COMPUTER
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FILED NO. **2447**

BOOK 180 PAGE 802

96 MAR 11 AM 11:18

REC \$ 10
AUD \$ 10
R.M.F. \$ 10

MICHELLE UTSLER
RECORDER
MADISON COUNTY, IOWA

Prepared by: EARLHAM SAVINGS BANK, 130 N CHESTNUT, EARLHAM, IOWA 50072 by Jim Adkins 515-758-2251

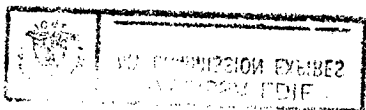
**SUBORDINATION AGREEMENT
(Real Estate)**

NOTE / ACCOUNT NO.

For Use When Bank Requests
Subordination on a Real Estate Loan

The undersigned is the owner and holder of a note and mortgage (hereinafter collectively called the "Mortgage") made by REED A. LUCAS and DEBRA A. LUCAS (hereinafter called "Borrower") and recorded on the 10th day of February, 19 95 in the office of the MADISON County Recorder of the County of MADISON, State of Iowa in Book 175 of Mortgages, at Page 473 and covering the following described premises (set forth legal description of property):

The North 20 Acres of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4) of Section Twelve (12), Township Seventy-four (74) North, Range Twenty-seven (27), West of the 5th P.M., Madison County, Iowa



*As Recorded to show
Corporate Seal
See noty Record 180-878
3-18-96*

The Borrower has applied for a secured loan in the amount of \$ 105,000.00 for a term of 20 years from Earlham Savings Bank (hereinafter called "Bank"). Bank has declined to make such a loan unless the undersigned subordinates its mortgage in the above described premises to Bank.

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

Refinance 1st Mortgage and purchase 60 acres directly south of the above property.

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 \$ 105,000.00, 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 impairing or affecting this Subordination Agreement and without incurring any liability thereby.

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 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.

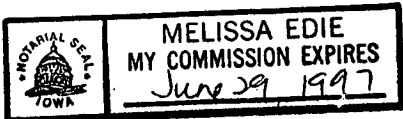
The undersigned acknowledges receipt of a copy of this instrument.

Dated this 5 day of March, 1996.

BANKERS TRUST CO.	BY <u><i>Lisa Baker</i></u> LISA BAKER	TITLE Vice President
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STATE OF IOWA)
) SS:
COUNTY OF Polk)

On this 5th day of March, 1996, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Lisa Baker and _____, to me personally known, who, being by me duly sworn, did say that they are the She N/A 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 Lisa Baker and _____, acknowledged the execution of the instrument to be the voluntary act and deed of the corporation by it voluntarily executed.



NOTARY PUBLIC IN AND FOR THE STATE OF IOWA
Melissa Edie