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RECORDED   
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REC \$ 5.00  
AUD \$ \_\_\_\_\_  
R.M.F. \$ 1.00

FILED NO. 2034  
BOOK 170 PAGE 662  
94 FEB -1 PM 2: 54

USDA-FmHA  
Form FmHA 460-2  
(Rev. 9/88)

Position 1 - Chattel Security  
Position 5 - Real Estate Security

MICHELLE UTSLER  
RECORDER  
MADISON COUNTY, IOWA

**SUBORDINATION BY THE GOVERNMENT**

The United States of America acting through the Administrator of the Farmers Home Administration (called the "Government") is the owner and holder of the following-described instrument(s) executed by Dale L. Cleghorn and Michell L. Cleghorn of 916 E. South St., Winterset, Madison County, State of Iowa

Title of Instrument	Date of Instrument	Date Filed	Office Filed	Document File or Book No.	Page No.
Real Estate Mortgage	12/19/80	12/19/80	Madison County Recorder	Book 133	Page 763

AND, Union State Bank (called the "Lender") has agreed to loan \$ 30,421.01 to Dale L. Cleghorn and Michell L. Cleghorn

(called the "Borrower") for the following purposes:  
To refinance principal and interest on debt owed by borrower. \$10,143.69 is the amount of recapture that is due and payable when title to the property is conveyed or the dwelling is no longer occupied by the above named borrower.

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) agree to and does subordinate in favor of the Lender and its successors and assigns its liens or security interests created or evidenced by the above-described instrument(s) insofar as they cover the following-described property and provided the Lender perfects a lien on that property:

The West Half (1/2) of the Northeast Quarter (1/4) of Out Lot Six (6) of Loughridge & Cassidy's Addition to the Town of Winterset, Madison County, Iowa.

This subordination is limited to the amount actually loaned by the Lender to the Borrower (principal and accrued interest) for the forgoing purposes and also the amount actually advanced for foreclosure costs and other advances made or to be made by the Lender, for a total limitation not to exceed \$ 30,421.01. \* Any amount which is in excess of this figure will not be covered by this subordination unless prior written consent was obtained from the Government for incurring the expenditure in question. 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 for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as explained in Exhibit M of Subpart G of Part 1940 of Title 7 of the Code of Federal Regulations.

IN WITNESS WHEREOF, The United States of America has caused this subordination to be signed on the 1st day of February, 19 94, pursuant to the delegated authority published in 7 CFR Part 1900, Subpart A.

WITNESS: \_\_\_\_\_  
BY Mark T. Matlage  
Mark T. Matlage  
TITLE County Supervisor  
Farmers Home Administration,  
U.S. Department of Agriculture.

\*(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 Farmers Home Administration at the following address: P.O. Box 231, Winterset, IA 50273.)