



Document 2015 1480

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LISA SMITH, COUNTY RECORDER
MADISON COUNTY IOWA

CHEK

THIS INSTRUMENT PREPARED BY: First American Bank – Barbara Casebolt, whose address is P.O. Box 71156, Clive, Iowa 50325, and whose telephone number is (515) 440-6949

WHEN RECORDED RETURN TO: First American Bank, whose address is 12333 University Avenue, Clive, Iowa 50325

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SUBORDINATION AGREEMENT (MORTGAGE)

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT. IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

THIS AGREEMENT is made on this 19th day of May, 2015, by First American Bank (the "Mortgagee") for the benefit of First American Bank, whose address is 12333 University Ave, Clive, Iowa 50325 ("New Lender").

WHEREAS, Kevin R Ridout, Husband, and Betty Ridout, Wife, executed a mortgage (the "Subordinated Mortgage"), dated October 10, 2014, for the benefit of Mortgagee and which encumbers the following described real property:

Address: 1403 Valleyview Court, Cumming, Iowa 50061

Legal Description: Lots Two (2) and Three (3) of Lake View Rural Estates, a Subdivision of the Northeast Quarter (1/4) of Section Twenty-eight (28), Township Seventy-seven (77) North, Range Twenty-six (26) West of the 5th P.M., Madison County, Iowa



(the "Property"), to secure a note in the sum of \$40,000.00 dated October 10, 2014 in favor of Mortgagee (the "Subordinated Note"), which Subordinated Mortgage was recorded on October 14, 2014 in Book 2014 Page 2590 in the office of the Madison County Recorder, Iowa.

WHEREAS, the New Lender, desires to loan the sum not to exceed \$320,000.00 (the "New Loan") on note of Borrower (the "New Note"), secured by a mortgage dated and recorded 5/28/15 in Book 2015 Page 1479 in the office of the Madison County Recorder, Iowa on and covering the Property (the "New Mortgage").

WHEREAS, to induce New Lender to make the New Loan, it is necessary that the Subordinated Mortgage be subordinated to the lien of the New Mortgage.

WHEREAS, it is to the mutual benefit of the parties that New Lender make the New Loan to Borrower, and Mortgagee is willing to agree that the New Mortgage will constitute a lien upon the Property which is unconditionally prior and superior to the lien of the Subordinated Mortgage.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties and other valuable consideration the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce New Lender to make the New Loan, it is hereby declared understood and agreed as follows:

SECTION ONE: SUBORDINATION

Mortgagee hereby covenants, consents, and agrees that the Subordinated Mortgage is and shall continue to be subject and subordinate in lien to the lien of the New Mortgage and any renewals or extension thereof. Mortgagee also covenants and agrees to place an endorsement upon the Subordinated Note stating that the Subordinated Mortgage has been subordinated to the lien of the New Mortgage.

SECTION TWO: None.

SECTION THREE: BINDING EFFECT

This Agreement shall be binding on Mortgagee and its successors and assigns, including each and every subsequent owner and holder of the Subordinated Note, and the terms of this Agreement shall inure to the benefit of New Lender, its successors and assigns, including, without limitation, each and every subsequent owner and holder of the New Note, or any renewal or extension thereof.

SECTION FOUR: ENTIRE AGREEMENT

This Agreement shall be the whole and only agreement with regard to the subordination of the lien of the Subordinated Mortgage to the lien of the New Mortgage and shall supersede and cancel, but only insofar as would affect the priority between the New Mortgage and the Subordinated Mortgage, any prior agreements as to such subordination, including, but not limited to, those provisions, if any contained in the Subordinated Mortgage, which provide for the subordination of the lien thereof to another deed or deeds of trust or to another mortgage or mortgages.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written,

Mortgagee: First American Bank

By: MA Ly (signature) By: Craig Schlienz (signature)
Mark A. Lyons Craig Schlienz

Its: Chief Credit Officer

Its: Senior Vice President

Date: 05-21-15

Date: 05-21-15

ACKNOWLEDGMENT OF MORTGAGEE'S SIGNATURE

State of IOWA
County of POLK

On this 21st day of May, 2015, before me came Mark A. Lyons and Craig Schlienz who stated that they are the Chief Credit Officer and Senior Vice President of First American Bank and acknowledged that they executed the above instrument as the act and deed of First American Bank with full authority to do so.

(Seal)

Barbara Casebolt
Notary Public



My Commission Expires: 08-30-2015