

**DNR Grant Requirements for Conservation Easements  
Model Subordination Agreement – 9/05**

**SUBORDINATION AGREEMENT**

This Subordination Agreement is made between \_\_\_\_\_  
("Lender"), a \_\_\_\_\_ of the State of \_\_\_\_\_  
and \_\_\_\_\_ ("Easement Holder"), a  
\_\_\_\_\_ of the State of \_\_\_\_\_.

**RECITALS:**

A. The Lender made a loan to \_\_\_\_\_ ("Borrower").  
In order to secure the loan, the Borrower entered into a mortgage in  
favor of the Lender. Said mortgage was filed on \_\_\_\_\_,  
at the Register of Deeds Office in \_\_\_\_\_ County,  
Wisconsin, as Document \_\_\_\_\_, on Page(s) \_\_\_\_\_ in  
Volume \_\_\_\_\_ ("Mortgage"). [ **Must cite document, may change  
format. ]**

B. The Mortgage created a lien on certain real property owned by  
the Borrower in \_\_\_\_\_ County, Wisconsin, more particularly  
described in Exhibit A attached hereto and made part of this  
Agreement by reference (the "Property").

C. The Borrower has agreed to grant a Conservation Easement ("Easement") to the Easement Holder, restricting use  
of the Property, or a portion thereof. It is anticipated that the Borrower and Easement Holder will execute the Easement  
on \_\_\_\_\_, 20\_\_\_\_. A copy of the Easement has been provided to the Lender *and is attached as Exhibit B  
and incorporated by this reference.* [ **Italicized type is optional.** ]

D. The Lender is willing to subordinate the Mortgage to the provisions of the Easement in order to facilitate execution  
of the Easement.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending  
to be legally bound hereby, the Lender and Easement Holder agree as follows:

1. The Mortgage and all of the Lender's rights, interests, claims and remedies under the Mortgage shall be  
subordinate to the Easement and the rights of the Easement Holder to enforce the terms and conditions of the Easement,  
with the same force and effect as if the Easement had been executed and recorded prior to the execution and recording of  
the Mortgage.
2. The Lender agrees that in the event of a foreclosure of the Mortgage or a transfer in lieu of foreclosure of any  
portion of the Property, the purchaser at any such foreclosure or the transferee under any deed in lieu of foreclosure shall  
take title to the Property subject to all of the terms and conditions of the Easement.
3. This Agreement shall be binding upon and inure to the benefit of Lender and Easement Holder and their respective  
successors and assigns until said Mortgage is paid off or satisfied.
4. This Agreement may not be amended or modified except by an instrument in writing agreed to by the Lender and  
Easement Holder.
5. This Agreement shall be construed and enforced in accordance with the laws of Wisconsin.

Recording Area

Name and Return Address

Parcel Identification Number

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

[ NAME OF LENDER ]

By: \_\_\_\_\_  
[ Name and Title of Authorized Representative ]

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_ of \_\_\_\_\_ corporation, on behalf of the corporation, as his or her, and its, free act and deed.

\_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

[ NAME OF EASEMENT HOLDER ]

By: \_\_\_\_\_  
[ Name and Title of Authorized Representative ]

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_ of \_\_\_\_\_ corporation, on behalf of the corporation, as his or her, and its, free act and deed.

\_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

This document was drafted by [ Insert Name of Drafter ].

## **Exhibit A – Legal Description**