INSTALLMENT

REAL ESTATE MORTGAGE WITH RECEIVER'S CLAUSE

THIS MORTGAGE made this 3rd day of May, 1994 and due on 3rd day of May, 2004 between Carl G. Gaulke and Judy Gaulke, husband and wife of Delaware County and State of Iowa, hereinafter called Mortgagors, whether one or more, and American Trust & Savings Bank hereinafter called Mortgagee.

WITNESSETH: That the said Mortgagors, in consideration of Fifteen Thousand and 00/100---------- DOLLARS ($15,000.00) loaned by Mortgagee, received by Mortgagors, and evidenced by the Promissory Note of even date, do, by these presents SELL, CONVEY, AND MORTGAGE, unto the said Mortgagee, AMERICAN TRUST & SAVINGS BANK, DUBUQUE, IOWA, the following described Real Estate situated in the County of Delaware, State of Iowa, to-wit:

Lot Two (2) of Lot B of McGraw Subdivision, a Subdivision of Lot B in the Northeast Quarter (NE ¼) of the Southeast Quarter (SE¼) of Section Eight (8), Township Eighty Eight (88) North, Range Five (5), West of the Fifth Principal Meridan, Delaware County, Iowa, according to Plat recorded in Book 6 Plats, Page 50.

For Release, See Book 141 Page 133 8-12-98

together with all personal property that may integrally belong to, or be or hereafter become an integral part of said real estate, and whether attached or detached (such as, light fixtures, shades, rods, blinds, venetian blinds, awnings, storm windows, storm doors, screens, linoleum, water heater, water softener, automatic heating equipment and other attached fixtures), and hereby granting, conveying and mortgaging also all of the easements, servient estates appurtenant thereto, rents, issues, uses, profits and right to possession of said real estate, and all crops raised thereon from now until the debt secured thereby shall be paid in full. Each of the undersigned hereby relinquishes all rights of dower, homestead and distributive share in and to the above described premises and waives all rights of exemption as to any of said property.

I UNDERSTAND THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM THE CLAIMS OF CREDITORS AND EXEMPT FROM JUDICIAL SALE: AND THAT BY SIGNING THIS CONTRACT, I VOLUNTARILY GIVE UP MY RIGHT TO THIS PROTECTION FOR THIS PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS CONTRACT.

Dated this _____ day of _____, 19_____.

_____

_____

Said Mortgagors hereby convenant with Mortgagee, or successor in interest, that said Mortgagors hold clear title to said personal property, and title in fee simple to said real estate; that they have good and lawful authority to sell, convey and mortgage the same; that said premises are Free and Clear of all Liens and Encumbrances Whatsoever except as may be above stated; and said Mortgagors Covenant to Warrant and Defend the said premises and the said personal property against the lawful claims of all persons whomsoever, except as may be above stated.

CONDITIONED HOWEVER That if mortgagors shall pay or cause to be paid to mortgagee, its successors or assigns, all sums secured hereby, according to the terms of a promissory note of even date herewith, or any renewal of said note, and shall likewise pay or cause to be paid any such additional sum which may be secured by this mortgage, then these presents shall be void, otherwise to remain in full force and effect.

1. DUE ON SALE. If all or any part of the above described real estate, or any interest in it, is sold or transferred by mortgagors without mortgagee's prior written consent, the mortgagee, at its option, may require immediate payment in full of all sums and indebtedness secured by this mortgage. If mortgagee exercises its option, mortgagee shall give mortgagors notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which mortgagors must pay all sums secured by this mortgage. If mortgagors fail to pay these sums prior to the expiration of said 30-day period, mortgagee may invoke any remedy permitted by this mortgage without further notice or demand on mortgagors.

2. OPEN-END FEATURE. This mortgage shall secure any other indebtedness presently owing to mortgagee by mortgagors. Also, to the extent provided below, this mortgage shall secure any future advances made by mortgagee to mortgagors for the purpose of improving the real estate, for the purpose of renewing, extending or refinancing the obligation secured, or for any other purpose. NOTICE: THIS MORTGAGE SECURES CREDIT IN THE AMOUNT OF $ 15,000.00. LOANS AND ADVANCES UP TO THIS AMOUNT, TOGETHER WITH INTEREST, ARE SENIOR TO INDEBTEDNESS TO OTHER CREDITORS UNDER SUBSEQUENTLY RECORDED OR FILED MORTGAGES AND LIENS. The promisory note or notes evidencing such future advances shall contain a recital that it or they are secured by this mortgage and such additional note or notes shall be included in the word "note" wherever it appears in the context of this mortgage. The above amount is secured by this mortgage even though all or part of it may not yet be advanced. Future advances are contemplated and will be secured to the same extent as if made on the date this mortgage is executed.

3. TAXES. Mortgagors shall pay each installment of all taxes and special assessments of every kind, now or hereafter levied against said property, or any part thereof before same become delinquent, without notice or demand; and shall procure and deliver to said Mortgagee, at mortgagee's request, duplicate receipts of the proper officers for the payment of all such taxes and assessments then due.

4. INSURANCE. Mortgagors shall keep in force insurance, premiums therefore to be prepaid without notice or demand, against loss by fire, tornado and other hazards, casualties and contingencies as Mortgagee may require on all buildings and improvements, in companies to be approved by Mortgagee in an amount not less than the full insurable value of such buildings and improvements or not less than the unpaid balance herein, whichever amount is smaller, with such insurance payable to Mortgagors and Mortgagee as their interest may appear. When applicable, flood insurance must be provided in the maximum amount of coverage available under the National Flood Insurance Act or in an amount not less than the unpaid balance herein, with such insurance payable to Mortgagors and Mortgagee, as their interests may appear. Mortgagors shall promptly deposit such original policies with proper riders with the Mortgagee.

5. REPAIRS TO PROPERTY. Mortgagors shall keep the buildings and other improvements on said premises in as good repair and condition as same may now be or are hereafter placed, ordinary wear and tear only excepted; and shall not suffer or commit waste on or to said security. Mortgagee may enter the property to inspect same if mortgagee gives mortgagor 24 hours notice prior to the inspection.

6. ATTORNEY'S FEES. **If this is not a consumer credit transaction,** in case of any action, or in any proceedings in any court, to collect any sums payable or secured by this mortgage, or to protect the lien or title herein of the Mortgagee, or in any other case permitted by law in which attorney fees may be collected from Mortgagors, or charged upon the above described property, Mortgagors agree to pay reasonable attorney fees.

7. CONTINUATION OF ABSTRACT. In event of any default herein by Mortgagors, Mortgagee may, at the expense of Mortgagors procure an abstract of title, or continuation thereof, for said premises, and charge and add to the mortgage debt the cost of such abstract or continuation with interest upon such expense at the highest legal rate applicable.

8. ADVANCES OPTIONAL WITH MORTGAGE. It is expressly understood and agreed that if the insurance above provided for is not promptly effected, or if the taxes or special assessments assessed against said property shall become delinquent, Mortgagee (whether electing to declare the whole mortgage due and collectible or not), may (but need not) effect the insurance above provided for, and need not, but may and is hereby authorized to pay said taxes and special assessments (irregularities in the levy or assessment of said taxes being expressly waived), and all such payments with interest thereon at the highest legal rate applicable from time of payment shall be a lien against said premises.

9. ACCELERATION OF MATURITY AND RECEIVERSHIP. It is agreed that if default shall be made in the payment of said note, or any part of the interest thereon, or any other advance or obligation which may be secured hereby or any agreed protective disbursement, such as taxes, special assessments, insurance and repairs, or if Mortgagors shall suffer or commit waste on or to said security, or if there shall be a failure to comply with any and every condition of this mortgage, then, at the option of the Mortgagee, said note and the whole of the indebtedness secured by this mortgage, including all payments for taxes, assessments or insurance premiums, shall become due and shall become collectible at once by foreclosure or otherwise after such default or failure, and after notice of broken conditions; and at any time after the commencement of an action in foreclosure, or during the period or redemption, the court having jurisdiction of the case shall, at the request of the Mortgagee, appoint a receiver to take immediate possession of said property, and of the rents and profits accruing therefrom, and to rent or cultivate the same as he may deem best for the interest of all parties concerned, and shall be liable to account to said Mortgagors only for the net profits, after application of rents, issues and profits upon the costs and expenses of the receivership and foreclosure and the indebtedness, charges and expenses hereby secured and herein mentioned. And it is hereby agreed, that after any default in the payment of either principal or interest, such sums in default secured by this mortgage shall draw interest at the highest legal rate applicable. Real property covered by this mortgage which is mortgagor's principal dwelling shall not be foreclosed when the indebtedness secured by this mortgage is $2,000 or less.

10. REDEMPTION PERIOD. It is further agreed that if this mortgage covers less than ten acres of land, and in the event of the foreclosure of this mortgage and sale of the property by sheriff's sale in such foreclosure proceedings, the time of one year for redemption from said sale provided by the statutes of the State of Iowa shall be reduced to six months provided the mortgagee, in such action, files an election to waive any deficiency judgment against the mortgagors which may arise out of the foreclosure proceedings. It is further agreed that the period of redemption after a foreclosure of this mortgage shall be reduced to 60 days if all of the three following contingencies develop: (1) the mortgaged real estate herein is less than ten acres in size; (2) the court finds affirmatively that said real estate has been abandoned by the owners and those persons personally liable under this mortgage at the time of such foreclosure; and (3) the mortgagee in such action files an election to waive any deficiency judgment against the mortgagors or their successors in interest in such action. Notwithstanding the foregoing, if the above described real estate is not used for agricultural purposes, as defined in section 535.13 of the Iowa Code, and is not the residence of the mortgagor, or if it is the residence of the mortgagor but not a single family or two family dwelling, the period of redemption after foreclosure shall be 180 days; or if a deficiency judgment is waived by the mortgagee, the period of redemption shall be reduced to 90 days.

FILE No. 35-3425
RECORDING FEE $ 11.00
TRANSFER FEE $ _____

FILED FOR RECORD THE 12 DAY OF May, 19 94 AT 11:16 O'CLOCK A. M. BOOK 123 PAGE 87

STATE OF IOWA, DELAWARE COUNTY
Deborah L. Peyton, Recorder
LM CM 31

11. CONDEMNATION. Mortgagor assigns to Mortgagee the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the property. Such proceeds shall be applied pursuant to the terms of the Promissory Note of even date.

12. WAIVER. By exercising any remedy available to mortgagee, mortgagee does not give up its rights to later use any other remedy. By not exercising any remedy, if mortgagor defaults, mortgagee does not waive its right to later consider the event a default if it happens again.

13. JOINT AND SEVERAL LIABILITY; CO-SIGNERS. All duties under this mortgage are joint and several. If a mortgagor co-signs this mortgage but does not co-sign the underlying debt, he/she does so only to mortgage his/her interest in the property under the terms of this mortgage. Mortgagor also agrees that mortgagee and any party to this mortgage may extend, modify or make any other changes in the terms of this mortgage or the secured debt without his/her consent. Such a change will not release mortgagor from the terms of this mortgage.

14. DEFINITION OF TERMS. Unless otherwise expressly stated the word "Mortgagors", as used here, includes successors in interest of such "Mortgagors"; the "Mortgagee", as used herein, unless otherwise expressly stated, includes the successors in interest of such "Mortgagee". All words referring to "Mortgagor" or "Mortgagee" shall be construed to be of the appropriate gender and number, according to the context. This construction shall include the acknowledgement hereof.

The undersigned borrower(s) acknowledge receipt of a copy of this instrument.

Carl G. Gaulke

Judy Gaulke

STATE OF IOWA, }
DUBUQUE County, } ss.

On this 3rd day of May, A.D. 1994 before me, _____, a Notary Public in and for the State of Iowa, personally appeared Carl G. Gaulke and Judy Gaulke to me known to be the persons named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

KENNETH J. MCDERMOTT
MY COMMISSION EXPIRES
2-7-97

In Witness Whereof, I have hereunto signed my name and affixed my Notarial Seal the day and year last above written.

Kenneth J. McDermott

Notary Public in and for the State of Iowa

CERTIFICATE OF ACKNOWLEDGEMENT — Corporation

STATE OF IOWA, County of _____, ss:

On this _____ day of _____, A.D., 19____, before me, _____ a Notary Public in and for the State of Iowa, personally appeared _____, _____, of _____, the Corporation which executed the above and foregoing instrument, who being by me duly sworn, each for himself, did say that they are respectively the _____ of said Corporation; that (the seal affixed to said instrument is the seal of said Corporation) — (no seal has been procured by the said Corporation) and that said instrument was by them signed on behalf of the said Corporation by authority of its board of directors, and each of them acknowledged the execution of said instrument to be the voluntary act and deed of said Corporation, by it and each of them voluntarily executed.

In Witness Whereof I have hereunto signed my name and affixed my Notarial Seal the day and year last above written.

P+ 5-91

_____
Notary Public in and for the State of Iowa

35-3425

REAL ESTATE MORTGAGE
WITH RECEIVER'S CLAUSE

FROM
Carl G. Gaulke and Wife

TO
American Trust & Savings Bank

STATE OF IOWA, }
County, } ss.

Filed for record this, the _____ day of _____, A.D., 19____ at _____ o'clock ____ M., and recorded as Instrument # 1287 Recorder _____ By _____ Deputy Fee, $ $11.00

American Trust
P O Box 307
Dyersville, IA 52040

INDEXED IN