REAL ESTATE MORTGAGE

This mortgage made on the 20th day of February, 19 95, between Thomas D. Kramer and Kristine L. Kramer hereinafter referred to as MORTGAGORS, and ASSOCIATES FINANCE, INC., whose address is 806 Wacker Plaza, Suite 138 Dubuque, Ia. 52002, hereinafter referred to as MORTGAGEE.

WITNESSETH: Mortgagors jointly and severally grant, bargain, sell, convey, and mortgage to Mortgagee, its successors and assigns, the real property hereinafter described as security for the payment of a note of even date herewith in the principal amount of Forty Eight Thousand, one hundred and seventy two & 95/100 Dollars ($ 48,172.95), together with interest.

The property hereby mortgaged, and described below, includes all tenements, easements, appurtenances, rights, privileges, interests, rents, issues, profits, fixtures and appliances thereunto attaching or in any wise thereunto appertaining.

TO HAVE AND TO HOLD the said property hereinafter described,with all the privileges and appurtenances thereunto belonging unto Mortgagee, its successors and assigns, forever; and Mortgagors hereby covenant that Mortgagors are seized of good and perfect title to said property in fee simple and have authority to convey the same, that the title so conveyed is clear, free and unencumbered except as hereinafter appears and that Mortgagors will forever warrant and defend the same unto Mortgagee against all claims whatsoever except those prior encumbrances, if any, hereinafter shown.

MORTGAGORS AGREE: To keep the mortgaged property, including the buildings and improvements thereon, fully insured at all times against all hazards with an insurance company authorized to do business in the State of Iowa acceptable to Mortgagee, which policy shall contain a loss-payable clause in favor of Mortgagee as its interest may appear, and if Mortgagors fail so to do, they hereby authorize Mortgagee to insure or renew insurance on said property in a sum not exceeding the amount of Mortgagors' indebtedness for a period not exceeding the term of such indebtedness, and to charge Mortgagors with the premium thereon, or to add such premium to Mortgagor's indebtedness. If Mortgagee elects to waive such insurance, Mortgagors agree to be fully responsible for damage or loss resulting from any cause whatsoever. Mortgagors agree that any sums advanced or expended by Mortgagee for the protection or preservation of the property shall be repaid upon demand and if not so paid shall be secured hereby. Mortgagors further agree: To pay all taxes, assessments, bills for repairs and any other expenses incident to the ownership of the mortgaged property when due in order that no lien superior to that of this mortgage and not now existing may be created against the property during the term of this mortgage, and to pay, when due, all installments of interest and principal on account of any indebtedness which may be secured by a lien superior to the lien of this mortgage and existing on the date hereof. If mortgagors fail to make any of the foregoing payments, they hereby authorize Mortgagee to pay the same on their behalf, and to charge Mortgagors with the amounts so paid, adding the same to Mortgagor's indebtedness secured hereby. To exercise due diligence in the operation, management and occupation of the mortgaged property and improvements thereon, and not to commit or allow waste on the mortgaged premises, and to keep the mortgaged property in its present condition and repair, normal and ordinary depreciation excepted. Mortgagors hereby relinquish, release and waive all right of homestead and dower in and to said mortgaged property.

If default be made in the terms or conditions of the debt or debts hereby secured or of any of the terms of this mortgage, or in the payment of any installment when due, or if Mortgagors shall become bankrupt or insolvent, or make an assignment for the benefit of creditors, or have a receiver appointed, or should the mortgaged property or any part thereof be attached, levied upon or seized, or if any of the representations, warranties or statements of Mortgagors herein contained be incorrect or if the Mortgagors shall abandon the mortgaged property, or sell or attempt to sell all or any part of the same, then the whole amount hereby secured shall, at Mortgagee's option, become immediately due and payable, without notice or demand, and shall be collectible in a suit at law or by foreclosure of this mortgage. In any case, regardless of such enforcement, Mortgagor shall be entitled to the immediate possession of the mortgaged property with the rents, issues, income and profits therefrom, with or without foreclosure or other proceedings. In the event of foreclosure of this mongage, Mortgagors will pay to Mortgagee a reasonable fee for the search made and preparation for such foreclosure, together with all other and further expenses of foreclosure and sale, including expenses, fees, and payments made to prevent or remove the imposition of liens or claims against the property and expenses of upkeep and repair made in order to place the same in a condition to be sold.

It is further agreed that if this mortgage covers less than 10 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 waives in such foreclosure proceedings any rights to a deficiency judgment against the Mortgagors which may arise out of the foreclosure proceedings; and further, in the event the court in the decree of foreclosure affirmatively finds that the property has been abandoned by the Mortgagors at the time of such foreclosure, the period of redemption after foreclosure shall be reduced to sixty (60) days; all of which shall be consistent with the provisions of Chapter 628 of the 1966 Code as amended by the 59th General Assembly and by the 62nd General Assembly.

No failure on the part of Mortgagee to exercise any of its rights hereunder for defaults or breaches of covenant shall be construed to prejudice its rights in the event of any other or subsequent defaults or breaches of covenant, and no delay on the part of Mortgagee in exercising any of such rights shall be construed to preclude if from the exercise thereof at any time during the continuance of any such default or breach of covenant, and Mortgagee may enforce any one or more remedies hereunder successively or concurrently at its option.

All rights and obligations hereunder shall extend to and be binding upon the several heirs, successors, executors, administrators and assigns of the parties hereto.

The plural as used in this instrument shall include the singular where applicable.

The real property hereby mortgaged is described as follows:

Situated in Earlville, County of Delaware, and State of Iowa, and is further described as follows:

The South 1/2 of Lots 7 and 8, Block 28, Earlville, Delaware County, Iowa.

For Release, See Book 40
Page 143 4/12/96

IN WITNESS WHEREOF, Mortgagors have executed this mortgage on the day above shown. **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.**

Thomas D Kramer (SEAL)
THOMAS D. KRAMER

Kristine L Kramer (SEAL)
KRISTINE L. KRAMER
Mortgagor

X ORIGINAL (1)

FILE No. 106-2161
RECORDING FEE $ 11.00
TRANSFER FEE $

FILED FOR RECORD THE 24 DAY OF February, 19 95 AT 9:01 O'CLOCK A M. BOOK 37 PAGE 147

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

ACKNOWLEDGEMENT BY INDIVIDUAL OR PARTNERSHIP PURCHASER--MORTGAGOR

STATE OF IOWA, COUNTY OF Delaware SS:

On this 20TH day of Febuary, 19 95, before me, a notary public in and for said county in the State of Iowa, personally appeared Thomas D Kramer and Kristine L. Kramer, to me known to be the identical person(s) named in and who executed the within instrument and acknowledged that he/they executed the same as his/their voluntary act and deed.

In Witness Whereof, I have set my hand and notarial seal this 20TH day of Febuary, 19 95.

NOTARIAL SEAL IOWA

KEVIN W. HABECK
MY COMMISSION EXPIRES
3-21-96

Kevin W. Habeck
Notary Public
KEVIN W. HABECK

ACKNOWLEDGEMENT BY CORPORATE PURCHASER--MORTGAGOR

STATE OF IOWA, COUNTY OF _____ SS:

On this _____ day of _____, 19 _____, before me, a notary public in and for said county in the State of Iowa, personally appeared _____ to me personally known, who being by me duly sworn did say that he is the _____ (Title) of _____ (Name of Corporation), that the seal affixed to said instrument is the seal of said corporation and that said instrument was signed and sealed on behalf of the said corporation by authority of its Board of Directors and the said _____ acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

In Witness Whereof, I have set my hand and notarial seal this _____ day of _____, 19 _____.

_____
Notary Public

106-2161
DELAWARE COUNTY IOWA
FILED
'95 FEB 24 AM 9 01
BOOK 37 PAGE 147
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
$11.00

Thomas D. Kramer, Etal
To
Associates Finance, Inc.

INDEXED IN
CHATTEL MTG. INDEX

Associates Finance
P.O. Box 1507
Dubuque, IA 52004-1507

611178

00712B