Prepared By: EXA I THROWER, PNC BANK, FSB, ONE PNC PLAZA, FIFTH AVE AND WOOD STS, PITTSBURGH, PA 15222,

RECORDATION REQUESTED BY:

PNC BANK, FSB
ONE PNC PLAZA
FIFTH AVENUE & WOOD STREET
PITTSBURGH, PA 15222

ENV. **WHEN RECORDED MAIL TO:**

(X) PNC BANK, FSB
ATTN: COLLATERAL CONTROL
2730 LIBERTY AVENUE
PITTSBURGH, PA 15222

SEND TAX NOTICES TO:

LAURA L SUTTER and KRISTOPHER D SUTTER
1865 HONEY CREEK ROAD
MANCHESTER, IA 52057

DELAWARE COUNTY IOWA
FILED
1999 NO 22 AM 11:20
BOOK 199 PAGE 3999
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
21.00

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

15-8134871 **THIS IS A CONSUMER CREDIT TRANSACTION**

MORTGAGE 15-1-8013-817-881

THIS MORTGAGE IS DATED NOVEMBER 3, 1999, between LAURA L SUTTER and KRISTOPHER D SUTTER, whose address is 1865 HONEY CREEK ROAD, MANCHESTER, IA 52057 (referred to below as "Grantor"); and PNC BANK, FSB, whose address is ONE PNC PLAZA, FIFTH AVENUE & WOOD STREET, PITTSBURGH, PA 15222 (referred to below as "Lender").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages and conveys to Lender and grants to Lender a security interest in all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; rents and profits; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, **located in DELAWARE County, State of Iowa (the "Real Property"):**

Real Estate at 1865 HONEY CREEK ROAD,MANCHESTER,IA 52057 See Exhibit A B.O.

The Real Property or its address is commonly known as 1865 HONEY CREEK ROAD, MANCHESTER, IA 52057. The Real Property tax identification number is 000140160001300.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents. The lien on the rents granted in this Mortgage shall be effective from the date of the Mortgage and not just in the event of default.

DEFINITIONS. The following words shall have the following meanings when used in this Mortgage. Terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

Existing Indebtedness. The words "Existing Indebtedness" mean the indebtedness described below in the Existing Indebtedness section of this Mortgage.

Grantor. The word "Grantor" means **LAURA L SUTTER and KRISTOPHER D SUTTER.** The Grantor is the mortgagor under this Mortgage.

Guarantor. The word "Guarantor" means and includes without limitation each and all of the guarantors, sureties, and accommodation parties in connection with the Indebtedness.

Indebtedness. The word "Indebtedness" means all principal, interest and late fees payable under the Note and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under this Mortgage, together with interest on such amounts as provided in this Mortgage.

Note. The word "Note" means the promissory note or credit agreement dated November 3, 1999, **in the original principal amount of $12,229.32** from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The maturity date of this Mortgage is November 15, 2009.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the property, interests and rights described above in the "Grant of Mortgage" section.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ALL OBLIGATIONS OF GRANTOR UNDER THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Grantor shall pay to Lender all amounts secured by this Mortgage as they become due, and shall strictly perform all of Grantor's obligations under this Mortgage.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until in default, Grantor may remain in possession and control of and operate and manage the Real Property and collect the Rents. None of the collateral for the Indebtedness constitutes, and none of the funds represented by the Indebtedness will be used to purchase: (a) Agricultural products or property used for an agricultural purpose as defined in Iowa Code Section 535.13; (b) Agricultural land as defined in Iowa Code Section 172C.1 (5) or 175.2 (1); or (c) Property used for an agricultural purpose as defined in Iowa Code Section 570.A.1 (2). Grantor represents and warrants that: (a) There are not now and will not be any wells situated on the Property; (b) There are not now and will not be any solid waste disposal sites on the Property; (c) There are not now and there will not be any hazardous wastes on the Property; (d) There are not now and there will not be any underground storage tanks on the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance

necessary to preserve its value.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), soil, gravel or rock products without the prior written consent of Lender.

DUE ON SALE - CONSENT BY LENDER. Lender may, at its option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without the Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest therein; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of Real Property interest. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Iowa law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are a part of this Mortgage.

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Mortgage, except for the lien of taxes and assessments not due, except for the Existing Indebtedness referred to below, and except as otherwise provided in the following paragraph.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of ten (10) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property at any time become located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at its election, apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property.

EXPENDITURES BY LENDER. If Grantor fails to comply with any provision of this Mortgage, including any obligation to maintain Existing Indebtedness in good standing as required below, or if any action or proceeding is commenced that would materially affect Lender's interests in the Property, Lender on Grantor's behalf may, but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will bear interest at the rate provided for in the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses, at Lender's option, will (a) be payable on demand, (b) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Note, or (c) be treated as a balloon payment which will be due and payable at the Note's maturity. This Mortgage also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage.

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in the Existing Indebtedness section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender, and (c) the liens granted hereby are not the type of lien referred to in Chapter 575 of the 1989 Iowa Code Supplement, as now enacted or hereafter modified, amended or replaced. Grantor, for itself and all persons claiming by, through or under Grantor, agrees that it claims no lien or right to a lien of the type comtemplated by Chapter 575 or any other chapter of the Code of Iowa and further waives all notices and rights pursuant to said law with respect to the liens hereby granted, and represents and warrants that it is the sole party entitled to do so and agrees to indemnify and hold harmless Lender from any loss, damage, and costs, including reasonable attorney fees, threatened or suffered by Lender arising either directly or indirectly as a result of any claim of the applicability of said law to the liens hereby granted.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons.

EXISTING INDEBTEDNESS. The following provisions concerning existing indebtedness (the "Existing Indebtedness") are a part of this Mortgage.

Existing Lien. The lien of this Mortgage securing the Indebtedness may be secondary and inferior to an existing lien. Grantor expressly covenants and agrees to pay, or see to the payment of, the Existing Indebtedness and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

Default. If the payment of any installment of principal or any interest on the Existing Indebtedness is not made within the time required by the note evidencing such indebtedness, or should a default occur under the instrument securing such indebtedness and not be cured during any applicable grace period therein, then, at the option of Lender, the Indebtedness secured by this Mortgage shall become immediately due and payable, and this Mortgage shall be in default.

FULL PERFORMANCE. If Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

DEFAULT. Grantor will be in default if: **(a) Payment Default.** Grantor fails to make a payment within ten (10) days of when it is due; or **(b) Other Defaults.** Grantor fails to observe any other covenant of this Mortgage, breach of which materially impairs the condition, value, or protection of or Lender's right in any collateral securing the Indebtedness, or materially impairs Grantor's right to pay amounts due under this loan. **(c) Events Affecting the Property.** Any other creditor tries to take the property by legal process, any tax lien or levy is filed or made against any Grantor or the Property, or the Property is destroyed, or seized or condemned by federal, state or local government.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time thereafter but subject to any limitation in the Note or any limitation in this Mortgage, Lender, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option, after giving all required notices of default and after passage of any grace period, to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay without notice, except as may be expressly required by applicable law.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Judicial Foreclosure. Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

Nonjudicial Foreclosure. Lender may exercise the right to nonjudicial foreclosure pursuant to Iowa Code Section 654.18 and Chapter 655A as now enacted or hereafter modified, amended or replaced.

Deficiency Judgment. If permitted by applicable law, Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

Other Remedies. Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

Expenses. In the event of foreclosure of this Mortgage, Lender shall be entitled to recover from Grantor actual disbursements necessarily incurred by Lender in pursuing such foreclosure.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

Applicable Law. Except as set forth hereinafter, this security instrument shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, except and only to the extent of procedural matters related to the perfection and

enforcement by Lender of its rights and remedies against the Property, which matters shall be governed by the laws of the State of Iowa. However, in the event that the enforceability or validity of any provision of this security instrument is challenged or questioned, such provision shall be governed by whichever applicable state or federal law would uphold or would enforce such challenged or questioned provision. The loan transaction which is evidenced by the Note and this security instrument (which secures the Note) has been applied for, considered, approved and made in the Commonwealth of Pennsylvania.

Time is of the Essence. Time is of the essence in the performance of this Mortgage.

Release of Rights of Dower, Homestead and Distributive Share. Each of the undersigned hereby relinquishes all rights of dower, homestead and distributive share in and to the Property and waives all rights of exemption as to any of the Property.

Acknowledgment of Receipt of Copies. Grantor hereby acknowledges the receipt of a copy of this Mortgage.

COMPLIANCE WITH ALL LAWS. Grantor shall comply with all laws respecting ownership or use of the Property. If the Property is a condominium or planned unit development, Grantor shall comply with all by-laws, regulations and restrictions of record.

LENDER'S RIGHT TO INSPECT. Lender may make reasonable entries upon and inspections of the Property after giving Grantor prior notice of any such inspection.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR:

X Laura L Sutter (SEAL)
LAURA L SUTTER

X Kristopher D Sutter (SEAL)
KRISTOPHER D SUTTER

Signed, acknowledged and delivered in the presence of:

X Marjie J. Werner
Witness marjie J. Werner

X Kenneth E Wooldridge
Witness Ken E Wooldridge

NOTICE OF WAIVER OF HOMESTEAD EXEMPTION

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 MORTGAGE, I VOLUNTARILY GIVE UP MY RIGHT TO THIS PROTECTION FOR THIS MORTGAGED PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS MORTGAGE. DATED NOVEMBER 3, 1999.

GRANTOR:

X Laura L Sutter (SEAL)
LAURA L SUTTER

X Kristopher D Sutter (SEAL)
KRISTOPHER D SUTTER

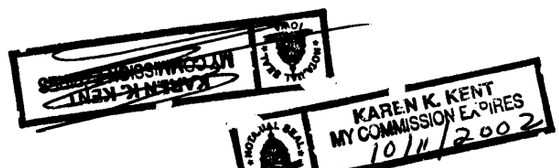
Signed, acknowledged and delivered in the presence of:

X Marjie J. Werner
Witness marjie J. Werner

X Kenneth E. Wooldridge
Witness Ken E Wooldridge

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Iowa)
) SS
COUNTY OF Delaware County)



On this 5th day of November, A.D., 1999, before me a Notary Public in and for said County and State personally appeared **LAURA L SUTTER and KRISTOPHER D SUTTER**, 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.

Karen K Kent
Notary Public in the State of Iowa

LASER PRO, Reg. U.S. Pat. & T.M. Off., Ver. 3.27 (c) 1999 CFI ProServices, Inc. All rights reserved. [IA-G03 X1102003.LN R1.OVL]

Exhibit A

Legal Descriptions: All that certain property situated in the CITY OF MANCHESTER, in the County of DELAWARE, and State of IOWA, being described as follows: PARCEL 000140160001300 and being more fully described in a deed dated 07/16/1991, and recorded 08/26/1991, among the land records of the county and state set forth above, in Deed Book 128, page 193.

LEGAL DESCRIPTION

THAT PART OF THE SOUTHWEST QUARTER (SW 1/4) OF THE NORTHWEST QUARTER (NW 1/4) OF SECTION SIXTEEN (16), TOWNSHIP EIGHTY NINE (89) NORTH, RANGE FIVE (5), WEST OF THE FIFTH P.M., DESCRIBED AS COMMENCING AT A POINT ONE THOUSAND NINE HUNDRED THIRTY NINE AND THREE-TENTHS (1939.3) FEET WEST OF THE SOUTHEAST CORNER OF THE NORTHWEST QUARTER (NW 1/4) OF SECTION SIXTEEN (16), RUNNING THENCE WEST ONE HUNDRED FORTY RIGHT AND THREE-TENTHS (148.3) FEET, THENCE NORTH 2 DEGREES 22' WEST ONE HUNDRED SEVENTY FIVE (175.0) FEET, THENCE NORTH 79 DEGREES 30' EAST ONE HUNDRED FIFTY EIGHT AND TWO-TENTHS (158.2) FEET, THENCE SOUTH TWO HUNDRED (200.0) FEET TO THE POINT OF BEGINNING.