CSB

DELAWARE COUNTY IOWA
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DEBORAH L. PEYTON
DELAWARE CO. RECORDER
$11.00

This document prepared by: LINDA A BESSEY FOR CSB: 201 E MAIN; MANCHESTER, IA 52057 319-927-4014

REAL ESTATE HYPOTHECATION AGREEMENT

1. COLLATERAL AND OBLIGATIONS. In consideration of any financial accommodations at any time granted by Community Savings Bank, Edgewood, Iowa, to ECKO REMODELING, INC., (Borrower), each of the undersigned Owner(s) pledges and conveys in trust to the Community Savings Bank his interest in the following described property: 1505 Linn Delaware Rd; Coggon, IA 52218

Legally described as: THAT PART OF THE SOUTHWEST QUARTER (SW1/4) OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION THIRTY SIX (36), TOWNSHIP EIGHTY SEVEN (87) NORTH, RANGE SIX (6), WEST OF THE FIFTH PRINCIPAL MERIDIAN DESCRIBED AS COMMENCING AT A POINT ON THE SOUTH LINE OF SAID SOUTHWEST QUARTER (SW1/4) OF THE SOUTHWEST QUARTER (SW1/4) THAT IS FIFTEEN (15) RODS AND FOUR (4) FEET EAST OF THE SOUTHWEST CORNER OF SAID SECTION THIRTY SIX (36), AND RUNNING THENCE NORTH TWELVE (12) RODS, THENCE EAST TWELVE AND FIVE-TENTHS (12.5) RODS, THENCE SOUTH TWELVE (12) RODS, THENCE WEST TWELVE AND FIVE-TENTHS (12.5) RODS TO THE POINT OF BEGINNING.

The real estate so described shall secure all debts, obligations, and liabilities to the Community Savings Bank arising out of any existing or future credit granted by the Community Savings Bank to the Owner(s) or the Borrower(s), in which such extension of credit shall be secured by a mortgage on the said real estate.

2. WARRANTY OF TITLE. Each Owner executing this agreement warrants that he is a holder of title in the above described real estate.

3. PRESERVATION OF COLLATERAL. The said Owner(s) executing this agreement shall preserve and maintain the above described real estate, and keep the same free from all liens for labor and materials, and unpaid taxes.

4. INSURANCE. The Owner(s) executing this agreement shall maintain adequate insurance coverage against all common hazards in a sufficient amount, and said Owner(s) shall provide the Community Savings Bank with proof of said coverage.

5. AUTHORITY OF BANK TO PERFORM. Upon the occurrence of any event of default, including the failure of the Owner(s) to perform any of the agreements set forth herein, the Community Savings Bank is authorized to take any action allowed by law for the foreclosure of its mortgage and the collection of the amounts due to it.

6. ACTS NOT AFFECTING OBLIGATIONS. None of the following shall affect the liabilities of any Owner or Borrower under this agreement, or the obligations, or the rights of the Community Savings Bank with respect to the above described real estate; (a) acceptance or retention by the Community Savings Bank of other property or interest as security for the obligations, or for the liability of any person other than a Owner with respect to the obligations; (b) the release of any or all of the above described real estate or other security for any of the obligations; (c) any release, extension, renewal, modification or compromise of any of the obligations or liability of any obligor thereon; or (d) failure by the Community savings Bank to resort to other security or any person liable for any other obligations before the resorting to the above described real estate.

7. DEFAULT. The following occurrences shall constitute default of this agreement:

A. The Borrower or the Owner(s) fail to pay when due any of the obligations, or to perform any of the provisions of this agreement;

B. The Borrower or Owner(s) become insolvent or subject to bankruptcy proceedings;

C. Any warranty or representation made to induce the Community Savings Bank to extend credit to the Borrower is false in any material respect;

D. Any other event which causes the Community Savings Bank to deem itself insecure.

8. REMEDIES UPON DEFAULT. Upon default all of the obligations shall at the option of the Community savings Bank and without any notice or demand, become immediately payable; and the Community Savings Bank shall have all rights and remedies for default provided by the Code of Iowa. The Owner(s) shall reimburse the Community Savings Bank for any expense incurred by the bank in protecting or enforcing its rights under this agreement, including but not limited to reasonable attorney's fees and legal expenses. After deduction of such expenses, the Community Savings Bank may apply the proceeds of disposition of the above described real estate to the obligations in such order and amounts as its elects.

9. PERSONS BOUND. Each person signing this agreement is a holder of an interest in the above described real estate. All owner(s) are jointly and severally liable under this agreement, except that the liability of any owner who is not a borrower is limited to the above described real estate and those rights in regard to it. This agreement benefits the Community Savings Bank, its successors and assigns, and binds the Owner(s) and their respective heirs, personal representatives, successors and assigns.

10. OTHER PROVISIONS.

Dated this 18th day of January 2000.

x M. Elaine Casey-Olson
M. Elaine Casey-Olson

x K L Olson
Kelvin L. Olson

State of Iowa) SS.
County of Delaware)

On this 18th day of January, 2000, before me, the undersigned, a Notary Public, in and for said County and State, personally appeared M. Elaine Casey-Olson and Kelvin L. Olson to me known to the identical persons named in and who executed the within instrument, and acknowledged that they executed the same as their voluntary act and deed.

Linda A Beesley
Notary Public

