DELAWARE COUNTY IOWA
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BOOK 2001 PAGE 3190
DEBORAH L. PEYTON
DELAWARE CO RECORDER
11.00

ROSEMARY DREES 101 E. MAIN ST. MANCHESTER, IA 52057 (563)927-4475

FARMERS & MERCHANTS SAVINGS BANK FIRST HOME FUND
FORGIVABLE LOAN AGREEMENT

55-309

WHEREAS, the Farmers & Merchants Savings Bank has established the 1996 AFFORDABLE HOUSING PROGRAM OF THE FEDERAL HOME LOAN BANK OF DES MOINES SPECIAL FIRST HOME FUND to assist buyers of single family residences in housing rehabilitation or down payment or closing costs, and

WHEREAS, the undersigned, (hereinafter referred to as the OWNER) qualifies under the 1996 AFFORDABLE HOUSING PROGRAM OF THE FEDERAL HOME LOAN BANK OF DES MOINES SPECIAL FIRST HOME FUND for a total loan of
Five thousand and 00/100---------- dollars
$5,000.00 for housing rehabilitation, down payment or closing costs, and

WHEREAS, a requirement of the 1996 AFFORDABLE HOUSING PROGRAM OF THE FEDERAL HOME LOAN BANK OF DES MOINES SPECIAL FIRST HOME FUND is for the repayment of the loan to be in the amount shown in the Promissory Note whenever the property is sold or transferred,

THEREFORE, in consideration of the awarding of the loan the mutual covenants and promises of the parties and other good and valuable consideration, the BANK and OWNER agree as follows:

FORGIVABLE LOAN PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned jointly and severally promises to pay to the order of Farmers & Merchants Savings Bank of Manchester or any successors or assigns, the sum of
Five thousand and 00/100-------- dollars
$5,000.00 as follows:

A. If the below described property is sold or the signors of this note do not occupy the property for a period of 5 years from the date of this note, all or a portion of this note shall be called due based on the following:

20% of the amount will be forgiven for each full year the undersigned owns and occupies the below described property.

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MORTGAGE (State Law Reference)

John Wilgenbusch, mortgages and warrants to the Farmers & Merchants Savings Bank, Manchester, Iowa the following described property 1022 Sherman Avenue,Manchester, Iowa County of Delaware, State of Iowa, to secure the payment of the promissory note set out above,

TO WIT:
LEGAL DESCRIPTION:

The South One-half (S ½) of Lot Sixteen (16), and all of Lots Seventeen (17) and Eighteen (18), Block Three (3), Sunnyside Addition to Manchester, Iowa, according to Plat recorded in Book 1 Plats, Page 141.

EXECUTED BY:

John Wilgenbusch

STATE OF IOWA, COUNTY OF DELAWARE

BE IT REMEMBERED, that on this 24th day of May, A.D. 2001, before me the undersigned, a Notary Public in and for the County and State aforesaid, came John Wilgenbusch who personally known to me to such person duly acknowledged the execution of the same. IN TESTIMONY WHEREOF, I have hereto set my hand and notarial seal, the day and year last written above.

My Appointment expires 02-19-02 Teresa J. Steve
Notary Public