DELAWARE COUNTY IOWA
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DEBORAH L. HILTON
DELAWARE CO RECORDER
11.00

Prepared By: Barb Colehour, Citizens Savings Bank , 215 East Main St. PO Box 137, Anamosa, IA 52205-0137; Phone (319) 462-3561

DEED OF TRUST

THIS INDENTURE, made and executed this **4th** day **October, 2002**, by and between **William L. Ballou and Linda Ballou, husband and wife,** of the City of **Manchester**, County of **Delaware**, and State of **Iowa**, First Parties, and **Citizens Savings Bank**, with its principal office and place of business at **Anamosa, Iowa,** Second Party.

WITNESSETH:

That First Parties for and in consideration of the indebtedness to the Second Party and of the trust hereinafter created, and in further consideration of the sum of One Dollar ($1.00) and other valuable consideration to them in hand paid by the Second Party, receipt whereof is hereby acknowledged, do by these presents grant, bargain, sell and convey unto Second Party, its successors and assigns forever, the certain real estate and the appurtenances thereunto belonging, situated in the County of **Delaware** and State of Iowa to-wit:

Lot Sixty Seven (67) of Turtle Creek Camp Replat being part of the Southeast Quarter (SE1/4) of the Northeast Quarter (NE1/4), Section Twenty-Six (26), Township Eighty-eight North (T88N), Range Five West (R5W), of the Fifth Principal Meridian, Delaware County, Iowa and part of the Southwest Quarter (SW1/4) of the Northwest Quarter (NW1/4), Section Twenty-five (25), Township Eighty-eight North (T88N), Range Five West (R5W) of the Fifth Principal Meridian, Delaware County, Iowa.

2002-3589

and also all of the rents, issues, use and profits of said land and the crops raised thereon, from date hereof until this Deed of Trust is released of record, the intention being to convey hereby an absolute title in fee to the property hereinabove described, including any right of homestead and also every contingent right therein.

TO HAVE AND TO HOLD the said real estate with all appurtenances thereto belonging unto the Second Party, its successors and assigns, forever, First Parties hereby covenanting for themselves, their executors, administrators and assigns, that they have full right, power and authority to convey said real estate and its appurtenances, and that they will warrant and defend the title thereto unto Second Party, its successors and assigns, against the claims of all persons whomsoever lawfully claiming the same; and the First Parties hereby relinquish all their contingent rights including dower and homestead, which they have in and to said described real estate.

Provided always, that this conveyance is made in trust for the following uses and purposes:

Subject to the maximum Dollar amount set forth below, to secure the payment and performance of all indebtedness, liabilities, obligations and covenants of First Party to Second Party, whether now existing or hereafter incurred, of every kind and character, direct or indirect, and whether such indebtedness is from time to time reduced and thereafter increased, or entirely extinguished and thereafter reincurred, until this Deed of Trust is released or satisfied on the records of the Recorder of the County or Counties in which this property is located.

NOTICE: This Deed of Trust (mortgage) secures credit in the amount of **UNLIMITED**. 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. In addition, this Deed of Trust (mortgage) also secures necessary advances for protection of the security.

If at any time all of First Party's obligations to Second Party, of whatever nature, are paid, Second Party, within 10 days of receipt of written request by First Party, shall release this Deed of Trust of record and it shall thereafter be null and void.

First Parties hereby agree to pay all taxes and assessments, general or special, upon or against any of the real estate hereinabove described, or any part thereof, before such taxes or special assessments become delinquent and agree to keep all of the said property and the buildings thereon, insured against loss or damage by fire with extended coverage during the existence of this Deed of Trust, in at least the insurable value of such buildings in insurance companies approved by Second Party, its successors or assigns, and also hereby agree to deliver such insurance policies to Second Party as further security for the payment of the obligations herein secured. First Parties also hereby agree that in the event of loss or damage of any such property by any of the hazards insured against, that the proceeds of such insurance, at the option of the Second Party, its successors or assigns, shall be paid to and received by Second Party, its successors or assigns, and applied toward payment of the obligations secured by this Deed of Trust.

It hereby expressly is agreed by and between the parties hereto and made part of this Deed of Trust that in the event of the nonpayment of any said notes, obligations and liabilities in accordance with their terms at maturity, whether such maturity be by acceleration or otherwise, or in the event of the failure of First Parties to keep and perform any of the conditions, stipulations and covenants herein contained; or in the event Second Party deems itself insecure; that then the whole amount of principal and interest secured by this Deed of Trust and then unpaid shall become due and payable absolutely, at the option of Second Party, its successors or assigns, and without notice to First Parties, suit may brought for the collection thereof, and for the foreclosure of this Deed of Trust. It further hereby is agreed by and between the parties that Second Party, its successors or assigns, may, if it so elect, pay any delinquent taxes, general or special, against the above described property or any part thereof, and insurance premiums and that any moneys so expended shall become part of the obligations secured hereby in addition to the other notes and obligations secured hereby and shall draw interest at the rate of the most recent note or advance from date of such actual advancement by Second Party until repayment thereof to Second Party.

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First Parties hereby agree that in the event legal proceedings by foreclosure or otherwise are instituted to collect any of the notes or obligations or liabilities hereby secured, or in the event of the collection of any such notes or obligations by an attorney at law, that a reasonable attorney's fee and also the reasonable cost and expense of an abstract of title and title search shall be allowed and added to the debt secured hereby and become lien upon all of the property hereinabove described. And First Parties agree to pay such attorney's fees, abstract expense and title search expense, and such attorney's fees and expenses shall be taxed as part of the costs in any judgment or decree rendered in such proceedings. If the holder of this Deed of Trust at any time becomes involved in any legal, equitable or other proceedings involving any of the security hereinbefore mentioned, or involving the proceeds of any of such security, First Parties hereby agree to pay the reasonable expenses, including attorney's fees of the holder hereof by reason thereof, and this Deed of Trust shall stand as security for all such sums.

DUE ON SALE: If all or any part of the property or any interest in it is sold or transferred without Second Party's prior written consent, Second Party may, at its option, require immediate payment in full of all sums secured by this Deed of Trust. However, this option shall not be exercised by Second Party if exercise is prohibited by federal law as of the date of this Deed of Trust.

If Second Party exercises this option, Second Party shall give First Party 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 First Party must pay all sums secured by this Deed of Trust. If First Party fails to pay these sums prior to the expiration of this period, Second Party may invoke any remedies permitted by this Deed of Trust without further notice or demand on First Party.

If the Property is less than ten acres in size and if Second Party waives in any foreclosure proceeding any right to a deficiency judgment against First Party, then the period of redemption shall be reduced to six months. If the court finds that the Property has been abandoned by First Party and if Second Party waives any right to a deficiency judgment against First Party, then the period of redemption from judicial sale shall be reduced to sixty days. The provisions of this paragraph shall be construed to conform to the provisions of Sections 628.26 and 628.27 of the Code of Iowa. In addition to the previous provisions, Second Party shall be entitled to take advantage of other redemption statutes of the State of Iowa, whether now of hereafter in force.

It is hereby further agreed that in case of default in any respect in the strict performance of any of the covenants, agreements or conditions of this Deed of Trust, that the Second Party, its successors or assigns, either before or on commencement of any action to foreclose this Deed of Trust, or at any time thereafter, shall be entitled to the appointment of a receiver who shall have the power to take and hold possession of the hereinabove described real estate, and rent the same and collect the rents and profits therefrom, regardless of the solvency or insolvency of the First Parties and regardless of the value of the aforesaid premises or the waste, loss or destruction of the rents and profits of said premises.

It is hereby further agreed and understood that in case the First Parties default hereunder in any respect, that the Second Party, its successors or assigns, is authorized at its options to take immediate possession of the aforesaid real estate, or any part thereof, and to rent the said real estate and shall be liable to account to the First Parties only for the net profits thereof. And it is further agreed that the taking of possession of such property by Second Party, its successors or assigns, as provided above shall in no manner prevent or retard the collection of the notes or obligations hereunder payable, by foreclosure or otherwise. And Second Party, its successors or assigns, hereby is authorized to hold or to continue such possession until the said real estate is sold and if redemption of any of the property is permitted by law, then until such property has been redeemed, or until the time for redemption has expired.

Obligations of the First Parties secured by this conveyance may not be assumed by a purchaser without written consent of the Second Party.

In case the title to any of the property covered by this Deed of Trust is attacked, First Parties hereby authorize Second Party to employ an attorney and contest the claim, and First Parties hereby agree that the reasonable attorney's fee of such attorney shall be allowed and added to the debt secured hereby, and shall become a lien upon the property covered by this Deed of Trust, and that such fees and expenses so expended shall become a part of the obligations secured hereby, and shall draw interest at the rate of the most recent note or advance from the date of expenditure until repayment thereof to Secured Party.

HOMESTEAD WAIVER: I(We) understand that homestead property is in many cases protected from the claims of creditors and exempt from judicial sale; and that by signing this Deed of Trust, I voluntarily give up my right to this protection for this property with respect to claims based upon this Deed of Trust.

IN WITNESS WHEREOF: First Parties have hereunto set their hands to this Deed of Trust and the above Homestead Waiver on the 4th day of October, 2002.

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

X William L. Ballou
William L. Ballou

X Linda Ballou
Linda Ballou

STATE OF IOWA, **Jones** County, ss:

On this **4th** day of **October, 2002**, before me, a Notary Public in the State of Iowa, personally appeared **William L. Ballou and Linda Ballou** to me personally known to be the person(s) named in and who executed the foregoing instrument and acknowledged that **William L. Ballou and Linda Ballou, husband and wife** executed the same as **their** voluntary act and deed.

My Commission expires:

NOTARIAL SEAL IOWA
BARBARA J. COLEHOUR
Commission No. 184816
My Commission Expires:
5/22/05

Barbara J. Colehour
Notary Public in the State of Iowa