Book 2007 Page 1637

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DEBORAH L. PEYTON, RECORDER/REGISTRA
DELAWARE COUNTY IOWA

Preparer Information: **Linn Area Credit Union** **3015 Blairs Ferry Road NE** **Cedar Rapids, IA 52402(319)378-0101**

NAME STREET ADDRESS CITY PHONE

Linn Area Credit Union
We are Family

3015 Blairs Ferry Road NE
Cedar Rapids, IA 52402-1832
(319) 378-0101

Mortgage
Home Equity Revolving Line of Credit

74840-5

3004-7348

NOTICE: This Mortgage secures credit in the amount of $ 25,000.00 . 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.

THIS MORTGAGE is given on **04/26/2007**
by **Jeffrey A McDowell** hereinafter referred to individually or collectively, as the context may require, as "Mortgagor") to LINN AREA CREDIT UNION, its successors and assigns, whose address is 3015 Blairs Ferry Road NE, Cedar Rapids, IA 52402-1832 ("Mortgagee").

Mortgagor does hereby mortgage, grant, convey and warrant to Mortgagee the following described property located in the County of Delaware State of Iowa:

LOT NINE (9) BLOCK EIGHTEEN (18), RYAN, IOWA

which has the street address of **P.O. BOX 223 Ryan, IA 52330** (CITY) **Ryan**,
Iowa, **52330** (ZIP CODE) (herein "Property Address"); P.I.N. **690-00-02-044-00** ; together with (i) all improvements, buildings or structures of any nature whatsoever, now or hereafter erected on the property, (ii) all fixtures, including all plumbing, heating, air conditioning and ventilating equipment, now or hereafter located under, on or above the property, (iii) all rights, privileges, rents, royalties, mineral, oil and gas rights and profits, tenements, hereditaments, rights-of-way, easements, appendages, appurtenances, or riparian rights now or hereafter belonging or in any way appertaining to the property, and (iv) all of Mortgagor's right, title and interest in and to any streets, rights-of-way, alleys or strips of land now or hereafter adjoining thereto, including any replacements and additions to any of the foregoing. All of the foregoing is collectively referred to in this Mortgage as the "Property."

This Mortgage is given to secure the payment of all indebtedness, including principal, interest, Advances (as hereinafter defined), all other amounts, finance charges, payments and premiums due and the performance of all obligations that Mortgagor now or hereafter owes Mortgagee under this Mortgage and under that certain agreement governing Mortgagor's Open-end Home Equity Credit Plan entered into between Mortgagor and Mortgagee of even date herewith ("Agreement"), including all extensions, renewals and modifications thereof (all of such obligations being hereinafter referred to as the "Debt"). The Agreement has a credit limit of $ **25,000.00** unless the limit is increased and a notice of such increase is recorded in the Recorder's Office in the county where this Mortgage has been recorded. The maturity date of this Mortgage is **04/20/2022** which is the date by which the Debt under the Agreement and this Mortgage is due.

This Mortgage is given to secure a revolving line of credit under which advances, payments and readvances my be made from time to time, and shall secure not only presently existing indebtedness under the Agreement but also future advances, whether such advances are obligatory or to be made at the option of Mortgagee, or otherwise, as are made within twenty (20) years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage, although there may be no advances made at the time of the execution of this Mortgage and although there from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage, although there may be no advances made at the time of the execution of this Mortgage and although there may be no indebtedness secured hereby outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all indebtedness secured hereby, including future advances, from the time of its filing for recording in the appropriate recording office in the county in which the Property is located. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid balance of indebtedness secured hereby (including disbursements which Mortgagee may make under this Mortgage, the Agreement or any other document with respect thereof) at any one time outstanding shall not exceed the credit limit set forth above, plus interest and late charges accruing thereon and any Advances or disbursements which Mortgagee may make pursuant to the terms of this Mortgage, the Agreement or any other document with respect hereto, including but not limited to payment for taxes, special assessments or insurance on the Property and the interest on such disbursements. This Mortgage is intended to and shall be valid and have priority over all subsequent liens and encumbrances, including statutory liens, excepting taxes and assessments levied on the Property not yet due and payable, to the extent of the maximum amount secured hereby. The unpaid balance of the revolving credit loan may at certain times be zero. A zero balance does not terminate the revolving credit loan or Mortgagee's obligation to advance funds to Mortgagor. Therefore, the lien of this Mortgage will remain in full force and effect notwithstanding any zero balance.

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A. REPRESENTATIONS

Mortgagor hereby represents to Mortgagee as follows:

1. **Validity of Security Documents.** (a) The execution, delivery and performance by Mortgagor of the Agreement, this Mortgage and all other documents and instruments now or hereafter, furnished to Mortgagee to evidence or secure payment of the Debt (the "Security Documents"), and the borrowing evidenced by the Agreement, will not violate any provision of law, any order of any court or other agency of government, or any mortgage, indenture, trust agreement or other instrument to which Mortgagor is a party or by which Mortgagor or any of Mortgagor's property is bound, or be in conflict with, or will result in a material breach of or constitute (with due notice and/or lapse of time) a default under any such mortgage, indenture, trust agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of Mortgagor's property or assets, except as contemplated by the provisions of the Security Documents; and

(b) The Security Documents, as and when executed and delivered by Mortgagor, constitute the legal, valid and binding obligations of Mortgagor in accordance with their respective terms subject to applicable bankruptcy and insolvency laws.

2. **Other Information.** All other information, reports, papers and data given to Mortgagee, or to Mortgagee's legal counsel, with respect to Mortgagor, the Property, or the loan evidenced by the Security Documents are accurate and correct in all material respects and complete insofar as completeness may be necessary to give Mortgagee a true and accurate knowledge of the subject matter.

3. **Title.** Mortgagor has good and marketable title in fee simple to the Property free and clear of all encumbrances except for encumbrances of record as of the date of this Mortgage. Mortgagor will preserve its title to the Property and will forever covenant and defend the same to Mortgagee and will forever covenant and defend the validity and priority of the lien of this Mortgage.

4. **Litigation.** There is not now pending or threatened against or affecting the Property, nor, to the knowledge of Mortgagor, is there contemplated, any action, suit or proceeding at law or in equity or by or before any administrative agency which, if adversely determined, would impair or adversely affect the value or operation of the Property.

5. **Environmental Indemnity.** Mortgagor shall indemnify and hold Mortgagee harmless against and from any and all loss, cost, damage, claim or expense (including, without limitation, any and all attorney's fees or expenses of litigation) incurred or suffered by Mortgagee on account of (i) the location on the Property of any chemicals, material, substance, or contaminant (including, without limitation, oil, petroleum products, asbestos, urea, formaldehyde, foam insulation, hazardous waste and/or toxic waste), the presence or storage of which or the exposure to which is prohibited, limited, or regulated by any federal, state, county, regional, or local governmental unit, agency or authority, or which presence, storage, or exposure may pose a hazard to health and safety or (ii) the failure by Mortgagor or any prior owner or occupant of the Property to comply with any applicable federal, state, county, regional or local environmental laws, regulations, and court or administrative orders.

B. ADDITIONAL COVENANTS

Until the entire Debt shall have been paid in full, Mortgagor covenants and agrees as follows:

6. **Payment of Indebtedness.** Mortgagor shall timely pay and discharge the Debt or any part thereof in accordance with terms and conditions of the Agreement, this Mortgage, and the Security Documents.

7. **Payment of Taxes and Assessments.** Mortgagor shall duly pay and discharge, or cause to be paid and discharged all real estate and personal property taxes and other taxes and assessments, public or private; water and sewer rates and charges; all other governmental or nongovernmental charges applicable to the Property; any interest or costs or penalties with respect to any of the foregoing; and charges for any easement or agreement maintained for the benefit of the Property, general and special, ordinary or extraordinary, foreseen or unforeseen, of any kind and nature whatsoever which may at any time prior to or after the execution of this Mortgage, be assessed, levied, or imposed upon the Property or the rent or income received therefrom, or any use or occupancy thereof. All of the foregoing are hereinafter collectively referred to as "Taxes and Assessments." Mortgagor shall provide Mortgagee with satisfactory proof of payment of any Taxes and Assessments within ten (10) days of the date any such Taxes or Assessments are due. In the event Mortgagor fails to timely pay any such Taxes or Assessments, Mortgagee may, but shall not be obligated to, make such payments and any amounts so paid by Mortgagee shall be treated as "Advances" in accordance with Paragraph 16 hereof.

8. **Hazard Insurance.** Mortgagor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Mortgagee requires insurance. If the Property is located in an area designated by the Director of the Federal Emergency Agency as a special flood hazard area, Mortgagor agrees to obtain Federal Flood Insurance to the extent such insurance is required for the term of the loan and for the full indebtedness of the loan. Insurance policies shall be maintained in the amounts and for the periods that Mortgagee requires. The insurance carriers providing the insurance shall be chosen by Mortgagor subject to Mortgagee's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Mortgagee and shall include a standard mortgage clause. Mortgagee shall have the right to hold the policies and renewals. If Mortgagee requires, Mortgagor shall name Mortgagee as "loss-payee" and shall promptly give to Mortgagee all receipts of paid premiums and renewal notices. In the event of loss, Mortgagor shall give prompt notice to the insurance carrier and Mortgagee. Mortgagee may make proof of loss if not made promptly by Mortgagor.

Unless Mortgagee and Mortgagor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repaid is economically feasible and Mortgagee's security is not lessened or impaired. If the restoration or repair is not economically feasible or Mortgagee's security would be lessened or impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Mortgagor. If Mortgagor abandons the Property, or does not answer within 30 days a notice from Mortgagee that the insurance carrier has offered to settle a claim, then Mortgagee may collect the insurance proceeds. Mortgagee may use the proceeds to repair or restore the Property or to pay sums secured by this Mortgage, whether or not then due. The 30-day period will begin when the notice is given.

Unless Mortgagee and Mortgagor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in Paragraph 6 or change the amount of the payments. If under Paragraph 21 the Property is acquired by Mortgagee, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Mortgagee to the extent of the sums secured by this Mortgage immediately prior to the acquisition.

9. **Repair.** Mortgagor shall keep the Property in good order and condition and make all necessary or appropriate repairs, replacements and renewals thereof. Mortgagor agrees not to permit or allow any waste of the Property or make or permit to be made any material alterations or additions to the Property that would have the effect of diminishing the value thereof or that will in any way increase the risk of any fire or hazard arising out of the construction or operation thereof. Mortgagor agrees not to alter or remove any structure or fixture in the Property without Mortgagee's prior written consent. Mortgagor shall prevent any act or thing which might adversely effect or impair the value or usefulness of the Property.

10. **Restoration Following Uninsured Casualty.** In the event of the happening of any casualty, of any kind or nature, ordinary or extraordinary, foreseen or unforeseen, not covered by any Insurance Policy resulting in damage to or

destruction of the Property, Mortgagor shall give notice thereof to Mortgagee and Mortgagor shall promptly at Mortgagor's sole cost and expense, commence and diligently continue to restore, repair, replace, rebuild or alter the damaged or destroyed Property as nearly as possible to its value, condition and character immediately prior to such damage or destruction.

11. **Compliance with Laws.** Mortgagor shall promptly and faithfully comply with, conform to and obey or contest by appropriate proceedings in good faith all present, and use its best efforts as to future laws, ordinances, rules, regulations and requirements of every duly constituted governmental authority or agency and of every board of fire underwriters having jurisdiction, or similar body exercising functions, which may be applicable to it or to the Property or to the use and manner of use, occupancy, possession, operation, maintenance or reconstruction of the Property, whether or not such law, ordinance, rule, order, regulation or requirement shall necessitate structural changes or improvements or interfere with the use or enjoyment of the Property.

12. **Performance of Other Agreements.** Mortgagor shall duly and punctually perform all covenants and agreements expressed as binding upon it under any agreement of any nature whatsoever that involves the Property including, without limitation, all rules and regulations of a homeowners or condominium association if the Property is part of a condominium, cooperative, phased development or other homeowners association.

13. **Inspection.** Mortgagor shall permit Mortgagee, and parties designated by Mortgagee, at all reasonable times, to inspect the Property.

14. **Hold Harmless.** Mortgagor shall, at Mortgagor's sole cost and expense, save, indemnify and hold the Mortgagee, its officers, directors, employees and agents, harmless from any injury, claim, demand, suit, judgment, execution, liability, debt, damage or penalty (hereinafter collectively referred to as "Claims") affecting the Property, or the value of any of the Security Documents, arising out of, resulting from, or alleged to arise out of or result from, any action or inaction by Mortgagor, except as may be the direct result of Mortgagee's negligence. Mortgagor shall pay all expenses incurred by the Mortgagee in defending itself with regard to any and all Claims. These expenses shall include all out-of-pocket expenses, such as attorneys' and experts' fees, and shall also include the reasonable value of any services rendered by any employee of Mortgagee.

15. **Expenses.** Mortgagor shall pay or reimburse Mortgagee for all reasonable costs and expenses paid or incurred by Mortgagee in any action, proceeding or dispute of any kind in which Mortgagee is made a party or appears as party plaintiff or defendant, involving any of the Security Documents, Mortgagor, or the Property, including, without limitation, to the foreclosure or other enforcement of this Mortgage, any condemnation involving the Property, any action to protect the security hereof, or any proceeding in probate or bankruptcy, and any such amounts paid or incurred by Mortgagor shall be treated as Advances in accordance with Paragraph 16 thereof.

16. **Advances.** In the event Mortgagor fails to perform any act required of Mortgagor by any of the Security Documents or to pay when due any amount required to be paid by any of the Security Documents, Mortgagee may, but shall not be obligated to, make such payment or perform such act. Such payment or performance by Mortgagee shall not have the effect of curing any Event of Default or of extending the time for making any payment due hereunder or under the Agreement. All amounts so paid by Mortgagee, together with all expenses incurred in connection therewith, shall be deemed advances ("Advances") under this Mortgage and the Agreement, shall be immediately due and payable and shall be added to the Debt. Advances shall bear interest from the date expended at the rate specified in the Agreement and shall be secured by this Mortgage as though originally a part of the principal amount of the Debt. 17. **Use Violations.** Mortgagor shall not use the Property or allow the same to be used or occupied for any unlawful purpose or in violation of any permit or certificate, or any law, ordinance, regulation or restrictive covenant, covering or affecting the use or occupancy thereof, or suffer any act to be done or any condition to exist on the Property or any article to be brought thereon, that may be dangerous, unless safeguarded as required by law, or that may, in law, constitute a nuisance, public or private.

18. **Other Liens.** Mortgagor shall not, without the prior written consent of Mortgagee, create or permit to be created or to remain, any mortgage, pledge, lien, encumbrance or charge on, security interest in, or conditional sale of or other title retention agreement on (whether prior or subordinate to the liens of the Security Documents) the Property or income therefrom other than the Security Documents ("Liens"). In the event Mortgagor fails to promptly discharge any such Liens, Mortgagee may, but shall not be obligated to, do so and any amounts paid or incurred by Mortgagee (including reasonable attorney's fees in connection therewith), shall be treated as Advances in accordance with Paragraph 17 hereof.

19. **Transfer of the Property.** Mortgagor shall not sell, convey, transfer or assign the Property or any beneficial interest therein or any part thereof, whether by operation of law or otherwise, without the prior written consent of Mortgagee. In the event of such a sale, conveyance, transfer or assignment, Mortgagee may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Mortgagee if exercise is prohibited by applicable law as of the date of this Mortgage. "Sale, conveyance or transfer" means the conveyance of the 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 the real property interest.

If Mortgagee exercises mortgagee's option to require immediate payment in full, Mortgagee shall give Mortgagor 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 Mortgagor must pay all sums secured by this Mortgage. If Mortgagor fails to pay these sums prior to the expiration of this period, Mortgagee may invoke any remedies permitted by this Mortgage without further notice or demand on Mortgagor.

20. **Events of Default.** The term Event of Default, as used in the Security Documents, shall mean the occurrence or happening, from time to time, of any one or more of the following: (a) Mortgagor fails to make any payment required by this Mortgage or the Agreement when it is due; (b) Mortgagor has engaged in or engages in fraud or material misrepresentation, either by act or omission, in connection with this Mortgage or the Agreement at any time during the application process or during the term of this Mortgage or the Agreement; or (c) Mortgagor acts or fails to act in a way that adversely affects the security under this Mortgage, including, without limitation, the following: (i) Mortgagor transfers title to the Property or sells the Property without the consent of Mortgagee; (ii) Mortgagor fails to maintain the insurance required to be carried by Mortgagor according to the terms of this Mortgage; (iii) Mortgagor fails to pay any Taxes on the Property; (iv) Mortgagor permits the filing of a lien against the Property senior to that held by Mortgagee; (v) the death of Mortgagor (in the event of more than one Mortgagor, the death of the last remaining Mortgagor who executed the Agreement); (vi) the Property is taken by condemnation or power of eminent domain; or (vii) the holder of any prior mortgage commences foreclosure of the prior mortgage.

21. **Rights and Remedies on Default.** Upon the occurrence of any Event of Default and at any time thereafter, Mortgagee, after such notice as may be required by law, and 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:

Acceleration and Foreclosure. Mortgagor's breach of any covenant or agreement in the Security Documents constitutes Mortgagor's default and shall entitle Mortgagee, after such notice as may be required under law, to require immediate payment in full of all sums secured by the Security Documents. Mortgagee may (and is hereby authorized and empowered to) foreclose the Mortgage in accordance with the laws of Iowa, and at any time after the commencement of an action in foreclosure, or during the period of redemption, the court having jurisdiction of the case at the request of the Mortgagee, appoint a receiver to take immediate possession of the Property and of the revenues and income accruing therefrom, and to rent or cultivate the same as the receiver may deem best for the interest of all parties concerned, and such receiver shall be liable to account to Mortgagor only for the net profits, after application of rents, issues and profits upon the costs and expenses of the receivership and foreclosure and upon the Debt.

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

Sale of the Property. To the extent permitted by applicable law, Mortgagor hereby waives any and all right to have the property marshalled. In exercising its rights and remedies, Mortgagee shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Mortgagee shall be entitled to bid at any public sale on all or any portion of the property.

Waiver; Election of Remedies; Strict Performance. A waiver by any party of a breach of a provision of the Security Documents shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision. Election by Mortgagee to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Mortgagor under the Security Documents after failure of Mortgagor to perform shall not affect Mortgagee's right to declare a default and exercise its remedies under the Security Documents. Any failure by Mortgagee to insist upon strict performance by Mortgagor of any of the terms and provisions of the Security Documents shall not be deemed to be a waiver of any of the terms or provisions of the Security Documents, and Mortgagee shall have the right thereafter to insist upon strict performance by Mortgagor of any and all of them.

Attorneys' Fees; Expenses. To the extent permitted by law, if Mortgagee institutes any suit or action to enforce any of the terms of the Security Documents, Mortgagee shall be entitled to recover such sums as the court may adjudge reasonable as attorneys' fees at trial and on appeal. Whether or not any court action is involved, all reasonable expenses incurred by Mortgagee that in Mortgagee's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the rate provided for in the Credit Agreement. Expenses covered by this paragraph include, but are not limited to, Mortgagee's attorneys' fees and Mortgagee's legal expenses whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, and title insurance, to the extent permitted by applicable law. Mortgagor will also pay any court costs, in addition to all other sums provided by law.

Redemption. It is agreed that if this Mortgage covers less than ten (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 proceeding, the time of one year for redemption from said sale provided by the statutes of the State of Iowa shall be reduced to six (6) months provided the Mortgagee, in such action files an election to waive any deficiency judgment against Mortgagor which may arise out of the foreclosure proceedings; all to be consistent with the provisions of Chapter 628 of the Iowa Code. If the redemption period is so reduced, for the first three (3) months after sale such right of redemption shall be exclusive to Mortgagor, and the time periods in Sections 628.5, 628.15 and 628.16 of the Iowa Code shall be reduced to four (4) months.

It is further agreed that the period of redemption after a foreclosure of the Mortgage shall be reduced to sixty (60) days if all of the three following contingencies develop: (1) the real estate is less than ten (10) acres in size; (2) the Court finds affirmatively that the said real estate has been abandoned by the owners or those persons personally liable under the Mortgage at the time of such foreclosure; and (3) Mortgagee in such action files an election to waive any deficiency judgment against Mortgagor or its successors in interest in such action. If the redemption period is so reduced, Mortgagor or its successors in interest or the owners shall have the exclusive right to redeem for the first thirty (30) days after such sale, and the time provided for redemption by creditors as provided in Sections 628.5, 628.15 and 628.16 of the Iowa Code shall be reduced to forty (40) days. Entry of appearance by pleading or docket entry by or on behalf of Mortgagor shall be a presumption that the property is not abandoned. Any such redemption period shall be consistent with all of the provisions of Chapter 628 of the Iowa Code. This paragraph shall not be construed to limit or otherwise affect any other redemption provisions contained in Chapter 628 of the Iowa Code.

22. **Condemnation.** In the event of the taking by eminent domain proceedings or the like of any part or all of the Property by any federal, state, municipal or other governmental authority or agency thereof, all awards or other compensation for such taking shall be paid to Mortgagee for application on the Debt, provided that no such application shall result in additional interest or have the effect of curing any Event of Default or extending the time for making any payment due hereunder or under the Agreement.

23. **Prior Mortgage.** If this Mortgage is subject to a prior mortgage, the lien of which is superior to the lien of this Mortgage, Mortgagor agrees to pay each installment of the debt secured by the prior mortgage when it is due, whether by acceleration or otherwise. Mortgagor also agrees to pay and perform all other obligations of the mortgagor under the prior mortgage. Mortgagor agrees to provide Mortgagee with proof of payment or performance under the prior mortgage whenever Mortgagee requests it. If Mortgagor fails to pay any installment of principal or interest when it is due or if Mortgagor fails to pay or perform any other obligation under the prior mortgage; Mortgagee has the right, but not the obligation, to pay the installment or to pay or perform such other obligation on Mortgagor's behalf. Any amounts Mortgagee spends in performing Mortgagor's obligations will become part of the Debt, payable by Mortgagor on Mortgagee's demand, and will bear interest at the same rate as the Debt bears from time to time. Mortgagee may rely upon any written notice of default under the prior mortgage that Mortgagee receives from the holder of the prior mortgage even though Mortgagor questions or denies the existence, extent, or nature of the default. Mortgagor shall not renew, extend or modify the prior mortgage, and shall not increase the debt secured by the prior mortgage, without Mortgagee's prior written consent.

24. **Survival of Warranties and Covenants.** The warranties, representations, covenants and agreements set forth in the Security Documents shall survive the making of the loan and the execution and delivery of the Agreement, and shall continue in full force and effect until the Debt shall have been paid in full.

25. **Further Assurances.** Mortgagor shall, upon the reasonable request of Mortgagee, execute, acknowledge and deliver such further instruments (including, without limitation, a declaration of no set-off) and do such further acts as may be necessary, desirable or proper to carry out more effectively the purpose of the Security Documents and to subject to the liens thereof any property intended by the terms thereof, to be covered thereby and any renewals, additions, substitutions, replacements or betterments thereto.

MORTGAGE (continued)

26. **Recording and Filing.** Mortgagor shall, at Mortgagor's sole cost and expense, cause those Security Documents and all supplements thereto, for which constructive notice must be given to protect Mortgagee, at all times to be recorded and filed, and re-recorded and re-filed, in such manner and in such places as Mortgagee shall reasonably request, and shall pay all such recording, filing, re-recording, re-filing taxes, fees and other charges to the maximum extent not prohibited by the laws of the State of Iowa.
27. **Loan Expenses.** To the extent permitted by law, Mortgagor shall pay all applicable costs, expenses and fees set forth in the Agreement.
28. **No Representation by Mortgagee.** By accepting or approving anything required to be observed, performed or fulfilled, or to be given to Mortgagee, pursuant to this Mortgage, including (but not limited to) any officer's certificate, balance sheet, statement of profit and loss or other financial statement, survey or appraisal, Mortgagee shall not be deemed to have arranged or represented the sufficiency, legality, effectiveness or legal effect of the same, or of any term, provision or condition thereof, and such acceptance or approval thereof shall not be or constitute any warranty or representation with respect thereto by Mortgagee.
29. **Incorporation of Agreement.** Each and every term, covenant and provision contained in the Agreement is, by this reference, incorporated into this Mortgage as if fully set forth herein.
30. **Notice.** Except for any notice required under applicable law to be given in another manner, any notice provided for in this Mortgage shall be in writing and shall be deemed properly delivered three days after deposit thereof in any main or branch United States Post Office, certified or first class United States Mail, postage prepaid, addressed as follows or *at such other address as may be designated by notice as provided herein:*

If to the Mortgagor:
Jeffrey A McDowell
P.O. BOX 223

If to the Mortgagee:
Linn Area Credit Union
3015 Blairs Ferry Road NE
Cedar Rapids, IA 52402-1832

31. **Covenants Running With the Land.** All covenants contained in this Mortgage shall run with the Land.
32. **Successors and Assigns.** All of the terms of this Mortgage shall apply to and be binding upon, and inure to the benefit of, the successors and assigns of Mortgagor and Mortgagee, respectively, and all persons claiming under or through them provided that nothing in this Paragraph shall be construed to permit a transfer, conveyance or assignment other than as expressly permitted by this Mortgage.
33. **Multiple Mortgagors.** Mortgagor's covenants and agreements hereunder shall be joint, several and primary. Any Mortgagor who co-signs this Mortgage but does not execute the Agreement: (a) is co-signing this Mortgage only to mortgage, grant and convey the Property; (b) is not personally obligated to pay the Debt; and (c) agrees that Mortgagee and any other Mortgagor may agree to extend, modify, forebear or make any accommodations with regard to the terms of this Mortgage or the Agreement without that Mortgagor's consent; and (d) agrees to relinquish all rights of dower, homestead and distributive share, and homestead exemption in and to the Mortgaged Property, if and as applicable.
34. **Severability.** In case any one or more of the obligations or the provisions of this Mortgage or of the Agreement shall be determined to be invalid, illegal or unenforceable in any respect, the validity of the remaining obligations or provisions of this Mortgage shall be in no way affected, prejudiced or disturbed thereby.
35. **Modification.** This Mortgage may not be changed, waived, discharged or terminated orally, but only by an instrument or instruments in writing, signed by the party against which enforcement of the change, waiver, discharge or termination is asserted.
36. **Applicable Law.** This Mortgage shall be governed by and construed according to the laws of the State of Iowa.
37. **Headings.** The headings and the section and paragraph entitlements hereof are inserted for convenience of reference only, and shall in no way alter or modify the text of such paragraphs, sections and subsections.
38. **Riders.** If one or more riders are attached to and made a part of this Mortgage, the covenants and agreements for each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage.
39. Mortgage shall furnish Mortgagor with a conformed copy of the Open-End Credit Plan and Credit Agreement and this Mortgage at the time they are executed or within a reasonable time after the mortgage is recorded.

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.

X _____ 4-26-07 X Deana McDowell
Jeffrey A McDowell Date Date

40. **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 Mortgaged Property and waives all rights of exemption as to any of the Mortgaged Property.
Mortgagor hereby acknowledges the receipt of a copy of this Mortgage together with a copy of the Open-end Credit Plan and Credit Agreement and all related documents dated of even date.

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT.

IN WITNESS WHEREOF, the Mortgagor has executed this instrument the day and year first above written.

X _____ X Deana McDowell
Jeffrey A McDowell

STATE OF IOWA
COUNTY OF Linn **SS.**

This instrument was acknowledged before me this 26 day of April, 2007 by _____.

JOANN M HEPK
Notarial Seal - Iowa
Commission # 7
My Commission Expires 1-6-09

_____
Notary Public