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DEBORAH L PEYTON, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

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Prepared By & Return To:
Inspired Financial Services
118 E. 18th St.
Cedar Falls, IA 50613
PH: 319-268-7149

MALLERY NELSON

LOAN MODIFICATION AGREEMENT

MIN: 1003445-0004604941-9

This Loan Modification Agreement ("Agreement"), made this **31** day of **JANUARY, 2013**, between **KERI A SCHMIDT A/K/A KERI ANNE SCHMIDT AND ZACHARIAH J SCHMIDT** ("Borrower") and **INSPIRED FINANCIAL SERVICES** ("Lender"), and Mortgage Electronic Registration Systems, Inc. ("MERS) [("Mortgagee")] [("Beneficiary")], amends and supplements (1) the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), and Timely Payment Rewards Rider, if any, dated **OCTOBER 18, 2012** and recorded in Book or Liber **2012**, at page(s) **3602**, of the **MORTGAGE** Records of **DELAWARE, IOWA** and (2) the Note, bearing the same date as, and secured by, the Security Instrument, which covers the real and personal property described in the Security Instrument and defined therein as the "Property", located at **1220 NORTH FRANKLIN STREET, MANCHESTER, IOWA 52057**, the real property described being set forth as follows:

LOT THREE (3) OF LOECKE SUBDIVISION LOCATED IN LOT 48 EXCEPT THE NORTH 54 FEET OF THE WEST HALF THEREOF AND LOT 49 OF HENRY ACERS' ADDITION TO THE CITY OF MANCHESTER, DELAWARE COUNTY, IOWA, ACCORDING TO PLAT RECORDED IN BOOK 6 PLATS, PAGE 48.

In consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the Note or Security Instrument):

1. As of **JANUARY 31, 2013**, the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. **$89,398.00**, consisting of the unpaid amount(s) loaned to Borrower by Lender plus any interest and other amounts capitalized.

2. Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of Lender. Interest will be charged on the Unpaid Principal Balance at the yearly rate of **3.5%**, from **MARCH 1, 2013**. Borrower promises to make monthly payments of principal and interest of U.S. **$402.71**, beginning on the **1** day of **MARCH, 2013**, and continuing thereafter on the same day of each succeeding month until principal and interest are paid in full. The yearly rate of **3.5%** will remain in effect until principal and interest are paid in full. If on **DECEMBER 1, 2042** (the "Maturity Date"), Borrower still owes amounts under the Note and the Security Instrument, as amended by this Agreement, Borrower will pay these amounts in full on the Maturity Date.

3. If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by the Security Instrument. If Lender exercises this option, Lender shall give Borrower 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 Borrower must pay all sums secured by the Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by the Security Instrument without further notice or demand on Borrower.

3. Borrower also will comply with all other covenants, agreements, and requirements of the Security Instrument, including without limitation, Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that Borrower is obligated to make under the Security Instrument; however, the following terms and provisions are forever canceled, null and void, as of the date specified in paragraph No. 1 above:

   (a) all terms and provisions of the Note and Security Instrument (if any) providing for, implementing, or relating to, any change or adjustment in the rate of interest payable under the Note, including, where applicable, the Timely Payment Rewards rate reduction, as described in paragraph 1 of the Timely Payment Rewards Addendum to Note and paragraph A.1. of the Timely Payment Rewards Rider. By executing this Agreement, Borrower waives any Timely Payment Rewards rate reduction to which Borrower may have otherwise been entitled; and

(b) all terms and provisions of any adjustable rate rider, or Timely Payment Rewards Rider, where applicable, or other instrument or document that is affixed to, wholly or partially incorporated into, or is part of, the Note or Security Instrument and that contains any such terms and provisions as those referred to in (a) above.

5. Borrower understands and agrees that:

(a) All the rights and remedies, stipulations, and conditions contained in the Security Instrument relating to default in the making of payments under the Security Instrument shall also apply to default in the making of the modified payments hereunder.

(b) All covenants, agreements, stipulations, and conditions in the Note and Security Instrument shall be and remain in full force and effect, except as herein modified, and none of the Borrower's obligations or liabilities under the Note and Security Instrument shall be diminished or released by any provisions hereof, nor shall this Agreement in any way impair, diminish, or affect any of Lender's rights under or remedies on the Note and Security Instrument, whether such rights or remedies arise thereunder or by operation of law. Also, all rights of recourse to which Lender is presently entitled against any property or any other persons in any way obligated for, or liable on, the Note and Security Instrument are expressly reserved by Lender.

(c) Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Security Instrument.

(d) All costs and expenses incurred by Lender in connection with this Agreement, including recording fees, title examination, and attorney's fees, shall be paid by the Borrower and shall be secured by the Security Instrument, unless stipulated otherwise by Lender.

(e) Borrower agrees to make and execute such other documents or papers as may be necessary or required to effectuate the terms and conditions of this Agreement which, if approved and accepted by Lender, shall bind and inure to the heirs, executors, administrators, and assigns of the Borrower.

(f) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as nominee for Lender and Lender's successors and assigns. **MERS is the [Mortgagee] [Beneficiary] of record under the Security Instrument and this Agreement.** MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

Trevor Norman (Seal)
Inspired Financial Services -Lender

By: Trevor Norman, Vice President of Inspired Financial Services

2-20-13
Date of Lender's Signature

Lorna Goeldner
Mortgage Electronic Registration Systems, Inc.
Lorna Goeldner, Assistant Secretary for MERS

Keri A Schmidt (Seal)
Keri A Schmidt -Borrower

Zachariah J Schmidt (Seal)
Zachariah J Schmidt -Borrower

[Space Below This Line For Acknowledgments]

STATE OF IOWA
County of Delaware

On this 19th day of February 2013, before me, a Notary Public in the State of Iowa, personally appeared Keri A Schmidt and Zachariah J Schmidt, to me personally known to be the person (s) named in and who executed the forgoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

My commission expires: 08-28-15

Colleen Meyer
Notary Public in and for said County and State

COLLEEN MEYER
Notarial Seal - Iowa
Commission # 704820
My Commission Expires 08-28-15

STATE OF IOWA
County of HARDIN

This instrument was acknowledged before me on 2-20-13, by Trevor Norman as Vice President of Inspired Financial Services.

My commission expires: 9-24-2014

BARBARA BROWN
Commission Number 718629
My Commission Expires
9-24-2014

Barbara Brown
Notary Public in and for said County and State

STATE OF IOWA
County of Polk

This instrument was acknowledged before me on 2/12/13, by Lorna Goeldner as Assistant Secretary for MERS.

My commission expires: 2/28/14

Mindy Hart
Notary Public in and for said County and State

MINDY HART
Commission Number 751493
My Commission Expires
February 28, 2014