

**BK: 2021 PG: 704**  
**Recorded: 2/22/2021 at 10:51:52.0 AM**  
**Pages 6**  
**County Recording Fee: \$32.00**  
**Iowa E-Filing Fee: \$3.00**  
**Combined Fee: \$35.00**  
**Revenue Tax:**  
**LISA SMITH RECORDER**  
**Madison County, Iowa**

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Prepared By and Return to: Lynne Holstad, Northwest Bank, 1607 W 18<sup>th</sup> St, Spencer IA 51301  
Phone: 712-262-4100 Loan No. 63015068

**CONSTRUCTION CONVERSION MODIFICATION AGREEMENT**  
**(Fixed Interest Rate) (Embedded Fixed-Rate Financing Terms)**

**TWO ORIGINAL MODIFICATION AGREEMENTS MUST BE EXECUTED BY THE BORROWER: ONE ORIGINAL IS TO BE FILED WITH THE NOTE AND ONE ORIGINAL IS TO BE RECORDED IN THE LAND RECORDS WHERE THE SECURITY INSTRUMENT IS RECORDED.**

This Construction Conversion Modification Agreement (the "Agreement"), made and effective this 19TH day of FEBRUARY, 2021, between Northwest Bank ("Lender") and EMILIE MATTHIAS AND RYAN MATTHIAS, WIFE AND HUSBAND ("Borrower"), modifies and amends certain terms of Borrower's indebtedness evidenced by (1) the interim construction financing Note (the "original Note") to Lender dated the 10/19/2020, in the original principal sum of U.S. \$350,000.00 and secured by (2) the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") and Rider(s), if any, dated the same date as the original Rate Note and recorded in Book or Instrument No. 2020, at pages 4134, of the MADISON COUNTY Records of MADISON COUNTY AND STATE OF IOWA. The Security Instrument covers the real and personal property described in the Security Instrument and defined as the "Property", located at:

2377 132nd Court, Van Meter, IA 50261, Madison  
[Property Address]

the real property described being set forth as follows:

\*SEE ATTACHED LEGAL

Borrower and Lender agree that on or before the date of this Agreement the construction or renovation, as applicable, of the Property has been completed and that all loan proceeds have been disbursed to Borrower in accordance with the terms of the original Note. Borrower and Lender have agreed to modify the terms of the original Note and Security Instrument in accordance with the terms of this Agreement. This Agreement is not a novation.

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

**Current Loan Balance.** As of FEBRUARY 19, 2021 the amount payable under the Note and Security Instrument, each as modified by this Agreement (the "Unpaid Principal Balance"), is U.S. \$350,000.00.

Interest, if any, has been paid through the date of this Agreement.

**Note Modification.** The terms and provisions of the interim construction financing stated in the original Note are amended and modified as follows:

**1. BORROWER'S PROMISE TO PAY**

In return for a loan that I have received, I promise to pay U.S. \$350,000.00 (this amount is called "Unpaid Principal Balance"), plus interest, to the order of the Lender. The identity of Lender is stated in the original Note. I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

**2. INTEREST**

Interest will be charged on unpaid principal until the full amount of Unpaid Principal Balance has been paid. I will pay interest at a yearly rate of 2.875%.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) below.

**3. PAYMENTS**

**(A) Time and Place of Payments**

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the 1<sup>st</sup> day of each month beginning on MARCH 1, 2021 I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on OCTOBER 1, 2050, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 705 GRAND AVE, SPENCER, IA 51301-3821 or at a different place if required by the Note Holder.

**(B) Amount of Monthly Payments**

My monthly payment will be in the amount of U.S. \$1,462.42.

**4. BORROWER'S RIGHT TO PREPAY**

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

**5. LOAN CHARGES**

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

**6. BORROWER'S FAILURE TO PAY AS REQUIRED**

**(A) Late Charge for Overdue Payments**

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5% of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

**(B) Default**

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

**(C) Notice of Default**

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

**(D) No Waiver By Note Holder**

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

**(E) Payment of Note Holder's Costs and Expenses**

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

**7. GIVING OF NOTICES**

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

**8. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

**9. WAIVERS**

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

**10. UNIFORM SECURED NOTE**

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

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 this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

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 given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

**Compliance with Covenants.** Borrower shall 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.

**Amendments to the Security Instrument.** The terms and provisions of the interim construction financing stated in the Security Instrument are amended and modified as follows; those marked are applicable:


- (a) Increase in Principal Balance. The Unpaid Principal Balance of the Note that is secured by this Security Instrument has been increased by U.S. \$ \_\_\_\_\_.
- (b) Decrease in Principal Balance. The Unpaid Principal Balance of the Note that is secured by this Security Instrument has been decreased by U.S. \$ \_\_\_\_\_.
- (c) Change in Maturity Date. The Unpaid Principal Balance if not paid sooner is due in full not later than \_\_\_\_\_, \_\_\_\_\_.
- (d) Security Instrument Riders Cancelled. The rider(s) to the Security Instrument pertaining to the interim construction financing are null and void and of no further effect as of the date of this Agreement.
- (e) Additional Security Instrument Rider(s). The terms and conditions of the Security Instrument are further amended and modified by the terms and conditions stated in the Security Instrument Rider(s), dated the date of this Agreement, fully executed and delivered by Borrower, and attached to and incorporated into this Agreement by reference.

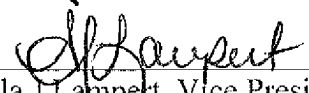
**Recordation.** This Agreement shall be recorded, together with any applicable attachments, in all places where the Security Instrument is recorded.

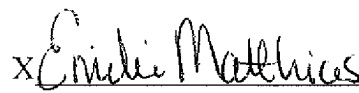
**No Release.** Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the original Note or Security Instrument. Except where otherwise specifically provided in this Agreement, the original Note and Security Instrument shall remain unchanged, and Borrower and Lender will be bound by, and comply with, all of the terms and provisions of these instruments, as amended by this Agreement.


In Witness Whereof, Lender and Borrower have executed this Agreement.

NORTHWEST BANK

By   
Lynne D. Holstad, Asst. Vice President

By   
Angela J. Lampert, Vice President

X  Borrower  
Emilie Matthias

X  Borrower  
Ryan Matthias

STATE OF IOWA  
BUK COUNTY }ss.

On the 19<sup>TH</sup> day of FEBRUARY, 2021, before me, the undersigned, a Notary Public in the State of Iowa personally appeared **Emilie Matthias, Ryan Matthias**, to me known to be the person(s) named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

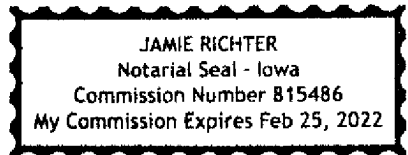


*Deborah Andersen*  
Notary Public in the State of Iowa

STATE OF IOWA  
CLAY COUNTY }ss.

On the 22<sup>nd</sup> day of February, 2021, before me, the undersigned, a Notary Public in the State of Iowa personally appeared Lynne D Holstad, Asst. Vice President, Angela J Lampert, Vice President, to me known to be the person(s) named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

*Jamie Richter*  
Notary Public in the State of Iowa



## Exhibit A

Lot Sixteen (16) of Prairie Ridge Estates located in the North Half ( $\frac{1}{2}$ ) of the Northeast Quarter ( $\frac{1}{4}$ ), the Southwest Quarter ( $\frac{1}{4}$ ) of the Northeast Quarter ( $\frac{1}{4}$ ), and the Northeast Quarter ( $\frac{1}{4}$ ) of the Northwest Quarter ( $\frac{1}{4}$ ) of Section Twenty (20), Township Seventy-seven (77) North, Range Twenty-seven (27) West of the 5th P.M., Madison County, Iowa, together with the undivided percentage interest in the general common elements as set forth in the Declaration of Association for Prairie Ridge Estates Association filed in Book 2002, Page 2126 of the Madison County Recorder's Office.