

Document 2004 3379

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After Recording Return To:

Nationwide Federal Credit Union

PO BOX 182794

MICHELLE "MICKI" UTSLER, COUNTY RECORDER  
MADISON IOWA

Columbus, OH 43215 - 5913

COMPUTER	<input checked="" type="checkbox"/>
RECORDED	<input checked="" type="checkbox"/>
COMPARED	<input checked="" type="checkbox"/>

Preparer Information Bryan L. Simmons One Nationwide Plaza Columbus (614) 249-6226  
 Individual's Name Street Address City Phone

[Space Above This Line For Recording Data]

# MORTGAGE

(OPEN-END CREDIT-FUTURE ADVANCES SECURED)

THIS MORTGAGE ("Security Instrument") is given on 07/16/2004  
The mortgagor is Keri L. Lehman and Dallas G. Lehman, Husband and Wife

Security Instrument is given to Nationwide Federal Credit Union ("Borrower"). This existing under the laws of OH, and whose address is One Nationwide Plaza, Columbus, OH 43215, which is organized and ("Lender"). Borrower has entered into a Credit Line Account Variable Interest Rate Home Equity Secured Open-End Credit Agreement and Truth-In-Lending Disclosure ("Agreement") 07/16/2004 under as of, under the terms of which Borrower may, from time to time, obtain advances not to exceed, at anytime, an amount equal to the Maximum Credit Limit (as defined therein) of Twenty Thousand Dollars Dollars (U.S. \$ 20,000.00) ("Maximum Credit Limit"). This Agreement provides for monthly payments, with the full debt, if not paid earlier, due and payable on 07/16/2019. This Security Instrument secures to Lender: (a) the repayment of the debt under the agreement, with interest, and all renewals, extensions and modifications of the Agreement; (b) the payment of all other sums, with interest, advanced under paragraph 5 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Agreement. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in Madison County, Iowa:

Please see attached Exhibit A

which has the address of 1531 Prairie Trl, Van Meter, Iowa

50261-8562 000 ("Property Address");  
[Zip Code]

TOGETHER WITH all the improvements now or hereafter created on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in the Security Instrument as the "Property"

BORROWER COVENANTS that the Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of the record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

Borrower and Lender covenant and agree as follows:

**1. Payment of Principle and Interest; Late Charges of Other Fees and Charges.** Borrower shall promptly pay when due the principal of and interest on the debt owed under the Agreement and any late charges or any other fees and charges due under the Agreement.

**2. Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. At Lender's request, Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph and shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligations secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving the notice.

**3. Hazard or Property Insurance.** Borrower 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, including floods of flooding, for which the Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 5.

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

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

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principle shall not extend or postpone the due date or amount of the payments due under the Agreement. If under paragraph 17 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

**4. Preservation, Maintenance and Protection of the Property.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 15, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest.

**5. Protection of Lender's Rights in the Property.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as proceeding in bankruptcy, probate, for condemnation or for forfeiture of to enforce laws and regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys, fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 5, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 5 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the rate chargeable for advances under the Agreement and shall be payable, with interest upon notice from Lender to Borrower requesting payment.

**6. Inspection.** Lender or its agent may make reasonable entries upon inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

**7. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to the Lender. In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair or the Property of to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principle shall not extend or postpone the due date or amount of the payments due under the Agreement.

**8. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by lender to any successor in an interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Interest by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

**9. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to provisions of paragraph 14. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs the Security Instrument but is not personally liable under the Agreement: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Agreement without that Borrower's consent.

**10. Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected with the 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 Borrower which exceeded permitted limits will be refunded to the Borrower. Lender may choose to make this refund by reducing the principle owed under the Agreement or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment under the Agreement.

**11. Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to the Borrower or Lender when given as provided in this paragraph.

**12. Governing Law; Severability.** This Security Instrument shall be governed by federal law and law of the jurisdiction in which the property is located. In the event of that any provision or clause of this Security Instrument or the Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Agreement which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Agreement are declared to be severable.

**13. Borrower's Copy.** Borrower shall be given one conformed copy of this Security Instrument.

**14. Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this 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 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.

**15. Borrower's Right to Reinstate.** If Borrower meets certain conditions, borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that the Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Agreement as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender writes in the Property Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 14.

**16. Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The proceeding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be the appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 16, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides or herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 16, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

17. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument or the Agreement under which acceleration is permitted (but not prior to acceleration under paragraph 14 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited to, reasonable attorneys' fees and cost of title evidence.

18. Release. Upon payment of all sums secured by this Security Instrument and termination of Borrower's ability to obtain further advances under the Agreement, Lender shall release this Security Instrument without charge to Borrower.

19. Waivers. Borrower relinquishes all right of dower and waives all right of homestead and distributive share in and to the Property. Borrower waives any right of exemption as to the Property.

20. HOMESTEAD EXEMPTION WAIVER. 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.


21. Redemption Period. If the Property is less than 10 acres in size and Lender waives in any foreclosure proceeding any right to a deficiency judgment against Borrower, the period of redemption from judicial sale shall be reduced to 6 months. If the court finds that the Property has been abandoned by Borrower and Lender waives any right to a deficiency judgment against Borrower, the period of redemption from judicial sale shall be reduced to 60 days. The provisions of this paragraph 20 shall be construed to conform to the provisions of Sections 628.26 and 628.27 of the Code of Iowa.

**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.**

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in pages 1 through 4 of this Security Instrument.

Witness:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

  
Keri L. Lehman 7-16-04 (Seal)  
Borrower

  
Dallas G. Lehman 7-16-04 (Seal)  
Borrower

\_\_\_\_\_  
(Seal)  
Borrower

\_\_\_\_\_  
(Seal)  
Borrower

STATE OF IOWA,

Madison

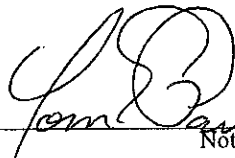
County ss:

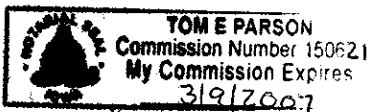
On this 16<sup>th</sup> day of July 2004, before me, a Notary Public in the State of Iowa, personally appeared

Keri L. Lehman and Dallas G. Lehman, Husband and Wife

, to me personally known to be the person(s) named in and who executed the foregoing instrument, and acknowledged that executed the same as they voluntary act and deed.

My Commission expires: 3/9/2007

  
\_\_\_\_\_  
Notary Public in and for said County and State




**Notary Acknowledgement Form**

STATE of IA

COUNTY of Madison

On 07/16/2004 before me, Tom E. PARSON  
personally appeared Keri L. Lehman and Dallas G. Lehman, Husband and  
personally known to me (or proved to me on the basis of satisfactory evidence) to  
be the person(s) whose name(s) is / are subscribed to the within instrument and  
acknowledged to me that he / she / they executed the same in his/her/their  
authorized capacity(ies) and that by his / her / their signature(s) on the instrument  
the person(s), or the entity upon behalf of which the person(s) acted, executed  
the instrument.

WITNESS my hand and official seal.

  
\_\_\_\_\_  
(Signature of Notary Public)

My commission expires 3/9/2007



(This area for notarial seal)

EXHIBIT A

Parcel "C", located in the East 1/2 of the Northeast 1/4 of Section 33, Township 77 North, Range 27 West of the Fifth Principal Meridian, Madison County, Iowa, more particularly described as follows: Beginning at the Southeast corner of the Northeast 1/4 of the Northeast 1/4 of Section 33, Township 77 North, Range 27 West of the Fifth Principal Meridian, Madison County, Iowa; thence North 0 degrees 00'00" East along the East line of the Northeast 1/4 of the Northeast 1/4 of said Section 33, 110.04 feet; thence South 88 degrees 18'04" West, 889 feet; thence South 0 degrees 00'00" West, 490.56 feet; thence North 88 degrees 18'04" East, 889 feet to a point on the East line of the Southeast 1/4 of the Northeast 1/4 of said Section 33; thence North 0 degrees 00'00" East along the East line of the Southeast 1/4 of the Northeast 1/4 of said Section 33, 380.52 feet to the Point of Beginning. Said parcel contains 10.007 acres, including 0.500 acre of county road right-of-way.

Subject to all covenants, restrictions and easements of record. Situated in Madison County, Iowa.

Permanent Parcel Number: 12012002332002000000