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MICHELLE "MICKI" UTSLER, COUNTY RECORDER
MADISON IOWA

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| COMPUTER | ✓ |
| RECORDED | ✓ |
| COMPARED | ✓ |

Prepared by: DANA KLEINSORGE
 U.S. BANK N.A.
 222 SECOND AVENUE S.E.
 CEDAR RAPIDS, IA 52401
 319-368-4356
 LOAN #: 7884037890

[Space Above This Line for Recording Data]

ENTRY COST ASSISTANCE LOAN MORTGAGE

THIS MORTGAGE is made this 2ND day of AUGUST, 2004
 between the Mortgagor,
 DAVID L SENTS AND MARY K SENTS, HUSBAND AND WIFE

(herein "Borrower"), and

the Mortgagee,
 U.S. BANK N.A.

a corporation organized and existing under the laws of THE UNITED STATES OF AMERICA
 , whose address is

4801 FREDERICA STREET, OWENSBORO, KY 42301

(herein "Lender").

Borrower owes Lender the principal sum of
 TWO THOUSAND FIVE HUNDRED AND NO/100 Dollars
 (U.S. \$ 2,500.00). This debt is evidenced by Borrower's Note dated the
 same date as this Mortgage ("Note"), with the full debt, if not paid earlier, due and payable on the
 Maturity Date as defined in the Note, but in no event later than SEPTEMBER 1, 2034. This
 Mortgage secures to Lender (a) the repayment of the debt evidenced by the Note, and all renewals,
 extensions and modifications; (b) the payment of all other sums, advanced in accordance herewith to
 protect the security of this Mortgage; and (c) the performance of the covenants and agreements of
 Borrower under this Mortgage and the Note.

IA Entry Cost Assistance Loan Mortgage
 0204 (ECAMIA)

✓ PLEASE RETURN TO:
 COLDWELL BANKER
 MID-AMERICA GROUP, REALTORS
 REGENCY WEST 2, SUITE 105
 1401 - 50TH STREET
 WEST DES MOINES, IA 50266-5924

BORROWER does hereby mortgage, grant and convey to Lender, with power of sale, the following described property located in the County of **MADISON**, State of: **IOWA**

LOT ONE (1) AND THE EAST 5 FEET OF LOT TWO (2) IN BLOCK FIVE (5) OF A.B. SHRIVER'S ADDITION TO THE TOWN OF WINTERSSET, MADISON COUNTY, IOWA

"THIS IS A PURCHASE MONEY MORTGAGE"



which has the address of **704 WEST FILMORE ST WINTERSSET, IOWA 50273**

(herein "Property Address");

TOGETHER with all the improvements now, or hereafter erected on the property, and all easements, rights, appurtenances, rents, (subject however to the rights and authorities given herein to Lender to collect and apply such rents), all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property".

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

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

- 1. Payment of Principal; Prepayment.** Borrower shall promptly pay when due the principal of the debt evidenced by the Note, and any prepayment due under the Note.
- 2. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraph 1 hereof shall be applied by Lender first to prepayment charges due under the Note; and second, to principal due under the Note.
- 3. Prior Mortgages and Deeds of Trust; Charges: Liens.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines, and impositions attributable to the Property, which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any. Borrower shall pay these obligations by making payment, when due, directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and receipts evidencing such payments.

Borrower shall promptly discharge any lien which has priority over this Mortgage unless Borrower: (a) agrees in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender; (b) contests in good faith such lien by, or defends against enforcement of such lien in, legal

proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Mortgage. If Lender determines that any part of the property is subject to a lien, which may attain priority over this Mortgage, 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 of notice.

4. Hazard 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 such other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods, the Lender requires.

The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien, which has priority over this Mortgage. 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 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 the Lender's security is not lessened. If such 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 Mortgage, whether due or not, with any excess paid to Borrower. If Borrower abandons the Property or does not answer within 30 days a notice from 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 Mortgage, 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 principal shall not extend or postpone the due date of the payment referred to in paragraph 1 or change the amount of the payments. 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 Mortgage immediately prior to the acquisition.

If under paragraph 18 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

The right of Lender to insurance proceeds is subject to the rights therein of the Mortgage under the First Mortgage.

5. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Mortgage is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.

6. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property (such as a proceeding in bankruptcy, probate, for condemnation, or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's right in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Mortgage, appearing in court, paying reasonable attorney's fees, and entering on the Property to make repairs. Although Lender may take action under this paragraph 6, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 6 shall become additional debt of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall bear interest from the date of disbursement at the highest rate permissible under applicable law, and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

7. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to any inspection specifying reasonable cause for the inspection.

8. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Mortgage shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured by this Mortgage 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.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner 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 of the Property or to the sums secured by this Mortgage, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the payments referred to in paragraph 1 hereof or change the amount of such payments.

9. **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 Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy hereunder or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

10. **Successors and Assigns Bound; Joint and Several Liability: Co-Signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17 hereof. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Note: (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage; (b) is not

personally liable on the Note or under this Mortgage; and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Mortgage or the Note without the Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the property.

11. **Loan Charges.** If the loan secured by this Mortgage 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 or to be collected in connection 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 principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

12. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Mortgage unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Mortgage and may invoke any remedies permitted by paragraph 18. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17

13. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein or to such other address Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given as provided in the manner designated herein.

14. **Governing Law; Severability.** This Mortgage shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

15. **Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

16. **Rehabilitation Loan Agreement.** Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

17. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest therein whether by lease, deed, or contract for deed or otherwise, whether for consideration or by gift or in the event of death or otherwise, and whether voluntarily, involuntarily, or by operation of law, is sold or transferred, all sums secured by this Mortgage shall be immediately due and payable. Notwithstanding the foregoing, (a) if the Borrower owns the Property as co-tenants, a transfer of the Property or any interest therein from one co-tenant to another co-tenant shall not be considered a transfer; (b) a taking by eminent domain shall not be considered a transfer unless it is a total taking in the sense that payment is made for the full value of the Property; (c) the creation of a lien or encumbrance subordinate to this Mortgage shall not be considered a transfer; and (d) the creation of a purchase money security interest for household appliances shall not be considered a transfer.

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 may pay all sums secured by this Mortgage. If borrower fails to pay such sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

NON-UNIFORM COVENANTS. Borrower and Lender further convent and agree as follows:

18. **Acceleration; Remedies.** Unless the "Maturity Date", as defined in the Note, has occurred, Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Mortgage (but not prior to acceleration under paragraphs 12 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the breach; ; (b) the action required to cure the breach;; (c) a date, not less than 30 days from the date the notice is mailed to Borrower, by which the breach; must be cured; and (d) that failure to cure such breach; on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, 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 bring a court action to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Borrower to acceleration and foreclosure. . If the breach; is not cured on or before the date specified in the notice, or if the "Maturity Date" as defined in the Note has occurred, Lender, at Lender's option, may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees, court costs and collection agency fees to the extent allowed by applicable law, costs of documentary evidence, abstracts, title reports.

19. **Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Mortgage discontinued at any time prior to the earliest of (a) five days (or such other period as applicable law may specify for reinstatement) before the sale of the Property pursuant to any power of sale contained in this Mortgage; or (b) entry of judgment enforcing this Mortgage. Those conditions are that Borrower: (i) pays Lender all sums which then would be due under this Mortgage and the Note as if no acceleration had occurred; (ii) cures any default of any other covenants or agreements; (iii) pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage, and enforcing Lender's remedies as provided in paragraph 18 hereof, including, but not limited to, reasonable attorneys' fees; and (iv) takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and reinstatement by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred. [However, this right to reinstate shall not apply in the case of acceleration under paragraph 12 or 17.]

20. **Assignment of Rents; Appointment of Receiver.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 18 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

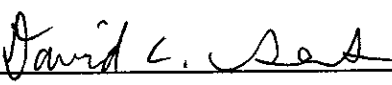
Upon acceleration under paragraph 18 hereof or abandonment of the Property, and at time prior to the expiration of any period of redemption following the sale of the Property, Lender, (in person, by agent, or by judicially appointed receiver) shall be entitled to enter upon, take possession of, and manage the Property, and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's

bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.


21. **Release.** Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all official fees in connection with this Mortgage.

22. **Waiver of Dower, Homestead and Distributive Share.** Borrower hereby relinquishes all rights of dower and hereby waives all right of homestead exemption and distributive in and to the Property. Borrower hereby waives any right of exemption as to the Property.

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 property with respect to claims based upon this contract.



DAVID L SENTES



MARY K SENTES

23. **Subject to First Mortgage.** This Mortgage is subject and subordinate to the following mortgage: Subject to a First Mortgage loan given on AUGUST 2, 2004 by DAVID L SENTES AND MARY K SENTES , HUSBAND AND WIFE

Mortgage given to U. S. BANK N. A. (the "First Mortgage"). This Mortgage may not be foreclosed until such time as a foreclosure sale pursuant to the First Mortgage occurs.

24. **Interest on Advances.** The interest rate on advances made by Lender under paragraph 6 shall not exceed the maximum rate allowable by applicable law.

25. **Nonrecourse.** The obligation of the undersigned is nonrecourse, and Lender's sole recourse for payment of the Note shall be to the Property and other security provided for in the Note, and the Lender shall not be entitled to any deficiency after foreclosure of this Mortgage.

26. **Redemption Period.** If the Property is less than ten acres in size and if Lender waives in any foreclosure proceeding any right to a deficiency judgment against Borrower, then the period of redemption from judicial sale shall be reduced to six months. If the court finds that the Property has been abandoned by Borrower and if Lender waives any right to a deficiency judgment against Borrower, then the period of redemption from judicial sale shall be reduced to sixty days. The provisions of this paragraph 26 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.

REQUEST FOR NOTICE OF DEFAULT
AND FORECLOSURE UNDER SUPERIOR
MORTGAGES OR DEEDS OF TRUST

Borrower and Lender request the holder of any mortgage, deed of trust, or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

David L. Sents (Seal) Mary K. Sents (Seal)
DAVID L SENTS MARY K SENTS
Borrower Borrower

____ (Seal) _____ (Seal)
Borrower Borrower

STATE OF Iowa POUL COUNTY ss:

On this 2nd day of AUGUST, 2004 before me, a Notary Public in the State
of IOWA personally appeared DAVID L. Sents & Mary K. Sents,
husband & wife
to me personally 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

My Commission Expires: 1-8-05 Caroline R. Davitt
Notary Public



Caroline R. Davitt
Commission No. 142038
My Commission Expires:
1-8-05

Record & Return To:
U.S. BANK N.A.
1550 AMERICAN BOULEVARD EAST
BLOOMINGTON MN 55425