

REC \$ 5.00  
AUD \$ \_\_\_\_\_  
R.M.F. \$ 5.00

COMPUTER   
RECORDED   
COMPARED

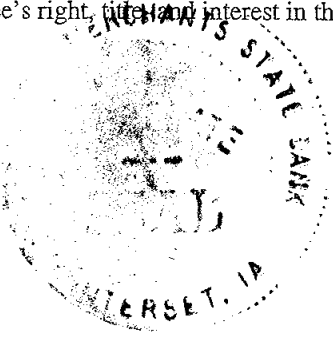
MICKI UTSLER  
RECORDER  
MADISON COUNTY, IOWA

Farmers & Merchants State Bank, 101 W. Jefferson, Winterset, IA 50273 (515)462-4381/Tim Rethmeier  
(name, address, and phone number of preparer)

(Space Above This Line for Recording Purposes)

### SATISFACTION OF MORTGAGE

The Mortgagee is the holder of a Mortgage dated December 28, 1977 which was recorded on Dec. 28, 1977, in the office of the County Recorder for Madison County, Iowa, and is indexed as: Mortgage Record 127 Page 462. This Mortgage was executed by Beverly A. & Avery C. Sanderson (Mortgagor) in favor of Farmers & Merchants State Bank as Mortgagee. The Mortgage having been complied with, the indebtedness having been fully paid, and the purposes of the Mortgage having been fully satisfied, Mortgagee releases the Mortgage and releases all of Mortgagee's right, ~~title and~~ interest in the Property.



Dated: Jan. 19, 2004

Tim J. Rethmeier, VP.

Authorized Signer Tim J. Rethmeier, Vice President  
Farmers & Merchants State Bank

STATE OF IOWA,  
COUNTY OF Madison ss:

On this 19th day of Jan., 2004, before me, a Notary Public in the State of Iowa, personally appeared Tim J. Rethmeier to me personally known, who being by me duly sworn or affirmed did say that that person is Vice President (title), of said corporation, that (the seal affixed to said instrument is the seal of said) ~~(XXXXXX XXXX XXXX XXXX XXXX XXXX)~~ corporation and that said instrument was signed and sealed on behalf of the said corporation by authority of its board of directors and the said Tim J. Rethmeier acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

My commission expires:

Staci Shortt

Notary Public In the State of Iowa



2004 JAN 19 PM 3:11

MICKI UTSLER  
RECORDER  
MADISON COUNTY, IOWA

REC \$ 5.00  
AUD \$ \_\_\_\_\_  
R.M.F. \$ 1.00  
5.00

COMPUTER   
RECORDED   
COMPARED \_\_\_\_\_

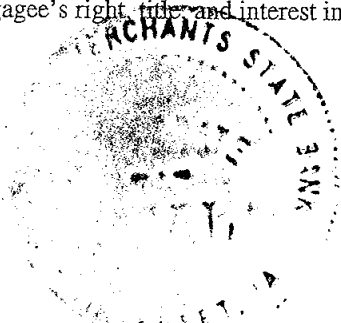
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Farmers & Merchants State Bank, 101 W. Jefferson, Winterset, IA 50273 (515)462-4381/Tim Rethmeier  
(name, address, and phone number of preparer)

(Space Above This Line for Recording Purposes)

### SATISFACTION OF MORTGAGE

The Mortgagee is the holder of a Mortgage dated Feb. 01, 1994 which was recorded on Feb. 17, 1994, in the office of the County Recorder for Madison County, Iowa, and is indexed as: Mortgage Record 171 Page 17. This Mortgage was executed by Beverly A. & Avery C. Sanderson (Mortgagor) in favor of Farmers & Merchants State Bank as Mortgagee. The Mortgage having been complied with, the indebtedness having been fully paid, and the purposes of the Mortgage having been fully satisfied, Mortgagee releases the Mortgage and releases all of Mortgagee's right, title and interest in the Property.



Dated: Jan. 16, 2004

*Tim J. Rethmeier, VP.*

Authorized Signer Tim J. Rethmeier, Vice President  
Farmers & Merchants State Bank

STATE OF IOWA,  
COUNTY OF Madison ss:

On this 16th day of Jan. 2004, before me, a Notary Public in the State of Iowa, personally appeared Tim J. Rethmeier to me personally known, who being by me duly sworn or affirmed did say that that person is Vice President (title), of said corporation, that (the seal affixed to said instrument is the seal of said) ~~(XXXXXX DEED PROCURED BY XXXX)~~ corporation and that said instrument was signed and sealed on behalf of the said corporation by authority of its board of directors and the said Tim J. Rethmeier acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

My commission expires:

**STACI L. SHORTT**  
Commission Number 706010  
My Commission Expires  
10-9-06

*Staci Shortt*

Notary Public In the State of Iowa

REC \$ 5.00  
AUD \$ 1.00  
R.M.F. \$ 5.00

COMPUTER   
RECORDED   
COMPARED

FILED NO. 259  
BOOK 2004 PAGE 259  
2004 JAN 19 PM 3:14

MICKI UTSLER  
RECORDER  
COUNTY IOWA

Farmers & Merchants State Bank, 101 W. Jefferson, Winterset, IA 50273 (515)462-4381/Gina Hackett  
(name, address, and phone number of preparer)

(Space Above This Line for Recording Purposes)

## SATISFACTION OF MORTGAGE

The Mortgagee is the holder of a Mortgage dated June 24, 1999 which was recorded on June 29, 1999, in the office of the County Recorder for Madison County, Iowa, and is indexed as: Mortgage Record 210 Page 24. This Mortgage was executed by Carl E. Adams (Mortgagor) in favor of Farmers & Merchants State Bank as Mortgagee. The Mortgage having been complied with, the indebtedness having been fully paid, and the purposes of the Mortgage having been fully satisfied, Mortgagee releases the Mortgage and releases all of Mortgagee's right, title, and interest in the Property.



Dated: January 16, 2004

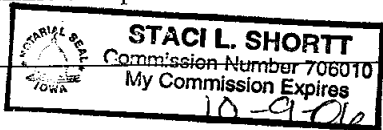
Gina Hackett

Authorized Signer Gina Hackett, Consumer Loan Officer  
Farmers & Merchants State Bank

STATE OF IOWA,  
COUNTY OF Madison ss:

On this 16th day of Jan., 2004, before me, a Notary Public in the State of Iowa, personally appeared Gina Hackett to me personally known, who being by me duly sworn or affirmed did say that that person is Consumer Loan Officer (title), of said corporation, that (the seal affixed to said instrument is the seal of said) ~~(no seal has been procured by said)~~ corporation and that said instrument was signed and sealed on behalf of the said corporation by authority of its board of directors and the said Gina Hackett acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

My commission expires:



Staci Shortt

Notary Public In the State of Iowa

FILED NO. **260**

BOOK **2004** PAGE **260**

2004 JAN 19 PM 3:15

MICKI UTSLER  
RECORDER  
MADISON COUNTY, IOWA

REC \$ 5.18  
AUD \$ 5.18  
R.M.F. \$ 5.18

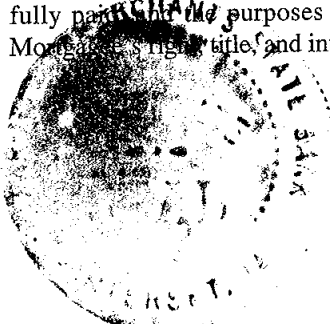
COMPUTER   
RECORDED   
COMPARED

Farmers & Merchants State Bank, 101 W. Jefferson, Winterset, IA 50273 (515)462-4381/Phil Clifton  
(name, address, and phone number of preparer)

(Space Above This Line for Recording Purposes)

### SATISFACTION OF MORTGAGE

The Mortgagee is the holder of a Mortgage dated July 1, 2003 which was recorded on July 1, 2003, in the office of the County Recorder for Madison County, Iowa, and is indexed as: Mortgage Record 2003 Page 3861. This Mortgage was executed by Robert D. Presler, Jr. (Mortgagor) in favor of Farmers & Merchants State Bank as Mortgagee. The Mortgage having been complied with, the indebtedness having been fully paid, the purposes of the Mortgage having been fully satisfied, Mortgagee releases the Mortgage and releases all of Mortgagee's right, title, and interest in the Property.



Dated: Jan. 16, 2004

[Signature]  
Authorized Signer **Phillip J. Clifton, Vice President**  
Farmers & Merchants State Bank

STATE OF IOWA,  
COUNTY OF Madison ss:

On this 16th day of Jan., 2004, before me, a Notary Public in the State of Iowa, personally appeared Phillip J. Clifton to me personally known, who being by me duly sworn or affirmed did say that that person is Vice President (title), of said corporation, that (the seal affixed to said instrument is the seal of said) (~~no seal has been provided by said~~) corporation and that said instrument was signed and sealed on behalf of the said corporation by authority of its board of directors and the said Phillip J. Clifton acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

My commission expires:

**STACIL SHORTT**  
Commission Number 706010  
My Commission Expires 10-9-06

[Signature]  
Notary Public In the State of Iowa

2004 JAN 19 PM 3:16

MICKI UTSLER  
RECORDER  
MADISON COUNTY, IOWA

REC \$ 5<sup>00</sup>  
AUD \$ 5<sup>00</sup>  
R.M.F. \$ 5<sup>00</sup>

COMPUTER   
RECORDED   
COMPARED

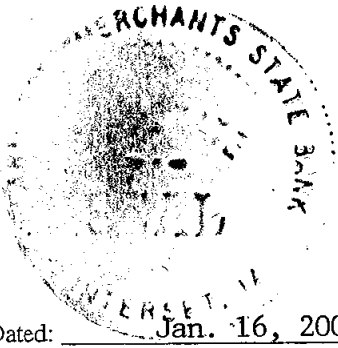
C

Farmers & Merchants State Bank, 101 W. Jefferson, Winterset, IA 50273 (515)462-4381/ Bill Dickey  
(name, address, and phone number of preparer)

(Space Above This Line for Recording Purposes)

### SATISFACTION OF MORTGAGE

The Mortgagee is the holder of a Mortgage dated April 25, 2003 which was recorded on April 25, 2003, in the office of the County Recorder for Madison County, Iowa, and is indexed as: Mortgage Record 2003 Page 2366. This Mortgage was executed by Keith R. & Betty A. Sawyers (Mortgagor) in favor of Farmers & Merchants State Bank as Mortgagee. The Mortgage having been complied with, the indebtedness having been fully paid, and the purposes of the Mortgage having been fully satisfied, Mortgagee releases the Mortgage and releases all of Mortgagee's right, title, and interest in the Property.



Dated: Jan. 16, 2004

William M. Dickey  
Authorized Signer William M. Dickey, Vice President  
Farmers & Merchants State Bank

STATE OF IOWA,  
COUNTY OF Madison ss:

On this 16th day of Jan., 2004, before me, a Notary Public in the State of Iowa, personally appeared William M. Dickey to me personally known, who being by me duly sworn or affirmed did say that that person is Vice President (title), of said corporation, that (the seal affixed to said instrument is the seal of said) ~~XXXXXX XXXX XXXX XXXX XXXX~~ said corporation and that said instrument was signed and sealed on behalf of the said corporation by authority of its board of directors and the said William M. Dickey acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

My commission expires:

**STACI L. SHORTT**  
Commission Number 706010  
My Commission Expires  
10-9-06

Staci Shortt  
Notary Public In the State of Iowa

FILED NO. 262  
BOOK 2004 PAGE 262  
2004 JAN 19 PM 3:17  
MICKI UTSLER  
RECORDER  
MADISON COUNTY, IOWA

REC \$ 20<sup>00</sup>  
AUD \$ \_\_\_\_\_  
R.M.F. \$ 5<sup>00</sup>

COMPUTER   
RECORDED   
COMPARED

✓ FARMERS & MERCHANTS STATE BANK 101 W JEFFERSON WINTERSSET, IA 50273 (515) 462-4381  
(name, address, and phone number of preparer)

\_\_\_\_\_ State of Iowa \_\_\_\_\_ Space Above This Line For Recording Data \_\_\_\_\_

**OPEN-END MORTGAGE**  
(With Future Advance Clause)

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is 01-14-2004 and the parties and their addresses are as follows:

MORTGAGOR: MELANY A. BENGE AND RANDALL E. BENGE, AS HUSBAND AND WIFE  
603 WEST NORTH STREET  
WINTERSSET, IA 50273

If checked, refer to the attached Addendum incorporated herein, for additional Mortgagors, their signatures and acknowledgments.

LENDER: FARMERS & MERCHANTS STATE BANK  
101 W JEFFERSON  
WINTERSSET, IA 50273

2. **CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, warrants, conveys and mortgages to Lender the following described property:  
THE SOUTH 98 FEET OF LOTS SEVEN (7) AND EIGHT (8) AND THE SOUTH 98 FEET OF THE EAST 17 FEET OF LOT SIX (6) IN BLOCK SIX (6) OF A.B.SHRIVER'S ADDITION TO THE CITY OF WINTERSSET, MADISON COUNTY, IOWA.

The property is located in MADISON at 603 WEST NORTH STREET  
(County)  
WINTERSSET, Iowa 50273  
(Address) (City) (ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, ditches, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

**NOTICE: THIS MORTGAGE SECURES CREDIT IN THE AMOUNT OF \$ 24,000.00  
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.**

3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed the amount stated above. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

4. **SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:  
A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(ies) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)

CONSUMER MORTGAGE NOTE #816825 DTD 1/14/04 IN THE AMOUNT OF \$24,000.00 @ 7.25% FOR 7 YEARS - MATURITY DATE 1/15/11

- B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt executed by Mortgagor in favor of Lender after this Security Instrument whether or not this Security Instrument is specifically referenced or such future advances or future obligations are incurred for any purpose that was related or unrelated to the purpose of the Security Instrument. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.
- C. All obligations Mortgagor owes to Lender, which may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.

- 5. **PAYMENTS.** Mortgagor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.
- 6. **WARRANTY OF TITLE.** Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, warrant, convey, sell and mortgage the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.
- 7. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:
  - A. To make all payments when due and to perform or comply with all covenants.
  - B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.
  - C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
- 8. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.
- 9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.
- 10. **PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims and actions against Mortgagor, and of any loss or damage to the Property.  
Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.
- 11. **AUTHORITY TO PERFORM.** If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.
- 12. **ASSIGNMENT OF LEASES AND RENTS.** Mortgagor irrevocably grants, bargains, warrants, conveys and mortgages to Lender as additional security all the right, title and interest in and to any and all existing or future leases, subleases, and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases") and rents, issues and profits (all referred to as "Rents"). Mortgagor will promptly provide Lender with true and correct copies of all existing and future Leases. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default under the terms of this Security Instrument.  
Mortgagor agrees that this assignment is immediately effective between the parties to this Security Instrument. Mortgagor agrees that this assignment is effective as to third parties on the recording of this Security Instrument, and that this assignment will remain in effect during any redemption period until the Secured Debt is satisfied. Mortgagor agrees that Lender is entitled to notify Mortgagor or Mortgagor's tenants to make payments of Rents due or to become due directly to Lender after such recording, however Lender agrees not to notify Mortgagor's tenants until Mortgagor defaults and Lender notifies Mortgagor of the default and demands that Mortgagor and Mortgagor's tenants pay all Rents due or to become due directly to Lender. On receiving notice of default, Mortgagor will endorse and deliver to Lender any payment of Rents in Mortgagor's possession and will receive any Rents in trust for Lender and will not commingle the Rents with any other funds. Any amounts collected will be applied as provided in this Security Instrument. Mortgagor warrants that no default exists under the Leases or any applicable landlord/tenant law. Mortgagor also agrees to maintain and require any tenant to comply with the terms of the Leases and applicable law.
- 13. **LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

- 14. DEFAULT.** Mortgagor will be in default if any party obligated on the Secured Debt fails to make payment within ten days after being due. Mortgagor will be in default if Mortgagor fails to observe any other covenant, the breach of which materially impairs the condition, value or protection of Lender's rights in the Property, or materially impairs Mortgagor's prospect to pay amounts due under the Secured Debt.
- 15. REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Mortgagor is in default.
- At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.
- 16. REDEMPTION.** Mortgagor agrees that in the event of foreclosure of this Mortgage, at the sole discretion of Lender, Lender may elect to reduce the period of redemption for the sale of the Property to a period of time as may then be authorized under the circumstances and under any section of Iowa Code Chapter 628, or any other Iowa Code section, now in effect or as may be in effect at the time of foreclosure.
- 17. EXPENSES; ADVANCES ON COVENANTS; COLLECTION COSTS.** Except when prohibited by law, Mortgagor agrees to pay all of Lender's expenses if Mortgagor breaches any covenant in this Security Instrument. Mortgagor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees (unless this Security Instrument is subject to the Iowa Consumer Credit Code, in which case, this amount excludes attorneys' fees), court costs, and other costs of collection. This Security Instrument shall remain in effect until released. Mortgagor agrees to pay for any recordation costs of such release.
- 18. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), and all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.
- Mortgagor represents, warrants and agrees that:
- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance is or will be located, stored or released on or in the Property. This restriction does not apply to small quantities of Hazardous Substances that are generally recognized to be appropriate for the normal use and maintenance of the Property.
  - B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are, and shall remain in full compliance with any applicable Environmental Law.
  - C. Mortgagor shall immediately notify Lender if a release or threatened release of a Hazardous Substance occurs on, under or about the Property or there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor shall take all necessary remedial action in accordance with any Environmental Law.
  - D. Mortgagor shall immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any pending or threatened investigation, claim, or proceeding relating to the release or threatened release of any Hazardous Substance or the violation of any Environmental Law.
- 19. CONDEMNATION.** Mortgagor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.
- 20. INSURANCE.** Mortgagor shall keep Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. What Lender requires pursuant to the preceding two sentences can change during the term of the Secured Debt. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.
- All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor.
- Unless otherwise agreed in writing, all insurance proceeds shall be applied to the restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of the scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.
- 21. ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.



- 22. FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.
- 23. JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.
- 24. APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.
- 25. NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.
- 26. WAIVERS.** Except to the extent prohibited by law, Mortgagor waives any rights relating to reinstatement, the marshalling of liens and assets, all rights of dower and distributive share and all homestead exemption rights relating to the Property.
- 27. OTHER TERMS.** If checked, the following are applicable to this Security Instrument:
- Purchase Money Mortgage.** This is a purchase money mortgage as defined by Iowa law.
  - Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
  - Construction Loan.** This Security Instrument secures an obligation incurred for the construction of an improvement on the Property within the meaning of Article 9 of the Uniform Commercial Code and section 572.18 of the Iowa Code.
  - Fixture Filing.** Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property. This Security Instrument suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.
  - Riders.** The covenants and agreements of each of the riders checked below are incorporated into and supplement and amend the terms of this Security Instrument. [Check all applicable boxes]
  - Condominium Rider     Planned Unit Development Rider     Other .....
  - Additional Terms.**

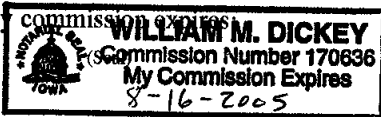
**NOTICE TO CONSUMER**  
 (For purposes of this Notice, "You" means Mortgagor)

1. Do not sign this paper before you read it. 2. You are entitled to a copy of this paper. 3. You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned charges in accordance with law. 4. If you prepay the unpaid balance, you may have to pay a minimum charge not greater than seven dollars and fifty cents.

**SIGNATURES:** By signing below, Mortgagor agrees to the terms and covenants contained in this Security Instrument and in any attachments. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

Melany A. Beng 1-14-04 ..... Randall E. Beng 1-14-04  
 (Signature) MELANY A. BENGE (Date) (Signature) RANDALL E. BENGE (Date)

**ACKNOWLEDGMENT:**  
 STATE OF IOWA ..... COUNTY OF MADISON ..... } ss.  
 (Individual) On this 14TH day of JANUARY, 2004 before me, a Notary Public in the state of Iowa, personally appeared MELANY A. BENGE; RANDALL E. BENGE, AS HUSBAND AND WIFE ..... to me known to be the person(s) named in and who executed the foregoing instrument, and acknowledged that he/she/they ..... executed the same as his/her/their ..... voluntary act and deed.



William M. Dickey (Notary Public)

Sign and date the following statement if this contract affects agricultural land as defined in Iowa Code § 9H.1. (In the following statement "I" means the Mortgagor.)

**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 contract, I voluntarily give up my rights to this protection for this property with respect to claims based upon this contract.**

Melany A. Beng 1-14-04 ..... Randall E. Beng 1-14-04  
 (Signature) (Date) (Signature) (Date)

COMPUTER   
RECORDED   
COMPARED

REC \$ 25.18  
AUD \$  
R.M.F. \$ 5.18

MICKI UYSLER  
RECORDER  
MADISON COUNTY, IOWA

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Prepared by: Jennifer Billings 1831 25th St. West Des Moines, IA 50266 515-224-1222  
Address: Telephone:

When Recorded, Mail to:  
FINANCIAL PLUS CREDIT UNION  
1831 25th STREET  
WEST DES MOINES, IOWA 50266

### REVOLVING CREDIT MORTGAGE

PARAGRAPH 26 CONTAINS THE NOTICE PRESCRIBED BY SECTION 654.12A OF THE IOWA CODE.  
THIS MORTGAGE CONTAINS A DUE-ON-SALE PROVISION AND SECURES INDEBTEDNESS UNDER A CREDIT AGREEMENT WHICH PROVIDES FOR A REVOLVING LINE OF CREDIT AND MAY CONTAIN A VARIABLE RATE OF INTEREST.

THIS MORTGAGE is made this 12th day of January, 2004,  
between the Mortgagor, Jeffrey L. Wagoner and Rhonda L. Wagoner,  
Husband and Wife, (herein "Borrower"),  
and the Mortgagee, Financial Plus Credit Union,  
a corporation organized and existing under the laws of IOWA,  
whose address is 1831 25th St. West Des Moines, IA 50266 (herein "Lender").

WHEREAS, Borrower is indebted to Lender as described in this paragraph;  
TO SECURE to Lender:

- (1) The repayment of all indebtedness due and to become due under the terms and conditions of the LOANLINER® Home Equity Plan Credit Agreement and Truth-in-Lending Disclosures made by Borrower and dated the same day as this Mortgage, and all modifications, amendments, extensions and renewals thereof (herein "Credit Agreement"). Lender has agreed to make advances to Borrower under the terms of the Credit Agreement, which advances will be of a revolving nature and may be made, repaid, and remade from time to time. Borrower and Lender contemplate a series of advances to be secured by this Mortgage. The total outstanding principal balance owing at any one time under the Credit Agreement (not including finance charges thereon at a rate which may vary from time to time, and any other charges which may be owing from time to time under the Credit Agreement) shall not exceed Twenty Thousand Dollars\*\*\*\*\*  
(\$ 20,000.00 ). That sum is referred to herein as the Maximum Principal Balance and referred to in the Credit Agreement as the Credit Limit. The entire indebtedness under the Credit Agreement, if not sooner paid, is due and payable \*\*10\*\*\*\* years from the date of this Mortgage.
- (2) The payment of all other sums advanced in accordance herewith to protect the security of this Mortgage, with finance charges thereon at a rate which may vary as described in the Credit Agreement.

(3) The performance of the covenants and agreements of Borrower herein contained;

BORROWER does hereby mortgage, grant and convey to Lender the following described property located in the County of \_\_\_\_\_

Madison, State of Iowa:

Winterset, West Addition,  
Lot 5 and the West 11 of feet of Lot 6  
Block 13, Madison County, Iowa.

which has the address of 621 W. Jefferson St.

(Street)

Winterset

(City)

Iowa,

50273

(Zip Code)

(herein "Property Address");

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and fixtures, 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."

Complete if applicable:

This Property is part of a condominium project known as \_\_\_\_\_

This Property includes Borrower's unit and all Borrower's rights in the common elements of the condominium project.

This Property is in a Planned Unit Development known as \_\_\_\_\_

Borrower covenants that Borrower is lawfully seised 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 record. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

Borrower and Lender covenant and agree as follows:

**1. Payment of Principal, Finance Charges and Other Charges.** Borrower shall promptly pay when due all amounts borrowed under the Credit Agreement, all finance charges and applicable other charges and collection costs as provided in the Credit Agreement.

**2. Funds for Taxes and Insurance.** Subject to applicable law, Lender, at Lender's option, may require Borrower to pay to Lender on the day monthly payments of principal and finance charges are payable under the Credit Agreement, until all sums secured by this Mortgage are paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments (including condominium and planned unit development assessments, if any) which may attain priority over this Mortgage, and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance and flood insurance, if applicable, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional Lender.

If Borrower pays Funds to Lender, the Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Mortgage that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rents, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender shall not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as Lender may require.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 22 hereof the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Mortgage.

**3. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Credit Agreement and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, second, (in the order Lender chooses) to any finance charges, other charges and collection costs owing, and third, to the principal balance under the Credit Agreement.

**4. 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. Except to the extent that any such charges or impositions are to be made to Lender under paragraph 2, 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. Within five days after any demand by Lender, Borrower shall exhibit to Lender receipts showing that all amounts due under this paragraph have been paid when due.

**5. 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," floods, and such other hazards as Lender may require and in such amounts and for such periods as Lender may require. Unless Lender in writing requires otherwise, the policy shall provide insurance on a replacement cost basis in an amount not less than that necessary to comply with any coinsurance percentage stipulated in the hazard insurance policy, and the amount of coverage shall be no less than the Maximum Principal Balance plus the full amount of any lien which has priority over this Mortgage.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval 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.

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. All insurance proceeds are hereby assigned to Lender and shall be paid to Lender to the extent of all sums secured by this Mortgage, subject to the terms of any mortgage, deed of trust or security agreement with a lien which has priority over this Mortgage. Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restore or repair the Property, if it is economically feasible to do so.

If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

**6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. 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 the constituent documents.

**7. 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, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. Any amounts disbursed by Lender pursuant to this paragraph 7, with finance charges thereon, at the rate provided in the Credit Agreement, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder. Any action taken by Lender under this paragraph shall not cure any breach Borrower may have committed of any covenant or agreement under this Mortgage. Borrower agrees that Lender is subrogated to all of the rights and remedies of any prior lienor, to the extent of any payment by Lender to such lienor.

**8. Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

**9. 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, to the extent of any indebtedness under the Credit Agreement, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

**10. 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.

**11. 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 21 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Credit Agreement, (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 under the Credit Agreement or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations or amendments with regard to the terms of this Mortgage or the Credit Agreement, without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

**12. 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 as 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 in the manner designated herein.

**13. Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Credit Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Credit Agreement which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Credit Agreement 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.

**14. Prior Mortgage or Deed of Trust; Modification; Future Advance.** Borrower shall not enter into any agreement with the holder of any mortgage, deed of trust or other security agreement which has priority over this Mortgage by which that security agreement is modified, amended, extended, or renewed, without the prior written consent of the Lender. Borrower shall neither request nor accept any future advance under a prior mortgage, deed of trust, or other security agreement without the prior written consent of Lender.

**15. Borrower's Copy.** Borrower shall be furnished a copy of the Credit Agreement 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 may enter 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. Waiver of Homestead Exemption.** To the extent permitted by law, Borrower hereby waives the benefit of the homestead exemption as to all sums secured by this Mortgage.

**18. Waiver of Statutes of Limitation.** Borrower waives, to the full extent permitted by law, statutes of limitation as a defense to any demand or obligation secured by this Mortgage.

**19. Merger.** There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

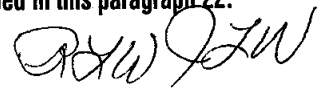
**20. Notice of Transfer of the Property; Advances after Transfer.** Borrower shall give notice to Lender, as provided in paragraph 12 hereof, prior to any sale or transfer of all or part of the Property or any rights in the Property. Any person to whom all or part of the Property or any right in the Property is sold or transferred also shall be obligated to give notice to Lender, as provided in paragraph 12 hereof, promptly after such transfer.

Even if Borrower transfers the Property, Borrower will continue to be obligated under the Credit Agreement and this Mortgage unless Lender releases Borrower in writing. As a condition to Lender's consent to any proposed transfer or as a condition to the release of Borrower, Lender may require that the person to whom the Property is transferred sign an assumption agreement satisfactory to Lender and Lender may impose an assumption fee. The assumption agreement will not entitle the person signing it to receive advances under the Credit Agreement.

**21. Transfer of the Property.** Subject to applicable law, Lender shall have the right to accelerate, that is, to demand immediate payment in full of all sums secured by this Mortgage or Deed of Trust, if Borrower, without the written consent of Lender, sells or transfers all or part of the Property or any rights in the Property.

If Lender exercises the option to accelerate, Lender shall give Borrower notice of acceleration in accordance with paragraph 12 hereof. The notice shall provide a period of not less than 30 days from the date of the notice within which Borrower may pay the sums declared due. If Borrower fails to pay those sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 22 hereof.

**22. Default; Termination and Acceleration; Remedies.** Each of the following events shall constitute an event of default ("event of default") under this Mortgage: (1) Borrower commits fraud or makes a material misrepresentation in connection with this Mortgage or the Credit Agreement; (2) Borrower does not meet the repayment terms of the Credit Agreement; or (3) Borrower's action or inaction adversely affects the Lender's rights in the Property secured by this Mortgage. If an event of default occurs, then prior to exercising any right or remedy provided for in this Mortgage and prior to acceleration, Lender shall give notice to Borrower as provided in paragraph 12 hereof specifying: (1) the event of default; (2) the action required to cure the event of default; (3) a date not less than 30 days from the date the notice is mailed to Borrower, by which such event of default must be cured; (4) any information required by Section 537.5111 of the Iowa Code; and (5) that failure to cure such event of default 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 assert in the foreclosure proceeding the nonexistence of an event of default or any other defense of Borrower to acceleration and foreclosure. If the event of default is not cured on or before the date specified in the notice, Lender, at Lender's option, without further notice or demand, may declare all of the sums secured by this Mortgage to be immediately due and payable 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, costs of documentary evidence, abstracts and title reports. However, if Lender has given Borrower a proper notice of right to cure with respect to a prior event of default which occurred within three hundred sixty-five (365) days of the present event of default, or if Borrower has voluntarily surrendered possession of the Property and Lender has accepted the Property in full satisfaction of the sums owing and secured hereby, Borrower shall not be entitled to receive the notice described in this paragraph 22.



23. **Release.** This Mortgage secures a revolving line of credit and advances may be made, repaid, and remade from time to time, under the terms of the Credit Agreement. When Borrower (1) has paid all sums secured by this Mortgage and (2) has requested that the revolving line of credit be canceled, Lender shall discharge this Mortgage. To the extent permitted by law, Lender may charge Borrower a fee for such discharge and require Borrower to pay costs of recordation, if any.

24. **Waiver of Dower and Distributive Share.** Borrower hereby relinquishes all right of dower and hereby waives all right of distributive share in and to the Property. Borrower hereby waives any right of exemption as to the Property.

25. **Redemption Period.** Borrower hereby agrees that in the event of foreclosure of this Mortgage, Lender may, at Lender's sole option, elect: (i) pursuant to Iowa Code §628.26, to reduce the period of redemption after sale in foreclosure to six (6) months; or (ii) pursuant to Iowa Code §628.27, to reduce the period of redemption after sale in foreclosure to sixty (60) days; or (iii) pursuant to Iowa Code §628.28 or any other Iowa Code Section to reduce the period of redemption after sale in foreclosure to such time as may be then applicable and provided by law.

26. **Notice.** This Mortgage secures credit in the amount of \$ 20,000.00. 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.

**HOMESTEAD WAIVER**

I understand that homestead property is in many cases protected from claims of creditors and exempt from judicial sale; and that by signing this contract, I voluntarily give up my right to this protection for this Property with respect to claims based upon this contract.

Dated: \_\_\_\_\_ (Seal)  
Borrower

Dated: \_\_\_\_\_ (Seal)  
Borrower

**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 Security Instrument 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.

Jeffrey L. Wagoner (Seal)  
Borrower  
Jeffrey L. Wagoner  
(Type or Print Name)

Rhonda L. Wagoner (Seal)  
Borrower  
Rhonda L. Wagoner  
(Type or Print Name)

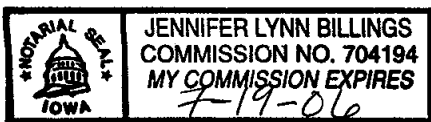
STATE OF IOWA, POLK County ss:

On this 12th day of January, 2004, before me, a Notary Public for the State of Iowa, personally appeared Jeffrey L. Wagoner and Rhonda L. Wagoner.

\_\_\_\_\_, 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:

Jennifer Lynn Billings  
Notary Public in the State of Iowa  
Jennifer Lynn Billings  
(Type or Print Name)



REC \$ 58  
AUD \$  
R.M.F. \$ 58

FILED NO: 264  
BOOK 2004 PAGE 264

2004 JAN 19 PM 3: 28

COMPUTER   
RECORDED   
COMPARED

MICKI UTSLER  
RECORDER  
MADISON COUNTY, IOWA

Prepared by: Lisa Cooper, Peelle Corporations, P.O. Box 1710 Campbell, CA 95009, (408) 866-6868

### Acknowledgement Of Satisfaction

WHEREAS the indebtedness secured by the Mortgage described below has been fully paid and satisfied, the undersigned owner and holder of the debt does hereby release and discharge the mortgage.

Original Mortgagee: PHH MORTGAGE SERVICES CORPORATION  
Original Mortgagor: BRADLEY A RUTH, CRYSTAL R RUTH  
Recorded in Madison County, IA, on 09/22/97 on BK/Roll 192 on PG/Image 725  
Date of mortgage: 09/19/97 Amount of mortgage: \$80833.00

NOW THEREFORE, the recorder of said county is hereby instructed to record this instrument and to cancel, release, and discharge the mortgage in accordance with the regulations of said state and county.

Dated: 01/08/2004  
Phh Mortgage Services Corporation

By: Lisa O Cooper  
Lisa O. Cooper  
Asst. Vice President

State of Nevada  
County of Washoe  
On 01/08/2004, before me, the undersigned, a Notary Public for said County and State, personally appeared Lisa O. Cooper, personally known to me to be the person that executed the foregoing instrument, and acknowledged that she is Asst. Vice President of Phh Mortgage Services Corporation, and that she executed the foregoing instrument pursuant to a resolution of its board of directors and that such execution was done as the free act and deed of Phh Mortgage Services Corporation.

Yolanda Gonzales  
Notary: Yolanda Gonzales  
My Commission Expires 08/08/03

YOLANDA GONZALES  
Notary Public - State of Nevada  
Appointment Recorded in Washoe County  
No: 03-83306-2 - Expires August 8, 2007

LN# 0005613278 P.I.F.: 12/16/03  
FINAL RECON.IA 90798 Exec:9 Id:1 REMITTER 01/08/04 14-121 IA Madison MM: 15

✓Recording requested by/return to:  
Peelle Management Corporation  
4090 Longley Lane, Suite #8, Reno, NV 89502 -  
PO Box 30014 9819



265

FILED NO. 265  
BOOK 2004 PAGE 265

2004 JAN 19 PM 3:3  
(3:31 PM)

MICKI UTSLER  
RECORDER  
MADISON COUNTY, IOWA  
(515) 758-2251

REC \$ 5.00  
AUD \$  
R.M.F. \$ 5.00

COMPUTER   
RECORDED   
COMPARED

Preparer Information

DEBBIE MILLER  
EARLHAM SAVINGS BANK 130 N CHESTNUT AVE BOX 426 EARLHAM IA 50072 (515) 758-2251  
Individual's Name Street Address City Phone



RELEASE OF REAL ESTATE MORTGAGE

SPACE ABOVE THIS LINE FOR RECORDER

The undersigned, the present owner(s) of the mortgage hereinafter described, do hereby acknowledge that a certain mortgage bearing date of the 30TH day of APRIL, 1993, made and executed by

RANDALL W. BERCH AND ANDREA J. BERCH

to EARLHAM SAVINGS BANK  
and Recorded in the records of the office of the Recorder of the County of MADISON  
State of Iowa, Book 165 of MORTGAGES page 782 on the 30TH  
day of APRIL, 1993 is redeemed, paid off, satisfied and discharged in full.

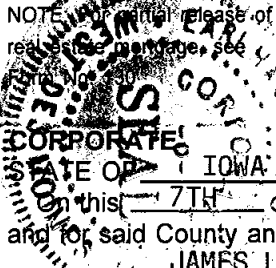
Words and phrases herein, including acknowledgment hereof, shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context

Dated this 7TH day of JANUARY, 2003.

EARLHAM SAVINGS BANK

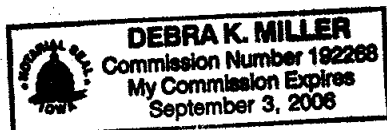
BY: Robert J. Kress  
ROBERT J. KRESS, VICE PRESIDENT

BY: James L. Adkins  
JAMES L. ADKINS, VICE PRESIDENT



MADISON COUNTY, ss:

On this 7TH day of JANUARY, 2003 before me, the undersigned, a Notary Public in and for said County and State, personally appeared ROBERT J. KRESS and JAMES L. ADKINS, to me personally known, who being by me duly sworn, did say that they are the VICE PRESIDENT and VICE PRESIDENT respectively, of said corporation; that ~~(no seal has been procured by the said)~~ (the affixed seal thereto is the seal of said) corporation; that said instrument was signed (and sealed) on behalf of said corporation by authority of its Board of Directors; and that the said ROBERT J. KRESS and JAMES L. ADKINS as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.



(1) Debra K. Miller  
DEBRA K. MILLER  
Notary Public in and for said State

INDIVIDUAL STATE OF \_\_\_\_\_

COUNTY, ss:

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ before me, the undersigned, a Notary Public in and for said County and State, personally appeared

to me known to be the identical person(s) named in and who executed the foregoing instrument and acknowledged that (he)(she)(they) executed the same as (his)(her)(their) voluntary act and deed.

(1) \_\_\_\_\_  
Notary Public in and for said State