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RECORD 2001 PAGE 5545

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R.M.F. \$ 02 RECORDED ✓  
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FILED NO. 3918  
BOOK 207 PAGE 258  
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Document Prepared by: DEB MCCALLEY, 6800 LAKE DRIVE, SUITE 250, WEST DES MOINES, IA 50266, 515-237-5322

MICHELLE UTSEER  
RECORDER  
MADISON COUNTY, IOWA

MORTGAGE

BRENTON BANK  
400 LOCUST STE 200, PO BOX 891  
DES MOINES, IA 50304  
(515) 237-5100 (Lender)

<b>BORROWER</b> KENNETH L CONARD d/b/a CONARD CONSTRUCTION COMPANY		<b>MORTGAGOR</b> KENNETH CONARD HUSBAND CAROL CONARD WIFE	
<b>ADDRESS</b> 316 N JOHN WAYNE DR WINTERSET, IA 50273		<b>ADDRESS</b> 316 N JOHN WAYNE DR WINTERSET, IA 50273	
<b>TELEPHONE NO.</b>	<b>IDENTIFICATION NO.</b>	<b>TELEPHONE NO.</b>	<b>IDENTIFICATION NO.</b>
	DM		DM
<b>ADDRESS OF REAL PROPERTY:</b> <del>316 N JOHN WAYNE DR</del> 304 W Jefferson WINTERSET, IA 50273			

NOTICE: THIS MORTGAGE SECURES CREDIT IN THE AMOUNT OF \$ 130,000.00. 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.

1. GRANT. Mortgagor hereby mortgages, grants, assigns and conveys to Lender, identified above, the real property described in Schedule A which is attached to this Mortgage and incorporated herein together with all future and present improvements and fixtures; privileges, hereditaments, and appurtenances; leases, licenses and other agreements; rents, issues and profits; water, well, ditch, reservoir and mineral rights and stock, and standing timber and crops pertaining to the real property (cumulatively "Property").

2. OBLIGATIONS. This Mortgage shall secure the payment and performance of all of Borrower and Mortgagor's present and future, indebtedness, liabilities, obligations and covenants (cumulatively "Obligations") to Lender pursuant to:

(a) this Mortgage and the following promissory notes and other agreements:

INTEREST RATE	PRINCIPAL AMOUNT/ CREDIT LIMIT	FUNDING/ AGREEMENT DATE	MATURITY DATE	CUSTOMER NUMBER	LOAN NUMBER
VARIABLE	\$130,000.00	03/19/99	03/15/01		42332

all other present or future written agreements between Borrower or Mortgagor and Lender (whether executed for the same or different purposes than the preceding documents);  
b) all amendments, modifications, replacements or substitutions to any of the foregoing.

3. PURPOSE. This Mortgage and the Obligations described herein are executed and incurred for Commercial purposes.

4. FUTURE ADVANCES. Upon request of Borrower, Lender, at Lender's option so long as this Mortgage secures indebtedness held by Lender, may make future advances to Borrower. Such future advances, with interest thereon, shall be secured by this Mortgage. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage exceed \$ 130,000.00.

5. CONSTRUCTION PURPOSES. If checked,  this Mortgage secures an obligation incurred for the construction of an improvement on land, and is a "construction mortgage" within the meaning of Section 554.9313 of the Iowa Uniform Commercial Code. This Mortgage also secures loans or advancements made to directly finance work or improvements upon the real estate described herein, and is a "construction mortgage lien" within the meaning of Section 572.18 of the Iowa Code.

6. REPRESENTATIONS, WARRANTIES AND COVENANTS. Mortgagor represents, warrants and covenants to Lender that:

(a) Mortgagor shall maintain the Property free of all liens, security interests, encumbrances and claims except for this Mortgage and those described in Schedule B which is attached to this Mortgage and incorporated herein by reference;

(b) Neither Mortgagor nor, to the best of Mortgagor's knowledge, any other party has used, generated, released, discharged, stored, or disposed of any hazardous waste, toxic substance, or related material (cumulatively "Hazardous Materials") in connection with the Property or transported any Hazardous Materials to or from the Property. Mortgagor shall not commit or permit such actions to be taken in the future. The term "Hazardous Materials" shall mean any substance, material, or waste which is or becomes regulated by any governmental authority including, but not limited to, (i) petroleum; (ii) friable or nonfriable asbestos; (iii) polychlorinated biphenyls; (iv) those substances, materials or wastes designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act or listed pursuant to Section 307 of the Clean Water Act or any amendments or replacements to these statutes; (v) those substances, materials or wastes defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act or any amendments or replacements to that statute; or (vi) those substances, materials or wastes defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, or any amendments or replacements to that statute or any other similar statute, rule, regulation or ordinance now or hereafter in effect. To the best of Mortgagor's knowledge, there are no agricultural drainage wells, abandoned wells, solid waste disposal sites or underground storage tanks on the Property;

(c) Mortgagor has the right and is duly authorized to execute and perform its Obligations under this Mortgage and these actions do not and shall not conflict with the provisions of any statute, regulation, ordinance, rule of law, contract or other agreement which may be binding on Mortgagor at any time;

(d) No action or proceeding is or shall be pending or threatened which might materially affect the Property;

(e) Mortgagor has not violated and shall not violate any statute, regulation, ordinance, rule of law, contract or other agreement which might materially affect the Property (including, but not limited to, those governing Hazardous Materials) or Lender's rights or interest in the Property pursuant to this Mortgage;

(f) Mortgagor is lawfully seized of the Property in fee simple; the Property is free from all liens and encumbrances except those described in Schedule B attached to this Mortgage; and Mortgagor hereby warrants and covenants to defend the title to the Property against all persons whatsoever;

(g) If Mortgagor is a corporation, Mortgagor is duly organized, validly existing, and in good standing under the laws of its State of incorporation and is in good standing and authorized to do business in the State of Iowa, and has full corporate power and authority to execute this Mortgage, own its properties, conduct its business as presently operated, and to carry out the terms of this Mortgage; and

(h) No loan broker as defined by Iowa Code Chapter 535C has been involved in this mortgage transaction.

7. **TRANSFERS OF THE PROPERTY OR BENEFICIAL INTERESTS IN BORROWERS.** On sale or transfer to any person without the prior written approval of Lender of all or any part of the real property described in Schedule A, or any interest therein, or all or any beneficial interest in Borrower or Mortgagee (if Borrower or Mortgagee is not a natural person or persons but is a corporation, partnership, trust, or other legal entity), Lender may, at Lender's option declare the sums secured by this Mortgage to be immediately due and payable, and Lender may invoke any remedies permitted by the promissory note or other agreement or by this Mortgage, unless otherwise prohibited by federal law.
8. **INQUIRES AND NOTIFICATION TO THIRD PARTIES.** Mortgagee hereby authorizes Lender to contact any third party and make any inquiry pertaining to Mortgagee's financial condition or the Property. In addition, Lender is authorized to provide oral or written notice of its interest in the Property to any third party.
9. **INTERFERENCE WITH LEASES AND OTHER AGREEMENTS.** Mortgagee shall not take or fail to take any action which may cause or permit the termination or the withholding of any payment in connection with any lease or other agreement ("Agreement") pertaining to the Property. In addition, Mortgagee, without Lender's prior written consent, shall not: (a) collect any monies payable under any Agreement more than one month in advance; (b) modify any Agreement; (c) assign or allow a lien, security interest or other encumbrance to be placed upon Lender's rights, title and interest in and to any Agreement or the amounts payable thereunder; or (d) terminate or cancel any Agreement except for the nonpayment of any sum or other material breach by the other party thereto. If Mortgagee receives at any time any written communication asserting a default by Mortgagee under an Agreement or purporting to terminate or cancel any Agreement, Mortgagee shall promptly forward a copy of such communication (and any subsequent communications relating thereto) to Lender.
10. **COLLECTION OF INDEBTEDNESS FROM THIRD PARTY.** Lender shall be entitled to notify or require Mortgagee to notify any third party (including, but not limited to, lessees, licensees, governmental authorities and insurance companies) to pay Lender any indebtedness or obligation owing to Mortgagee with respect to the Property (cumulatively "indebtedness"), whether or not a default exists under this Mortgage. Mortgagee shall diligently collect the indebtedness owing to Grantor from these third parties until the giving of such notification. In the event that Mortgagee or its assignee or other possession of any instrument or other remittances with respect to the indebtedness following the giving of such notification or if the instruments or other remittances constitute the prepayment of any indebtedness or the payment of any insurance or condemnation proceeds, Mortgagee shall hold such instruments and other remittances in trust for Lender apart from its other property, endorse the instruments and other remittances to Lender, and immediately provide Lender with possession of instruments and other remittances. Lender shall be entitled, but not required, to collect (by legal proceedings or otherwise), extend the time for payment, compromise, exchange or release any obligation or collateral upon, or otherwise settle any of the indebtedness whether or not an event of default exists under this Agreement. Lender shall not be liable to Mortgagee for any action, error, mistake, omission or delay pertaining to the actions described in this paragraph or any damages resulting therefrom.
11. **USE AND MAINTENANCE OF PROPERTY.** Mortgagee shall take all actions and make any repairs needed to maintain the Property in good condition. Mortgagee shall not commit or permit any waste to be committed with respect to the Property. Mortgagee shall use the Property solely in compliance with applicable law and insurance policies. Mortgagee shall not make any alterations, additions or improvements to the Property without Lender's prior written consent. Without limiting the foregoing, all alterations, additions and improvements made to the Property shall be subject to the interest belonging to Lender, shall not be removed without Lender's prior written consent, and shall be made at Mortgagee's sole expense.
12. **LOSS OR DAMAGE.** Mortgagee shall bear the entire risk of any loss, theft, destruction or damage (cumulatively "Loss or Damage") to the Property or any portion thereof from any cause whatsoever. In the event of any Loss or Damage, Mortgagee shall, at the option of Lender, repair the affected Property to its previous condition or pay or cause to be paid to Lender the decrease in the fair market value of the affected Property.
13. **INSURANCE.** The Property will be kept insured for its full value against all hazards including loss or damage caused by fire, collision, theft or other casualty. Mortgagee may obtain insurance on the Property from such companies as are acceptable to Lender in its sole discretion. The insurance policies shall require the insurance company to provide Lender with at least thirty (30) days' written notice before such policies are altered or cancelled in any manner. The insurance policies shall name Lender as a loss payee and provide that no act or omission of Mortgagee or any other person shall affect the right of Lender to be paid the insurance proceeds pertaining to the loss or damage of the Property. In the event Mortgagee fails to acquire or maintain insurance, Lender (after providing notice as may be required by law) may in its discretion procure appropriate insurance coverage upon the Property and charge the insurance cost as an advance of principal under the promissory note. Mortgagee shall furnish Lender with evidence of insurance indicating the required coverage. Lender may act as agent or attorney-in-fact for Mortgagee in making and settling claims under insurance policies, cancelling any policy or endorsing Mortgagee's name on any draft or negotiable instrument drawn by any insurer. In the event of foreclosure of this Mortgage or other transfer of title to the Property in extinguishment of the debt secured hereby, all right, title, and interest of the Mortgagee in and to the proceeds for any loss and to any insurance policies then in force shall pass to the purchaser or grantee, regardless of whether or not there is a deficiency judgment after foreclosure sale or nonjudicial foreclosure.
14. **ZONING AND PRIVATE COVENANTS.** Mortgagee shall not initiate or consent to any change in the zoning provisions or private covenants affecting the use of the Property without Lender's prior written consent. If Mortgagee's use of the Property becomes a nonconforming use under any zoning provision, Mortgagee shall not cause or permit such use to be discontinued or abandoned without the prior written consent of Lender. Mortgagee will immediately provide Lender with written notice of any proposed changes to the zoning provisions or private covenants affecting the Property.
15. **CONDEMNATION.** Mortgagee shall immediately provide Lender with written notice of any actual or threatened condemnation or eminent domain proceeding pertaining to the Property. All monies payable to Mortgagee from such condemnation or taking are hereby assigned to Lender and shall be applied first to the payment of Lender's attorneys' fees, legal expenses and other costs (including appraisal fees) in connection with the condemnation or eminent domain proceeding. Lender shall be entitled to defend Lender from such Claims, and pay the attorneys' fees, legal expenses and other costs incurred in connection therewith. In the alternative, Lender shall be entitled to employ its own legal counsel to defend such Claims at Mortgagee's cost.
16. **LENDER'S RIGHT TO COMMENCE OR DEFEND LEGAL ACTIONS.** Mortgagee shall immediately provide Lender with written notice of any actual or threatened action, suit, or other proceeding affecting the Property. Mortgagee hereby appoints Lender as its attorney-in-fact to commence, intervene in, and defend such actions, suits, or other legal proceedings and to compromise or settle any claim or controversy pertaining thereto. Lender shall not be liable to Mortgagee for any action, error, mistake, omission or delay pertaining to the actions described in this paragraph or any damages resulting therefrom. Nothing contained herein will prevent Lender from taking the actions described in this paragraph in its own name. Mortgagee shall cooperate and assist Lender in any action hereunder.
17. **INDEMNIFICATION.** Lender shall not assume or be responsible for the performance of any of Mortgagee's obligations with respect to the Property under any circumstances. Mortgagee shall immediately provide Lender and its shareholders, directors, officers, employees and agents with written notice of and indemnify and hold Lender harmless from all claims, damages, liabilities (including attorneys' fees and legal expenses), causes of action, actions, suits and other legal proceedings (cumulatively "Claims") pertaining to the Property (including, but not limited to, those involving Hazardous Materials). Mortgagee, upon the request of Lender, shall hire legal counsel acceptable to Lender to defend Lender from such Claims, and pay the attorneys' fees, legal expenses and other costs incurred in connection therewith. All information furnished by Mortgagee to Lender shall be true, accurate and complete in all respects. Mortgagee shall make copies of Mortgagee's books and records pertaining to the Property from time to time. Mortgagee shall provide any assistance required by Lender for these purposes. All of the signatures and information contained in Mortgagee's books and records shall be genuine, true, accurate and complete in all respects. Mortgagee shall note the existence of Lender's beneficial interest in its books and records pertaining to the Property. Additionally, Mortgagee shall report, in a form satisfactory to Lender, such information as Lender may request regarding Mortgagee's financial condition or the Property. The information shall be for such periods, shall reflect Mortgagee's records at such time, and shall be rendered with such frequency as Lender may designate. All information furnished by Mortgagee to Lender shall be true, accurate and complete in all respects.
18. **TAXES AND ASSESSMENTS.** Mortgagee shall pay all taxes and assessments relating to Property when due. Upon the request of Lender, Mortgagee shall deposit with Lender a periodic sum in an amount determined by Lender as necessary to pay insurance premiums, taxes and assessments pertaining to the Property. These amounts shall be applied to the payment of taxes, assessments and insurance as required on the Property.
19. **INSPECTION OF PROPERTY, BOOKS, RECORDS AND REPORTS.** Mortgagee shall allow Lender or its agents to examine and inspect the Property and examine, inspect and make copies of Mortgagee's books and records pertaining to the Property from time to time. Mortgagee shall provide any assistance required by Lender for these purposes. All of the signatures and information contained in Mortgagee's books and records shall be genuine, true, accurate and complete in all respects. Mortgagee shall note the existence of Lender's beneficial interest in its books and records pertaining to the Property. Additionally, Mortgagee shall report, in a form satisfactory to Lender, such information as Lender may request regarding Mortgagee's financial condition or the Property. The information shall be for such periods, shall reflect Mortgagee's records at such time, and shall be rendered with such frequency as Lender may designate. All information furnished by Mortgagee to Lender shall be true, accurate and complete in all respects.
20. **ESTOPPEL CERTIFICATES.** Within ten (10) days after any request by Lender, Mortgagee shall deliver to Lender, or any intended transferee of Lender's rights with respect to the Obligations, a signed and acknowledged statement specifying (a) the outstanding balance on the Obligations; and (b) whether Mortgagee possesses any claims, defenses, set-offs or counterclaims with respect to the Obligations and, if so, the nature of such claims, defenses, set-offs or counterclaims. Mortgagee will be conclusively bound by any representation that Lender may make to the intended transferee with respect to these matters in the event that Mortgagee fails to provide the requested statement in a timely manner.



MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

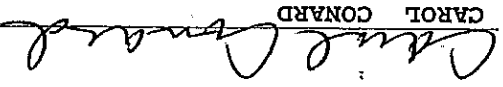
MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

KENNETH CONARD

CAROL CONARD



MORTGAGOR: KENNETH CONARD

MORTGAGOR: CAROL CONARD

Dated: MARCH 19, 1999

Mortgagor acknowledges that Mortgagor has read, understands, and agrees to the terms and conditions of this Mortgage, and that Mortgagor has received an exact copy of this Mortgage.

**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. THIS NOTICE ALSO APPLIES TO ANY OTHER CREDIT AGREEMENTS (EXCEPT EXEMPT TRANSACTIONS) NOW IN EFFECT BETWEEN YOU AND THIS LENDER.**

39. ADDITIONAL TERMS.

38. PURCHASE MONEY.  If checked, this Mortgage is a purchase money mortgage.

37. MISCELLANEOUS. Mortgagor and Lender agree that time is of the essence. Mortgagor waives presentment, demand for payment, notice of dishonor and protest except as required by law. All references to Mortgagor in this Mortgage shall include all persons signing below. If there is more than one Mortgagor, their Obligations shall be joint and several. This Mortgage and any related documents represent the complete integrated understanding between Mortgagor and Lender pertaining to the terms and conditions of those documents.

36. WAIVER OF JURY TRIAL. MORTGAGOR HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY CIVIL ACTION ARISING OUT OF, OR BASED UPON, THIS MORTGAGE OR THE PROPERTY SECURING THIS MORTGAGE.

35. APPLICABLE LAW. This Mortgage shall be governed by the laws of the state in which the property is located. Mortgagor consents to the jurisdiction and venue of any court located in the state in which the property is located in the event of any legal proceeding under this Mortgage.

34. SEVERABILITY. If any provision of this Mortgage violates the law or is unenforceable, the rest of the Mortgage shall continue to be valid and enforceable.

33. NOTICES. Any notice or other communication to be provided under this Mortgage shall be in writing and sent to the parties at the addresses described in this Mortgage or such other address as the parties may designate in writing from time to time.

AGRICULTURAL HOMESTEAD DISCLOSURE: MORTGAGOR UNDERSTANDS THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM CLAIMS OF CREDITORS AND EXEMPT FROM JUDICIAL SALE; AND THAT BY SIGNING THIS CONTRACT, MORTGAGOR VOLUNTARILY GIVES UP MORTGAGOR'S RIGHT TO THIS PROTECTION FOR THIS PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS CONTRACT.

Dated: MARCH 19, 1999

MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

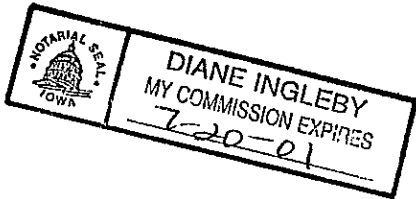
MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

STATE OF Iowa }  
COUNTY OF Dallas } SS:

On this 19th day of March 1999, before me, the undersigned, a Notary Public in and for said county and state, personally appeared Kenneth Conrad & Carol Conrad to me personally known to be the identical person(s) named in and who executed the within and foregoing instrument, and acknowledged that he/she executed the same as his/her voluntary act and deed.



Diane Ingleby, Notary Public  
in and for said County and State

STATE OF \_\_\_\_\_ }  
COUNTY OF \_\_\_\_\_ } SS:

On this \_\_\_\_\_ day of \_\_\_\_\_, before me, the undersigned, a Notary Public in and for said county and state, personally appeared \_\_\_\_\_ to me personally known, who being by me duly sworn, did say that the person is one of the partners of \_\_\_\_\_, a partnership, and that the instrument was signed on behalf of the partnership by authority of the partners and the partner acknowledged the execution of the instrument to be the voluntary act and deed of the partnership by it and by the partner voluntarily executed.

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

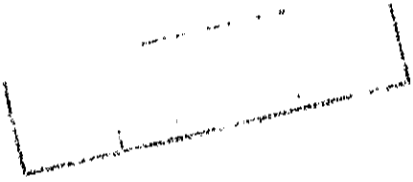
STATE OF \_\_\_\_\_ }  
COUNTY OF \_\_\_\_\_ } SS:

On this \_\_\_\_\_ day of \_\_\_\_\_, before me, the undersigned, a Notary Public in and for said county and state, personally appeared \_\_\_\_\_ to me personally known, who being by me duly sworn, did say that they are the \_\_\_\_\_ respectively, of said corporation executing the within and foregoing instrument; that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and that the said \_\_\_\_\_ 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.

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

*Go 8/89  
M 50301-993*

**SCHEDULE B**



The permanent tax identification number of the Property is:  
The legal description of the Property is:  
LOT 1 IN BLOCK 20 OF THE ORIGINAL TOWN OF WINTERSSET IN MADISON COUNTY, IOWA

The street address of the Property (if applicable) is:  
~~216 N JOHN WAYNE DR~~  
309 W. Jefferson Dr  
WINTERSSET, IA 50273

**SCHEDULE A**

*CC  
7/11  
KW.*