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FILED NO. _____
BOOK 210 PAGE 466
99 JUL 16 PM 3:00
MICHELLE UTSLER
RECORDER
MADISON COUNTY, IOWA

BRENTON MORTGAGES,
Prepared by P.O. BOX 13379
DES MOINES, IA 50310-0379

USE FOR FIRST MORTGAGE, ACQUISITION LOAN ONLY.
GIVE TRUTH-IN-LENDING DISCLOSURES. GIVE RIGHT
OF RESCISSION IF NEW AMOUNT FINANCED EXCEEDS
UNPAID PRINCIPAL BALANCE AND INTEREST.

REC \$ 25
ADD \$ _____
R.C.F. \$ 20

Record with
County Recorder

MODIFICATION OF NOTE AND MORTGAGE

WHEREAS, ERIK J MCKEE and JOAN M MCKEE, (hereinafter referred to as "Borrower"), did on the 14th day of September, 1992, execute one certain Note (hereinafter referred to as "Promissory Note") in the face amount of Forty Thousand and 00/100 (\$ 40,000.00) payable to the order of BRENTON BANK AND TRUST COMPANY, ADEL N/K/A BRENTON BANK (hereinafter referred to as "Lender"); and

WHEREAS, the Borrower, in order to secure the Promissory Note, executed one certain Mortgage on the 14th day of September, 1992, covering the property situated in MADISON IOWA, which Mortgage was recorded in Book 163 at Page 573 of the MADISON County Recorder's records; and described as follows:
LOT EIGHT (8) OF COOK'S ADDITION TO THE TOWN OF EARLHAM, MADISON COUNTY, IOWA.

WHEREAS, the Lender is now the holder of the Promissory Note and Mortgage; and the Borrower is the owner of the mortgaged premises; and

WHEREAS, the Lender, in consideration of the promises, representations and statements herein contained agrees to the changes hereinafter set forth.

NOW, THEREFORE, it is hereby agreed by and between the parties that:

1. The principal balance of Thirty Two Thousand Three Hundred Forty Four and 18/100 Dollars (\$ 32,344.18), being the aggregate principal sum presently remaining unpaid, shall be due and payable as hereinafter set forth, with interest thereon, on the from time to time unpaid balances thereof as hereinafter set forth.

Fixed Rate.

The said principal sum shall bear interest from the _____ day of _____, _____ at the rate of _____ percent per annum.

The Borrower shall pay the principal sum together with interest thereon in equal installments of _____ Dollars (\$ _____), the first installment to be paid on the _____ day of _____, _____, and a like installment to be paid on the same day monthly thereafter until the _____ day of _____, _____, at which time the entire unpaid balance of the principal sum with all accrued interest thereon shall be due and payable in full. Said payments to be applied first to interest due and the remainder on principal until paid in full. Interest after maturity shall be at the rate of _____ percent (_____ %) per annum.

Variable Rate.

A. Interest Rate. Until changed, the interest rate shall be 7.875 % effective July 1st, 1999. The interest rate may change on July 1st, 2001, and on that day every 12th payment thereafter. Each date on which the interest rate could change is called a "Change Date."

B. Index. Beginning with the first Change Date, the interest rate will be based on an Index.

The index is WEEKLY AVERAGE YIELD ON UNITED STATES TREASURY SECURITIES ADJUSTED TO A CONSTANT MATURITY OF ONE YEAR

The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Lender will choose a new index, which is based upon comparable information. The Lender will give Borrower notice of this choice.

C. Calculation of Changes. Before each Change Date, the Lender will calculate the new interest rate by adding Three and 250/1000 percentage points (3.250 %) to the Current Index. The Lender will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section D below, this rounded amount will be the new interest rate until the next Change Date.

The Lender will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal at the Change Date in full on the maturity date at the new interest rate in substantially equal payments. The result of this calculation will be the new amount of the monthly payment.

1999

Receipt of a copy hereof is hereby acknowledged by Borrower.

IN WITNESS WHEREOF, the Agreement has been duly executed by the parties hereto effective the

1st day of July

hereby agreed to as permitted closing fees, all as contemplated by Iowa Code Section 535.8(2) (a).

8. Borrower (and Guarantors if applicable) agree that any fees collected by Lender in connection with this modification shall be and are

SAME BANK.

THIS LOAN IS PAYABLE IN FULL ON THE DAY OF AT MATURITY THE BORROWER MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE. THE LENDER IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. THE BORROWER WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS THAT THE BORROWER MAY OWN, OR THE BORROWER WILL HAVE TO FIND A LENDER, WHICH MAY BE THE BANK THE BORROWER HAS THIS LOAN WITH, WILLING TO LEND THE BORROWER THE MONEY. IF THE BORROWER REFINANCES THIS LOAN AT MATURITY, THE BORROWER MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF THE BORROWER OBTAINS REFINANCING FROM THE SAME BANK.

7. Check here if Applicable

All Guarantors by the execution hereof consent to the terms hereof.

6. Check here if Applicable

to the Mortgage herein modified.

Mortgage, hereby consents to this Modification and hereby agrees and acknowledges that the Second Mortgage is junior and inferior

Mortgage in the above referred to Second

5. Check here if Applicable

, in Book , Page

dated the day of , and recorded the day of

And subject to one certain Second Mortgage to

Check here if Applicable

encumbrances other than the above Mortgage to the Lender.

4. Borrower hereby warrants that it has merchantable title to the property described in the Mortgage free and clear of all liens and

preserved as if this extension had not been granted.

3. This modification shall not be deemed to constitute a waiver of any defaults by the Borrower whether they have occurred in the past, are presently existing, or shall occur in the future, and all rights and remedies granted to the Lender as a result of said defaults are hereby

expressly modified.

2. Borrower hereby reaffirms all of the obligations contained in the Promissory Note and Mortgage as hereby modified and promises to pay the debt represented by the Promissory Note as hereby modified and certifies that there are no defenses to the Promissory Note and Mortgage and agrees that all interest heretofore collected or charged on the Promissory Note is hereby agreed to and all defenses thereto are hereby waived. Borrower further agrees that said Mortgage shall continue a lien upon the above-described property and that neither the Promissory Note nor the Mortgage securing the same are in any way prejudiced by this Agreement, and said Promissory Note and Mortgage and all the covenants and agreements thereof and the rights of the parties thereunder shall remain in full force and effect except as herein

day of July 2017

H. Maturity. If not sooner paid, the entire principal balance and all accrued interest shall be due and payable in full on the 1st

above rate plus % per annum.

Said payments are to be applied first to interest due and the remainder to principal until paid in full. Interest after maturity shall be at the

thereafter until the first Change Date, the monthly principal and interest payments are in the amount of \$ 280.56

G. Payments. Beginning August 1st 1999, and continuing on the 1st day of each month

shall be deemed given when sent by ordinary mail to the address of the Property or of the Borrower.

Borrower and also the title and telephone number of person who will answer any question Borrower may have regarding the notice and

the monthly payment before the effective date of any change. The notice will include information required by law to be given

F. Notice of Changes. The Lender will deliver or mail to Borrower a notice of any changes in the interest rate and the amount of

monthly payment changes again.

the new monthly payment beginning on the first monthly payment date after the Change Date until the amount of the

E. Effective Date of Changes. The new interest rate will become effective on each Change Date. Borrower will pay the amount of

preceding payments. The interest rate will never be greater than 14.375 % or less than 3.250 %.

Two and 000/1000 percentage point (2.000) from the rate of interest for the

than 5.875. Thereafter, the interest rate will never be increased or decreased on any single Change Date by more than

D. Limits on Interest Rate Changes. The interest rate at the first Change Date will not be greater than 9.875 % or less

BORROWER:

LENDER:

Erik J McKee
ERIK J MCKEE

~~BRENTON BANK AND TRUST COMPANY, ADEL~~
~~1777 1/2 BRENTON BANK~~
BY BRENTON MORTGAGES, INC.
ITS ATTORNEY IN FACT,

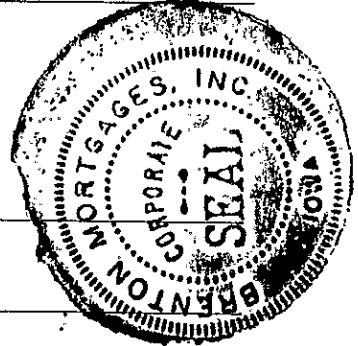
Joan M McKee
JOAN M MCKEE

By: Mary Eblen
By: [Signature]

SECOND MORTGAGEE:

GUARANTORS:

By: _____



STATE OF IOWA
COUNTY OF _____

} ss:

On this 10th day of July, 1999, before me, the undersigned, a Notary Public in and for said county and state, personally appeared ERIK J MCKEE and JOAN M MCKEE to me personally known to be the identical persons named in and who executed the within and foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

(Seal)



Mary E. Ostring
Notary Public in and for the State of _____

My commission expires: Sept. 20, 1999

STATE OF Iowa
COUNTY OF Polk

} ss:

On this 13th day of July, 1999, before me the undersigned, a Notary Public in and for said County and State Personally appeared Mary Eblen and John W. Maier to me personally know, who being by me duly sworn did say that they are the Vice President and Shipping Coordinator respectively, of said corporation executing the within and foregoing instrument, that the seal affixed 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 Mary Eblen and John W. Maier 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.



Nikki J Mains
Notary Public in and for the State of _____

Form 3108 3/85

MULTISTATE ADJUSTABLE RATE RIDER -- ARM 5-1 -- Single Family -- Fannie Mae/Freddie Mac Uniform Instrument

Uniform Covenant 17 of the Security Instrument is amended to read as follows:

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

TRANSFERRER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercised by federal law as of the date of this Security Instrument. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by applicable law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

(F) Notice of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

(E) Effective Date of Changes

The interest rate I am required to pay at the first Change Date will not be greater than 5.875%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than 0.875 % or less than 14.375 % from the rate of interest I have been paying for the preceding twelve (12) months. My interest rate will never be greater than 14.375 %.

(D) Limits on Interest Rate Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding 3.250 % to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in section 4(D) below, this rounded amount will be my new interest rate until the next "Change Date."

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(C) Calculation of Changes

If the Index is no longer available, the Note Holder will choose a new Index which is based upon comparable information. The Note Holder will give me notice of this choice.

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one (1) year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date forty-five (45) days before each Change Date is called the "Current Index."

(B) The Index

The interest rate I will pay may change on the first day of July, 2001, and on that day every twelfth (12th) month thereafter. Each date on which my interest rate could change is called a "Change Date".

(A) Change Dates

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 7.875%. The Note provides for changes in the interest rate and the monthly payments, as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

THIS ADJUSTABLE RATE RIDER is made this 1st day of July, 1999, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to BRENTON BANK AND TRUST COMPANY, ADEL N/K/A BRENTON BANK (the "Lender") of the same date and covering the property described in the Security Instrument and located at: 505 NE BIRCH AVE EARLHAM IOWA 50022

Property Address

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

The undersigned borrower(s) acknowledge(s) receipt of a copy of this instrument.

Erik J. McKee
Borrower **ERIK J MCKEE** [Seal]

Joan M. McKee
Borrower **JOAN M MCKEE** [Seal]

Borrower [Seal]

Borrower [Seal]

[SIGN ORIGINAL ONLY]