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FILED NO. 5221

BOOK 209 PAGE 734

1999 JUN 22 PM 2:41

MICHELLE UTSLER
RECORDER
MADISON COUNTY, IOWA

Document Prepared by: Mercantile Bank Midwest, 431 E Locust, Des Moines, IA 50309
515-248-7700

CONSUMER HOME EQUITY LINE MORTGAGE

RELEASED 2-19-02
RECORD 2002 PAGE 834

Mercantile Bank Midwest
431 East Locust
Des Moines, IA 50309
515-248-7700 (Lender)

(This is a Consumer Credit Transaction)

BORROWER		MORTGAGOR	
Gary E Jacobs Donna J Jacobs		Gary E Jacobs Husband Donna J Jacobs Wife	
ADDRESS		ADDRESS	
2450 US Highway 169 Winterset, IA 50273		2450 US Highway 169 Winterset, IA 50273	
TELEPHONE NO.	IDENTIFICATION NO.	TELEPHONE NO.	IDENTIFICATION NO.
515-462-1538		515-462-1538	

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.

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	\$24,000.00	06/12/99	07/15/09		

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 personal, family or household 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 \$ 24,000.00.

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; and

(g) 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 Mortgagor (if Borrower or Mortgagor 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. Mortgagor hereby authorizes Lender to contact any third party and make any inquiry pertaining to Mortgagor'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.

(g) to apply for and obtain prior to commencement of suit or thereafter without notice and upon ex parte application, the appointment of a receiver for the Property without regard to Mortgagor's financial condition or solvency, the adequacy of the Property to secure the payment or performance of the Obligations, or the existence of any waste to the Property; and Mortgagor waives Mortgagor's right to possession, statutory or otherwise, and the right to challenge the appointment of a receiver;

(h) to foreclose this Mortgage by judicial proceedings or, unless prohibited by law, by applicable nonjudicial proceedings;

(i) to set-off Mortgagor's Obligations against any amounts due to Lender including, but not limited to, monies, instruments, and deposit accounts maintained with Lender; and

(j) to exercise all other rights available to Lender under any other written agreement or applicable law.

Lender's rights are cumulative and may be exercised together, separately, and in any order. In the event that Lender institutes an action seeking the recovery of any of the Property by way of a prejudgment remedy in an action against Mortgagor, Mortgagor waives the posting of any bond which might otherwise be required.

- 23. **REDEMPTION PERIOD.** Mortgagor hereby agrees that in the event of judicial foreclosure of this Mortgage, Lender may, at its sole option, elect:
 - (a) Pursuant to Iowa Code § 628.26 as now enacted or hereafter modified, amended or replaced, to reduce the period of redemption after sale on foreclosure to six months, or
 - (b) Pursuant to Iowa Code § 628.27 as now enacted or hereafter modified, amended or replaced, to reduce the period of redemption after sale on foreclosure to sixty days, or
 - (c) Pursuant to Iowa Code § 628.28 as now enacted or hereafter modified, amended or replaced, or any other Iowa Code Section, to reduce the period of redemption after sale on foreclosure to such time as may be then applicable and provided by law, or
 - (d) Pursuant to Iowa Code § 654.20 as now enacted or hereafter modified, amended or replaced, to foreclose without redemption.

24. **WAIVER OF HOMESTEAD AND OTHER EXEMPTIONS.** Mortgagor hereby waives all homestead or other exemptions to which Mortgagor would otherwise be entitled under any applicable law and waives all rights of dower and distributive share in the Property.

25. **REIMBURSEMENT OF AMOUNTS EXPENDED BY LENDER.** Upon demand, Mortgagor shall immediately reimburse Lender for all amounts (except attorneys' fees and legal expenses) expended by Lender in the performance of any action required to be taken by Mortgagor or the exercise of any right or remedy of Lender under this Mortgage, together with interest thereon at the lower of the highest rate described in any Obligation or the highest rate allowed by law from the date of payment until the date of reimbursement. These sums shall be included in the definition of Obligations herein and shall be secured by the interest granted herein.

26. **APPLICATION OF PAYMENTS.** All payments made by or on behalf of Mortgagor may be applied against the amounts paid by Lender (except attorneys' fees and legal expenses) in connection with the exercise of its rights or remedies described in this Mortgage and then to the payment of the remaining Obligations in whatever order Lender chooses.

27. **POWER OF ATTORNEY.** Mortgagor hereby appoints Lender as its agent or attorney-in-fact to endorse Mortgagor's name on all instruments and other documents pertaining to the Obligations. In addition, Lender shall be entitled, but not required, to perform any action or execute any document required to be taken or executed by Mortgagor under this Mortgage. Lender's performance of such action or execution of such documents shall not relieve Mortgagor from any Obligation or cure any default under this Mortgage. The powers of attorney described in this paragraph are coupled with an interest and are irrevocable. Notwithstanding the foregoing, Lender is not entitled to confess judgment on any claim on behalf of Mortgagor.

28. **SUBROGATION OF LENDER.** Lender shall be subrogated to the rights of the holder of any previous lien, security interest or encumbrance discharged with funds advanced by Lender regardless of whether these liens, security interests or other encumbrances have been released of record.

29. **COLLECTION COSTS.** If Lender hires an attorney to assist in collecting any amount due or enforcing any right or remedy under this Agreement, Mortgagor agrees to pay Lender's collection costs, other than attorneys' fees.

30. **PARTIAL RELEASE.** Lender may release its interest in a portion of the Property by executing and recording one or more partial releases without affecting its interest in the remaining portion of the Property.

31. **MODIFICATION AND WAIVER.** The modification or waiver of any of Mortgagor's Obligations or Lender's rights under this Mortgage must be contained in a writing signed by Lender. Lender may perform any of Mortgagor's Obligations or delay or fail to exercise any of its rights without causing a waiver of those Obligations or rights. A waiver on one occasion shall not constitute a waiver on any other occasion. Mortgagor's Obligations under this Mortgage shall not be affected if Lender amends, compromises, exchanges, fails to exercise, impairs or releases any of the Obligations belonging to any Mortgagor, third party or any of its rights against any Mortgagor, third party or the Property.

32. **SUCCESSORS AND ASSIGNS.** This Mortgage shall be binding upon and inure to the benefit of Mortgagor and Lender and their respective successors, assigns, trustees, receivers, administrators, personal representatives, legatees and devisees.

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.

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.

35. **APPLICABLE LAW.** This Mortgage shall be governed by the laws of the state in which the property is located.


36. **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.

37. **ADDITIONAL TERMS.**

NOTICE TO CONSUMER: 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 ANYTIME WITHOUT PENALTY AND MAY BE ENTITLED TO RECEIVE A REFUND OF UNEARNED CHARGES IN ACCORDANCE WITH LAW.

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.

Dated: JUNE 12, 1999


 MORTGAGOR: Gary E. Jacobs


 MORTGAGOR: Donna J. Jacobs

MORTGAGOR:

MORTGAGOR:

Mercantile Bank Midwest filed 3/22/99 Book 207 Page 79 \$80,500.00; Assigned to Chase Manhattan Mortgage Corporation 3/22/99 Book 207 Page 84

SCHEDULE B

The legal description of the Property is: Parcel "A," located in the Southwest Quarter of the Northeast Quarter of Section 14, Township 75 North, Range 28 West of the 5th P.M., Madison County, Iowa, more particularly described as follows: Commencing at the Center of Section 14, Township 75 North, Range 28 West of the 5th P.M., Madison County, Iowa; then South 88 55'07" East, 160.06 feet to a point on the East right-of-way line of Iowa Highway 169; thence North 4 28'00" East along said R.O.W. line, 429.53 feet to the point of Beginning; thence North 81 14'21" East, 82.93 feet; thence North 4 32'51" East, 279.03 feet; thence North 89 43'57" East, 98.03 feet; thence North 4 28'00" East, 100.00 feet; thence North 90 00'00" East, 209.04 feet; thence North 0 00'00" East, 280.08 feet; thence South 90 00'00" West, 370.00 feet to a point on the East R.O.W. line of Iowa Highway 169; thence South 1 46'37" West along said R.O.W. line, 73.87 feet; thence South 4 28'00" West along said Highway 3.372 acres.

The permanent tax identification number of the Property is:

The street address of the Property (if applicable) is: 2450 U.S. Highway 169 Winterset, IA 50273

SCHEDULE A

In and for said County and State, _____, Notary Public

to me personally known to be the identical person 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.

On this _____ day of _____, before me, the undersigned, a Notary Public in and for said county and state, personally appeared _____

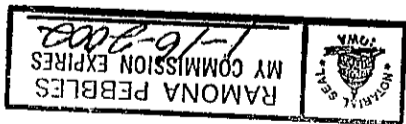
STATE OF _____)
COUNTY OF _____)
SS: _____)

In and for said County and State, _____, Notary Public

to me personally known to be the identical person 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.

On this 12 day of June 1999, before me, the undersigned, a Notary Public in and for said county and state, personally appeared _____

STATE OF Iowa)
COUNTY OF Polk)
SS: _____)



MORTGAGOR: _____ DATE: _____ MORTGAGOR: _____ DATE: _____

MORTGAGOR: _____ DATE: _____ MORTGAGOR: _____ DATE: _____

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 GRANTOR'S RIGHT TO THIS PROTECTION FOR THIS PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS CONTRACT.