

The Lender will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal at the new amount of the monthly payment. The result of this calculation will be rounded 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.

C. Calculation of Changes. Before each Change Date, the Lender will calculate the new interest rate by adding \_\_\_\_\_ percentage points ( \_\_\_\_\_ %) 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 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.

The Index is \_\_\_\_\_

B. Index. Beginning with the first Change Date, the interest rate will be based on an Index. Each date on which the interest rate could change is called a "Change Date." \_\_\_\_\_, and on that day every \_\_\_\_\_ payment thereafter.

A. Interest Rate. Until changed, the interest rate shall be \_\_\_\_\_ % effective \_\_\_\_\_, and on that day every \_\_\_\_\_ payment thereafter.

Variable Rate. \_\_\_\_\_ percent ( 8.000 %) per annum. The Borrower shall pay the principal sum together with interest thereon in equal installments of Forty Four and 62/100 on the 1st day of January, 2000, and a like installment to be paid on the same day monthly thereafter until the 1st day of December, 2029, 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 Eight and 000/1000 percent ( 8.000 %) per annum.

Fixed Rate. The said principal sum shall bear interest from the 17th day of November, 1999, at the rate of 8.000 percent per annum. The Borrower shall pay the principal sum together with interest thereon in equal installments of One Thousand Three Hundred Dollars (\$) 1,344.62, the first installment to be paid monthly on the 1st day of January, 2000, and a like installment to be paid on the same day monthly thereafter until the 1st day of December, 2029, 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.

1. The principal balance of One Hundred Eighty Three Thousand Two Hundred Fifty and 00/100 Dollars (\$ 183,250.00 ), 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.

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

**MODIFICATION OF NOTE AND MORTGAGE**

WHEREAS, WILLIAM C. BROOKHART, JR. AND KAREN L. BROOKHART, did on the 22nd day of April, 1999, execute one certain Note (hereinafter referred to as "Promissory Note") in the face amount of \$ \_\_\_\_\_ payable to the order of BRENTON MORTGAGES, INC. (hereinafter referred to as "Lender"); and WHEREAS, the Borrower, in order to secure the Promissory Note, executed one certain Mortgage on the 22nd day of April, 1999, covering the property situated in MADISON County, IOWA, which Mortgage was recorded in Book 208 at Page 78 of the MADISON County Recorder's records; and described as follows:

PARCEL "D" LOCATED IN THE SE 1/4 OF THE SW 1/4 OF SECTION 14 AND THE NE 1/4 OF THE NW 1/4 OF SECTION 23, ALL IN TOWNSHIP 76 NORTH, RANGE 26 WEST OF THE 5TH P.M., MADISON COUNTY, IOWA, AS SHOWN IN PLAT OF SURVEY FILED IN BOOK 21, PAGE 679 ON MAY 9, 1996 IN THE OFFICE OF THE RECORDER OF MADISON COUNTY, IOWA

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.

Prepared by: BRENTON MORTGAGES, INC. MORTGAGE PROCESSING DEPARTMENT  
 13621 UNIVERSITY AVE.  
 CLIVE, IA 50325  
 DES MOINES, IA 50310-0379  
 P.O. BOX 13379  
 BRENTON MORTGAGES, INC.

Return to: \_\_\_\_\_

Record with County Recorder

FILED NO 002448  
 AUD \$ 1.00  
 REC \$ 1.50  
 R.M.F. \$ 1.00  
 COMM. \_\_\_\_\_  
 RECORDING \_\_\_\_\_  
 CONFIRMED \_\_\_\_\_  
 1999 DEC 29 AM 10:47  
 BOOK 214 PAGE 415  
 SHARLE UTSLER  
 RECORDER  
 MADISON COUNTY, IOWA

D. Limits on Interest Rate Changes. The interest rate at the first Change Date will not be greater than \_\_\_\_\_ % or less than \_\_\_\_\_. Thereafter, the interest rate will never be increased or decreased on any single Change Date by more than \_\_\_\_\_ percentage point ( \_\_\_\_\_ ) from the rate of interest for the preceding payments. The interest rate will never be greater than \_\_\_\_\_ % or less than \_\_\_\_\_ %.

E. Effective Date of Changes. The new interest rate will become effective on each Change Date. Borrower will pay the amount of the new \_\_\_\_\_ payment beginning on the first \_\_\_\_\_ payment date after the Change Date until the amount of the \_\_\_\_\_ payment changes again.

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 the \_\_\_\_\_ payment before the effective date of any change. The notice will include information required by law to be given Borrower and also the title and telephone number of person who will answer any question Borrower may have regarding the notice and shall be deemed given when sent by ordinary mail to the address of the Property or of the Borrower.

G. Payments. Beginning \_\_\_\_\_, \_\_\_\_\_, and continuing on the \_\_\_\_\_ day of each month thereafter until the first Change Date, the monthly principal and interest payments are in the amount of \$ \_\_\_\_\_. 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 above rate plus \_\_\_\_\_ % per annum.

H. Maturity. If not sooner paid, the entire principal balance and all accrued interest shall be due and payable in full on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

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 expressly modified.

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 preserved as if this extension had not been granted.

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

Check here if Applicable

And subject to one certain Second Mortgage to \_\_\_\_\_ dated the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and recorded the \_\_\_\_\_ day of \_\_\_\_\_, in Book \_\_\_\_\_, Page \_\_\_\_\_.

5.  Check here if Applicable

\_\_\_\_\_, Mortgagee in the above referred to Second Mortgage, hereby consents to this Modification and hereby agrees and acknowledges that the Second Mortgage is junior and inferior to the Mortgage herein modified.

6.  Check here if Applicable

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

7.  Check here if Applicable

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.

8. Borrower (and Guarantors if applicable) agree that any fees collected by Lender in connection with this modification shall be and are hereby agreed to as permitted closing fees, all as contemplated by Iowa Code Section 535.8(2) (a).

IN WITNESS WHEREOF, the Agreement has been duly executed by the parties hereto effective the \_\_\_\_\_ 17th day of November, 1999. Receipt of a copy hereof is hereby acknowledged by Borrower.

*Phyllis M Young*  
Notary Public in and for the State of IOWA  
6/30/02

On this 17th day of November, before me the undersigned, a Notary Public in and for said County and State, personally appeared Kirsten Martin and Lynelle Meyer and Closer to me personally know, who being by me duly sworn did say that they are the Closer 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 Closer and Const. Loan Super. 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.

STATE OF  
COUNTY OF

} ss:

My commission expires: 2/16/02

*Phyllis M Young*  
Notary Public in and for the State of IOWA

(Seal)

On this 17th day of November, 1999, before me, the undersigned, a Notary Public in and for said county and state, personally appeared WILLIAM C. BROOKHART, JR. AND KAREN L. BROOKHART 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.

STATE OF IOWA  
COUNTY OF POLK

} ss:

By: \_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_

SECOND MORTGAGEE:

GUARANTORS:

*Karen L. Brookhart*  
KAREN L. BROOKHART

*Kirsten Martin*  
KIRSTEN MARTIN, CLOSER

By: *Phyllis M Young*  
LYNELLE MEYER, CONSTRUCTION LOAN SUPER

*William C. Brookhart, Jr.*  
WILLIAM C. BROOKHART, JR.

BRENTON MORTGAGES, INC.

LENDER:

BORROWER: