

247

Open-End To Secure Revolving Line of Credit

IND. REC. PAGE

This MORTGAGE ("Mortgage") made this 27th day of July, 1990 between Dennis G. Kraft and Linda D. Kraft, husband and wife ("Mortgagors") and Brenton Bank & Trust Company, Adel, Iowa ("Mortgagee").

NOTICE: This Mortgage secures credit in the amount of \$ 30,000.00. 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.

Mortgagors hereby sell, convey and mortgage unto Mortgagee the following described real estate situated in Madison County, Iowa, to-wit: The North One-fourth (1/4) of the Southeast Quarter (1/4) of the Southwest Quarter (1/4) of Section Seventeen (17), in Township Seventy-six (76) North, Range Twenty-six (26) West of the 5th P.M., Madison County, Iowa and the South Three-fourths (3/4) of the Southeast Quarter (1/4) of the Southwest Quarter (1/4) and the West 35 acres of the Southwest Quarter (1/4) of the Southeast Quarter (1/4), all in Section Seventeen (17), in Township Seventy-six (76) North, Range Twenty-six (26) West of the 5th P.M., Madison County, Iowa.

together with all buildings and improvements thereon and all personal property which may integrally belong to, or be or hereafter become an integral part of said real estate, and whether attached or detached (including but not limited to light fixtures, shades, rods, blinds, venetian blinds, awnings, storm windows, storm doors, screens, linoleum, attached carpet, water heater, water softener, automatic heating equipment, air conditioning and other attached fixtures), and together with all easements and servient estates appurtenant thereto, rents, issues, uses, profits and right to possession of said real estate (all of the foregoing real estate, personal property and property interests hereinafter called the "Mortgaged Property"). As to such of the Mortgaged Property which may be personal property, Mortgagors grant Mortgagee a security interest pursuant to the Uniform Commercial Code of Iowa.

TO HAVE AND TO HOLD the Mortgaged Property together with all privileges, hereditaments thereunto now or hereafter belonging, or in any way appertaining and the products and proceeds thereof, unto Mortgagee, its successors and assigns.

1. REPRESENTATIONS AND WARRANTIES OF MORTGAGORS: Mortgagors represent, warrant and covenant to Mortgagee that Mortgagors hold clear title to said personal property and title in fee simple to said real estate; that Mortgagors have good and lawful authority to sell, convey and mortgage the Mortgaged Property; that the Mortgaged Property is free and clear of all liens and encumbrances whatsoever except mortgage to United Federal Savings & Loan Association of Des Moines dated 7-21-76 for \$36,000.00

Mortgagors will warrant and defend title to the Mortgaged Property and the lien and priority of this Mortgage against all claims and demands of all persons whomsoever.

2. OBLIGATIONS SECURED: Until this Mortgage is released of record by Mortgagee filing an instrument of release with the County Recorder in the county where the Mortgaged Property is located, this Mortgage will secure the following (hereinafter collectively referred to as the "Obligations"): (1) all present and future loans and advances made pursuant to a Home Equity Loan Agreement ("Agreement") entered into by and between the Mortgagors and Mortgagee, which loans and advances may be made to the Mortgagors either jointly or severally, and (2) any sums advanced by Mortgagee and interest due thereon as provided herein in performance of Mortgagors' obligations hereunder, including the payment of insurance, repairs, taxes and amounts secured by encumbrances with respect to the Mortgaged Property.

THE OBLIGATIONS MAY FROM TIME TO TIME BE REDUCED AND THEREAFTER INCREASED OR ENTIRELY EXTINGUISHED AND THEREAFTER REINCURED.

3. TAXES, LIENS, INSURANCE, REPAIRS: Mortgagors hereby agree to pay all taxes and assessments, general or special, upon or against any of the Mortgaged Property, before such taxes or special assessments become delinquent and agree to pay, when due, all monies secured by liens or encumbrances that may be upon or against any of the Mortgaged Property. Mortgagors shall keep the improvements now existing or hereafter erected on the Mortgaged Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Mortgagee may require and in such form and amounts and for such periods as Mortgagee may require. Mortgagors shall keep the Mortgaged Property in good repair and shall not commit waste or permit impairment or deterioration of the Mortgaged Property.

4. DEFAULT: It hereby expressly is agreed by and between the parties hereto and made part of this Mortgage that in the event of the nonpayment of any of the Obligations and liabilities secured hereby in accordance with their terms or at maturity, whether such maturity be by acceleration or otherwise, or in the event of the failure of Mortgagors to keep and perform any of the conditions, stipulations and covenants herein contained or required to be kept by the terms of the Agreement, that then the whole amount of principal, interest and other amounts secured by this Mortgage and then unpaid shall become due and payable absolutely, at the option of Mortgagee, and suit may be brought for the collection thereof, and for the foreclosure of this Mortgage. It is agreed by and between the parties that Mortgagee may, if it so elects, perform Mortgagors' obligations hereunder, including the payment of fees, insurance premiums, costs of repairs, taxes and the payment of amounts secured by encumbrances on the Mortgaged Property and that any monies so expended shall become immediately due and payable, by Mortgagors jointly and severally, and draw interest at the rate of 15.00 percent per annum from date of such actual advancement by Mortgagee until repayment thereof to Mortgagee.

5. REDEMPTION: If the Mortgaged Property is less than ten acres in size and if Mortgagee waives in any foreclosure proceeding any right to a deficiency judgment against Mortgagors, then the period of redemption from judicial sale shall be reduced to six months. If the court finds that the Mortgaged Property has been abandoned by Mortgagors and if Mortgagee waives any right to a deficiency judgment against Mortgagors, then the period of redemption from judicial sale shall be reduced to sixty days.

6. TRANSFER OF MORTGAGED PROPERTY: If all or any part of the Mortgaged Property or any interest therein is sold or transferred without Mortgagee's prior written consent, Mortgagee may at Mortgagee's sole option declare the Obligations secured by this Mortgage immediately due and payable.

7. DEFINITION OF TERMS: Unless otherwise expressly stated, the word "Mortgagors" as used herein includes successors and assigns of such Mortgagors. The "Mortgagee" as used herein, unless otherwise expressly stated, includes the successors and assigns of such Mortgagee. All words referring to Mortgagors or Mortgagee shall be construed to be of the appropriate gender and number according to the context. This construction shall include the acknowledgement hereof. All obligations of Mortgagors under this Mortgage shall be joint and several.

8. GOVERNING LAW: This Mortgage shall be governed by and construed in accordance with the laws of the State of Iowa.

9. RELEASE OF RIGHTS OF DOWER, HOMESTEAD AND DISTRIBUTIVE SHARE: Each of the undersigned hereby relinquishes all rights of dower, homestead and distributive share in and to the Mortgaged Property and waives all rights of exemption as to any of the Mortgaged Property.

10. ACKNOWLEDGEMENT OF RECEIPT OF COPIES OF DEBT INSTRUMENT: Mortgagors hereby acknowledge the receipt of a copy of this Mortgage together with a copy of the debt instruments secured hereby.

11. ADDITIONAL PROVISIONS:

X Dennis G. Kraft
X Linda D. Kraft

Type or print name under signatures

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 MORTGAGE, I VOLUNTARILY GIVE UP MY RIGHT TO THIS PROTECTION FOR THIS MORTGAGED PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS MORTGAGE.

Dated: July 27, 1990 X Dennis G. Kraft
Dated: July 27, 1990 X Linda D. Kraft

STATE OF IOWA)
) SS:
COUNTY OF Dallas)

On this 27th day of July, 1990, before me, the undersigned, a Notary Public, personally appeared Dennis G. Kraft & Linda D. Kraft

to me known to be the identical persons named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.