

MORTGAGE

For full and valuable consideration, receipt of which is hereby acknowledged Matthias A.W. McMillan and Kimberly J. McMillan husband and wife of Madison County, Iowa, hereinafter called Mortgagor, hereby sells and conveys to The Southern Iowa Council of Governments/Southern Iowa Development Group a corporation organized and existing under the laws of Iowa, having its principal place of business and post-office address at 304 North Pine, P.O. Box 102, Creston, Iowa 50801 hereinafter called the Mortgagee: the following described real estate situated in Madison County, Iowa, to-wit:

The East Half (1/2) of the Southwest Quarter (1/4) of Out Lot Number Four (4) in Loughridge & Cassiday's Addition to Winterset, Madison County, Iowa.

COMPUTER
RECORDED
COMPARED

NOTICE: This mortgage secures credit in the amount of \$3,000.00 Loans and advances up to this amount, together with interest, are senior to indebtedness to other credits under subsequently recorded or filed mortgages and liens.

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94 DEC 30 PM 2: 43

REC \$ 10.00
AUD \$ 1.00
R.M.F. \$ 1.00

MICHELLE UTSLER
RECORDER
MADISON COUNTY, IOWA

together with all rights, privileges, easements, appurtenances, buildings, fixtures and improvements thereon, or ~~thereon, whether attached or detached:~~ all gas, steam or electric heating, lighting, plumbing, ventilating, water, and power systems, appliances, refrigeration, air conditioning, fences, trees, shrubs, shades, rods, venetian blinds, awnings, fixtures and apparatus: all storm and screen windows and doors, and all other fixtures: all estates, contingent or vested, including reversions: all expectancies, homestead and dower rights; or rights to statutory third, the right of possession thereof, and all other rights thereto belonging, or in any way now or hereafter appertaining thereto, and the rents, issues, uses, profits and income therefrom, and all of the crops at any time raised thereon from the date of this agreement until the terms of this instrument are compiled with and fulfilled and subrogation to the rights of any holder of alien on said property where the money loaned by mortgagee to mortgagor is used to pay such lien-holder; to have and to hold the same unto the mortgagee in fee and absolutely, conditioned, however, and subject to the provisions that if the mortgagor shall pay the sum of Three thousand and no/100 DOLLARS (\$ 3,000.00) to the mortgagee as is provided in certain promissory note or notes of even date herewith, and maturing as therein provided, with interest at the rate therein specified, and if mortgagor shall also have paid all other indebtedness secured by this mortgage and shall also fully perform all the covenants, conditions and terms of this mortgage, then these presents shall be void, otherwise to remain in full force and effect.

In addition to securing the above described note, this mortgage shall also be first lien security for any additional loans and advances for any purpose whatsoever which hereafter may be made under this mortgage by the mortgagee to the original mortgagor while still record owner of the above property, said additional advances to have the same priority and rights as if made at this date, provided, however, that at no time shall the unpaid balances owing hereunder, including such additional advances or loans, exceed \$ 3,000.00 plus necessary advances for protection of the security, interest and costs. This paragraph shall not constitute a commitment to make additional loans in any amount.

Mortgagor, for himself, his heirs and for vendees of said real estate, hereby covenants and agrees:

1. That the mortgagor is lawfully seized of said premises in fee simple: that mortgagor has good right and lawful authority to sell and convey the same: that the premises are free from all liens and encumbrances: that the mortgagee shall, and is hereby granted the right to quietly enjoy and possess the same: and hereby warrants and covenants to defend the title to said premises against all persons whomsoever, and not to commit or suffer waste.

2. That the mortgagor will pay the principal of and the interest on the indebtedness evidenced by the note secured hereby and of advances made, at the times and in the manner therein provided. A failure to comply with any one of the agreements hereof, including warranty of title, shall cause the whole debt, including advances, interest, attorney's fees and costs, forthwith to become due and collectible if mortgagee so elects, which election may be without notice. From the date the mortgagee so elects to declare the mortgage due, the whole of said indebtedness shall bear interest from the date to which interest has been then paid at the highest legal rate applicable to a natural person, but not less than the rate provided in the note or notes secured hereby. Mortgagee may thereupon take possession of said property and account only for the net profits. No demand for fulfillment of broken conditions or notice of election to consider the debt due shall be necessary before commencement of suit for the collection of the debt hereby secured, or any part thereof, or the foreclosure of this mortgage.

3. That the mortgagor will keep the improvements now existing or hereafter erected on the mortgaged premises, insured as may be required from time to time by the mortgagee against loss by fire and other hazards, casualties and contingencies in such amounts and for such periods as it may require and will pay promptly, when due, any premiums on such insurance. All insurance shall be carried in companies approved by the mortgagee and the policies and renewals thereof shall be held by it and have attached thereto loss payable clauses in favor of and in form acceptable to the mortgagee, provided, however, if the mortgagee should at any time release the mortgagor from the obligation to deposit with mortgagee such policies and renewals thereof such release shall not act as a waiver of the right to in the future require such deposit. In event of loss, mortgagor will give immediate notice by mail to the mortgagee who may make proof of loss if not made promptly by the mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the mortgagee instead of to the mortgagor and the mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by the mortgagee at its option, either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this mortgage or other transfer of title to the mortgaged property in extinguishment of the debt secured hereby, all rights, title, and interest of the mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

4. The mortgagor agrees to pay all and singular the taxes, assessments, levies and encumbrances of every nature heretofore or hereafter assessed against the above described real estate before they have become delinquent, and if the same be not promptly paid before they become delinquent, the mortgagee or its representative may at any time pay the same and the official receipts for moneys so paid shall be conclusive proof of the validity and amount of such taxes and assessments.

5. If now or hereafter demanded, the mortgagor agrees to pay the mortgagee additional monthly installments equal to one-twelfth of such amount as the mortgagee shall estimate to be required for the purpose of accumulating a fund with which to pay, when due, taxes assessments and premiums on insurance policies securing said notes.

6. That if the taxes are not paid or the insurance not kept in force by mortgagor, mortgagee may pay such taxes and keep the property insured and recover immediately from mortgagor the amount so expended, and said mortgagor shall pay in case of suit, a reasonable attorney's fee, the expense of continuation of abstract, and, in fact, all expenses and attorney's fees incurred by mortgagee by reason of litigation with mortgagor, his successors, or with third parties to protect he lien of this mortgage. All moneys so paid by the mortgagee shall bear interest at the highest legal rate applicable to a natural person, but not less than that provided in the note or notes secured hereby, and shall be included as additional amounts secured by this mortgage.

7. That if this mortgage is released of record, the release thereof shall be filed and recorded at the expense of the mortgagor.

8. That the signing of this mortgage, and the not secured hereby, by the spouse of the owner is not only for the purpose of releasing dower or distributive share but also for the express purpose of creating personal liability of the spouse for the indebtedness evidence by said not and secured by this mortgage, and that the mortgagee expressly relies upon the foregoing as a material and necessary representation and covenant by such spouse.

9. That if mortgagor fails to keep and perform any of the agreements of this instrument, or causes or suffers default herein, or thereof, in any respect, mortgagee either before commencement of suit, or at any time thereafter, shall be entitled to the possession of said property, real and personal, and shall also be entitled to the appointment of a Receiver, who shall have the power and is hereby granted absolute authority to take and hold possession of all of said property, to rent the same, and to collect the rents and profits therefrom for the benefit of mortgagee;

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