

Mortgage Extension and Modification Agreement

COMPUTER
RECORDED
COMPARED

Loan No. 32811

This Agreement made this 5th day of August 1993, by and between the Clarke County State Bank, a banking corporation organized and existing under the laws of the State of Iowa, party of the first part, and Vince Proudfoot and Crystal Proudfoot husband and wife of the City of St. Charles, parties of the second part, WITNESSETH:

WHEREAS, the parties of the second part have/has heretofore mortgaged unto the party of the first part certain lands and premises which are described in a certain Indenture of Mortgage bearing date June 30, 1986 which Mortgage is recorded in the Office of the Register of Deeds for Madison County, State of Iowa in Liber 145 of Mortgages, on pages 776, which Mortgage is made a part hereof by reference and the same is now due and payable.

WHEREAS, the parties of the second part is/are unable to make payment in full of the amount due said party of the first part under said Mortgage, and has requested that the time of payment be extended, and the party of the first part is willing to extend the time of payment in accordance with the provision of this instrument.

NOW THEREFORE, in consideration of the sum of One Dollar in hand paid by the parties of the second part to the party of the first part, receipt of which is hereby acknowledged, as well as other valuable considerations, it is agreed between the parties hereto as follows:

(1) That the date of the final payment on the said Mortgage upon which there is at this time a balance of \$22,121.60 due, is hereby extended to February 28, 2002; provided however, that said parties of the second party shall pay to apply on said debt, the sum of Two-hundred eighty-three and 31/100 Dollars on August 30, 1993, and Two hundred eighty-three and 31/100 Dollars on the same day of each month thereafter. Said payments to be first applied to the balance of interest due at the rate of 6.75 per cent per annum from August 5, 1993 and the remainder to the balance of principal until paid in full.

(2) That, notwithstanding the foregoing provisions or anything to the contrary contained in said Mortgage, if the parties of the second part shall be in default for more than thirty days in making payment of any monthly installment, as herein provided then after such default has occurred, the party of the first part may declare the balance then unpaid on said Mortgage due and payable forthwith, and may foreclose said Mortgage in accordance with the terms, conditions and provisions thereof.

(3) That the terms, conditions and provisions of said Mortgage are hereby ratified and confirmed in all respects, matters and things except wherein the same are modified by this instrument.

(4) That this agreement shall not create any merger or alter or prejudice the rights and priorities of the party of the first part, its successors and assigns, and if so construed, then, in such event, this agreement shall be void and of no effect.

This agreement shall be binding upon the successors, heirs, administrators and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the party of the first part has caused this instrument to be executed for and on its behalf by its President and its corporate seal hereunto affixed on the 5th day of August

1993, and on the same day the parties of the second part has/have hereunto set their hands ~~and seals~~

Presence of:

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STATE OF Iowa AUD \$ 93 AUG 12 AM 9:32
County of Clarke ss:

On this 5th MICHELLE UTSLER RECORDER August
Kenneth L. Baker MADISON COUNTY, IOWA

to me personally known, who being sworn did say that he is the President of the Clarke County State Bank, the corporation named in and which executed the within instrument, and that he executed the same for and on behalf of said corporation by authority of its Board of Directors and that the corporate seal affixed thereto is the corporate seal of said corporation, and that said instrument is the free act and deed of said corporation.

And on the same day appeared Vince Proudfoot and Crystal Proudfoot to me known to be the parties of the second part, described in and who executed the within instrument and who acknowledged that they executed the same as their free act and deed for the intents and purposes therein mentioned.

My Commission Expires 3-1-95

Diane K. Ogbourne
DIANE K. OGBOURNE
MY COMMISSION EXPIRES
3-1-95

Vince Proudfoot (L. S.)
Crystal Proudfoot (L. S.)

ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this5TH..... day of ...AUGUST, 1993..... 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 CLARKE COUNTY STATE BANK, ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF IOWA..... (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

RR 1 BOX 111 ST. CHARLES, IA 50240
[Property Address]

NOTICE: THE SECURITY INSTRUMENT SECURES A NOTE WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

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

A. INTEREST RATE AND SCHEDULED PAYMENT CHANGES

The Note provides for an initial interest rate of6.750..... %. The Note provides for changes in the interest rate and the payments, as follows:

3. PAYMENTS

(A) Scheduled Payments

All references in the Security Instrument to "monthly payments" are changed to "scheduled payments."

I will pay principal and interest by making payments when scheduled: (mark one):

I will make my scheduled payments on the first day of each month beginning on

I will make my scheduled payments as follows:

ON THE 30TH DAY OF EACH MONTH BEGINNING ON AUGUST 30, 1993

In addition to the payments described above, I will pay a "balloon payment" of \$ on The Note Holder will deliver or mail to me notice prior to maturity that the balloon payment is due. This notice will state the balloon payment amount and the date that it is due.

(B) Maturity Date and Place of Payments

I will make these payments as scheduled until I have paid all of the principal and interest and any other charges described in the Note.

My scheduled payments will be applied to interest before principal. If, on FEBRUARY 28, 2002....., I still owe amounts under the Note, I will pay those amounts in full on that date, which is called the "maturity date."

I will make my scheduled payments at 139 SOUTH MAIN P.O. BOX 487, OSCEOLA, IA 50213..... or at a different place if required by the Note Holder.

(C) Amount of My Initial Scheduled Payments

Each of my initial scheduled payments will be in the amount of U.S. \$ 283.31..... This amount may change.

(D) Scheduled Payment Changes

Changes in my scheduled payment will reflect changes in the unpaid principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my scheduled payment in accordance with Section 4 of the Note.

4. INTEREST RATE AND SCHEDULED PAYMENT CHANGES

(A) Change Dates

Each date on which my interest rate could change is called a "Change Date." (Mark one)

The interest rate I will pay may change on the first day of and on that day every month thereafter.

The interest rate I will pay may change ON THE 1ST DAY OF AUGUST, 1996 and on every 1ST DAY OF EACH 36TH MONTH thereafter.

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is: THE WEEKLY AVERAGE YIELD ON U.S. TREASURY SECURITIES ADJUSTED TO A CONSTANT MATURITY OF ONE YEAR AS PUBLISHED IN THE WALL STREET JOURNAL ON THE FIRST TUESDAY OF EACH MONTH

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 Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by ... ADDING THREE AND 180/1000 percentage points (..... 3.180 %) to the Current Index. The result of this calculation:

will not be rounded off.

will be rounded off by the Note Holder to the nearest _____ %.

will be rounded off by the Note Holder up to the nearest _____ %.

will be rounded off by the Note Holder down to the nearest _____ %.

Subject to the limitations stated in Section 4(D) below, this amount will be my new interest rate until the next change date.

The Note Holder will then determine the amount of the scheduled 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 scheduled payment.

(D) Limits on Interest Rate Changes

* TWO AND NO/1000

My interest rate will never be increased or decreased on any single change date by more than* percentage points from the rate of interest I have been paying for the preceding period.

My interest rate will never be greater than 12.750 % or less than N/A %.

(E) Effective Date of Changes

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

(F) Notice of Changes

At least 25 days, but no more than 120 days, before the effective date of any payment change, the Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my scheduled payment. 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.

B. FUNDS FOR TAXES AND INSURANCE

[Mark one]

Uniform Covenant 2 of the Security Instrument is waived by the Lender.

Uniform Covenant 2 of the Security Instrument is amended to read as follows:

2. SCHEDULED PAYMENTS FOR TAXES AND INSURANCE

(A) Borrower's Obligations

I will pay to Lender all amounts necessary to pay for taxes, assessments, leasehold payments or ground rents (if any), and hazard insurance on the Property and mortgage insurance (if any). I will pay those amounts to Lender unless Lender tells me, in writing, that I do not have to do so, or unless the law requires otherwise. I will make those payments on the same day that my scheduled payments of principal and interest are due under the Note.

Each of my payments under this Paragraph 2 will be the sum of the following:

- (i) The estimated yearly taxes and assessments on the Property which under the law may be superior to this Security Instrument, divided by the number of scheduled payments in a year; plus,
- (ii) The estimated yearly leasehold payments or ground rents on the Property, if any, divided by the number of scheduled payments in a year; plus

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BANKERS SYSTEMS, INC., ST. CLOUD, MN 56301 (1-800-397-2341)

- (iii) The estimated yearly premium for hazard insurance covering the Property, divided by the number of scheduled payments in a year; plus
- (iv) The estimated yearly premium for mortgage insurance (if any), divided by the number of scheduled payments in a year.

Lender will estimate from time to time my yearly taxes, assessments, leasehold payments or ground rents and insurance premiums, which will be called the "escrow items." Lender will use existing assessments and bills and reasonable estimates of future assessments and bills. The amounts that I pay to Lender for escrow items under this Paragraph 2 will be called the "Funds."

(B) Lender's Obligations

Lender will keep the Funds in a savings or banking institution which has its deposits or accounts insured or guaranteed by a federal or state agency. If Lender is such as institution, Lender may hold the Funds. Except as described in this Paragraph 2, Lender will use the Funds to pay the escrow items. Lender will give to me, without charge, an annual accounting of the Funds. That accounting must show all additions to and deductions from the Funds and the reason for each deduction.

Lender may not charge me for holding or keeping the Funds, for using the Funds to pay escrow items, for analyzing my payments of Funds, or for receiving, verifying and totaling assessments and bills. However, Lender may charge me for these services if Lender pays me interest on the Funds and if the law permits Lender to make such a charge. Lender will not be required to pay me any interest or earnings on the Funds unless either (i) Lender and I agree in writing, at the time I sign this Security Instrument, that Lender will pay interest on the Funds: or (ii) the law requires Lender to pay interest on the Funds.

(C) Adjustments to the Funds

If Lender's estimates are too high or if taxes and insurance rates go down, the amounts that I pay under this Paragraph 2 will be too large. If this happens at a time when I am keeping all of my promises and agreements made in this Security Instrument, I will have the right to have the excess amount either promptly repaid to me as a direct refund or credited to my future scheduled payments of Funds. There will be excess amounts if, at any time, the sum of (i) the amount of Funds which Lender is holding or keeping, plus (ii) the amount of the scheduled payments of Funds which I still must pay between that time and the due dates of escrow items is greater than the amount necessary to pay the escrow items when they are due.

If, when payments of escrow items are due, Lender has not received enough Funds to make those payments, I will pay to Lender whatever additional amount is necessary to pay the escrow items in full. I must pay that additional amount in one or more payments as Lender may require.

When I have paid all of the sums secured, Lender will promptly refund to me any Funds that are then being held by Lender. If, as a result of the exercise by Lender of any of its rights under this Security Instrument, either Lender acquires the Property or the Property is sold, then immediately before the acquisition or sale, Lender will use any Funds which Lender is holding at the time to reduce the sums secured.

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

X *Vince Proudfoot* (Seal)
 VINCE PROUDFOOT -Borrower
 X *Crystal Proudfoot* (Seal)
 CRYSTAL PROUDFOOT -Borrower