REAL ESTATE NOTE AND MORTGAGE

$ 9,000.00 April 19 86

FOR VALUE RECEIVED, the undersigned, individually, jointly and/or severally, promise to pay to the order of Donna E. Schardein,

or its designated assignee, successor in interest or assigns, if any, at _____, or at such other place either within or without the State of Iowa, as the holder herein may from time to time designate, the sum of Nine thousand and no/100---------- DOLLARS, in lawful money of the United States, which shall be legal tender in payment of all debts and dues, public and private, at the time of payment, with interest from April 7, 1986 at the rate of 10 percent per annum, until maturity, payable as follows: $ 96.71 on the 1st day of May, 19 86, and on the first day of each month thereafter. The entire principal sum, plus accrued interest, if any, shall be paid as follows: in monthly installments until paid in full.

Compared

STATE OF IOWA, MADISON COUNTY, ss.

Inst. No. 2111 Filed for Record this 11 day of April 1986 at 10:00 AM
Book 145 Page 206 Recording Fee $5.00 Mary E. Welty, Recorder, By Shirley H. Henry Deputy

This Note is secured by a Mortgage which the undersigned has hereby conveyed to Donna E. Schardein or its designated successsor in interest, assign or representative as to that real property hereinafter legally described:

Lots 6 and 7 in Block 1 of the Original Town of Earlham, Madison County, Iowa

FOR RELEASE OF ANNEXED MORTGAGE SEE
MORTGAGE RECORD 145 PAGE 437

IT IS HEREBY AGREED that ten (10) days after default is made in any payment or payments of this Note and Mortgage, or any part hereof, or any interest thereon, or failure made to perform any of the covenants, conditions or agreements contained herein, then, at the unilateral option of Donna E. Schardein, or successors in interest or assigns, the entire unpaid principal sum with accrued interest shall be at once due and collectible. The undersigned, as well as its or their successors in interest, assigns or legal representatives, if any, agree that said sum or sums shall be due and collectible, without notice, time being of the essence of this contract.

Any sum or sums herein shall bear interest from such default until paid, at the rate of _____ percent, per annum.

The undersigned shall, in the event of default, and in addition to those items as hereinbefore set forth, pay reasonable attorneys fees, whether suit be instituted or not. Any and all interest payments, payable as set forth herein shall first be deducted from the payment and any balance, if any, shall be then applied to the unpaid principal. Principal and interest unpaid, when due, shall draw interest as set forth in the preceding paragraph.

Any and all makers, endorsers and sureties, as well as successors in interest or assigns, if any, waive demand of payment, notice of nonpayment, protest and notice thereof. Sureties, endorsers and guarantors agree to all of the provisions of this Note and Mortgage and consent that the time or times of payment, of all or any part hereof may be extended after maturity from time to time without notice.

This Agreement is to be construed in each and every respect and enforced according to the laws of the State of Iowa as they now exist or may hereafter be amended.

JANE E. KRUMM Iowa NOTARIAL SEAL

Frederick H. Pendleton
Frederick H. Pendleton

STATE OF IOWA)
) ss.
COUNTY OF Madison)

On this 5th day of April, 19 86, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Frederick H. Pendleton, single,

to me known to be the indentical person(s) named in and who executed the within and foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

Jane E. Krumm
Notary Public in and for the State of Iowa.