REAL ESTATE MORTGAGE — IOWA

THIS INDENTURE made this 23rd day of December, A.D. 19 85 between John D. Osberg and Vicky Osberg, husband and wife Mortgagors of the County of Madison, and State of Iowa, and Thorp Financial Services Mortgagee, of the County of Polk, and State of Iowa.

WITNESSETH: That the said Mortgagors in consideration of Five Thousand Seven Hundred Seventy-Two and 08/100 DOLLARS ($ 5772.08) loaned by Mortgagee, received by Mortgagors and evidenced by the promissory note hereinafter referred to, and such additional loan or loans at the option of the Mortgagee, do, by these presents **SELL, CONVEY AND MORTGAGE**, unto the said Mortgagee Thorp Financial Services

the following described Real Estate situated in the County of Madison, State of Iowa, to-wit:

The South Half (1/2) of the Northeast Quarter (1/4) of the Northeast Quarter (1/4) of Section Eighteen (18) in Township Seventy-Five (75) North, Range Twenty-Seven (27) West of the 5th P.M., Madison County, Iowa,

Compared

RELEASED 2-13-98 SEE RECORD 200 PAGE 444

FILED NO. 1351
BOOK 144 PAGE 590
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MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA
Fee $10.00

IND. REC. PAGE

together with all personal property that may integrally belong to, or be or hereafter become an integral part of said real estate, and whether attached or detached (that is, light fixtures, shades, rods, blinds, venetian blinds, awnings, storm windows, storm doors, screens, linoleum, water heater, water softener, automatic heating equipment and other attached fixtures), and hereby granting, conveying and mortgaging also all of the easements, servient estates appurtenant thereto, rents, issues, uses, profits and right to possession of said real estate, and all crops raised thereon from now until the debt secured thereby shall be paid in full. As to any such personal property, or fixtures, or both, a Security interest hereby attaches thereto, as provided by the Uniform Commercial Code.

Said Mortgagors hereby covenant with Mortgagee, or successor in interest, that said Mortgagors hold said real estate by title in fee simple; that they have good and lawful authority to sell, convey and mortgage the same; that said premises are Free and Clear of all Liens and Encumbrances Whatsoever except as may be above stated; and said Mortgagors covenant to Warrant and Defend the said premises against the lawful claims of all persons whomsoever, except as may be above stated; Mortgagors further warrant that there has been no work on or materials furnished to the premises of such a nature as would allow the filing of a mechanics lien within the last 90 days preceding this mortgage.

Each of the undersigned hereby relinquishes all rights of dower, homestead and distributive share in and to the above described premises, and waives any rights of exemption, as to any of said property.

CONDITIONED HOWEVER, That if said Mortgagors shall pay or cause to be paid to said Mortgagee, or his successor in interest, said sum of money which shall be legal tender in payment of all debts and dues, public and private, at time of payment, all at the time, place, and upon the terms provided by one promissory note of Mortgagors to Mortgagee, of even date herewith, and shall perform the other provisions hereof, all of which Mortgagors promise to do, then these presents will be void, otherwise to remain in full force and effect.

1. OPEN-END FEATURE. This mortgage shall stand as security for said note, and for any and all future and additional advances made to the Mortgagors by the holder of said note in such amount or amounts so that the total of such future additional advances outstanding and unpaid at any one time shall not exceed $ 10,000.00 and Mortgagee is hereby given authority to make such future and additional advances to Mortgagors herein, upon their signed order or receipt, and secured as the original obligation herein. Such limitation upon the total amount of principal shall not be considered as limiting the amounts secured hereby if for accruing interest or for any amount for any protective disbursement advanced, or that may be taxed as costs to protect the security for loan or loans made, in accordance with the terms and provisions contained in this mortgage. **THIS PARAGRAPH SHALL NOT CONSTITUTE A COMMITMENT TO MAKE ADDITIONAL LOANS IN ANY AMOUNT.**

2. TAXES. Mortgagors shall pay each installment of all taxes and special assessments of every kind, now or hereafter levied against said property, or any part thereof, before same become delinquent, without notice or demand; and shall procure and deliver to said Mortgagee, on or before the due date for second installment thereof each year, duplicate receipts of the proper officers for the payment of all such taxes and assessments then due.

3. INSURANCE. Mortgagors shall keep in force insurance, premiums therefor to be prepaid without notice or demand, against loss by flood, fire, tornado and other hazards, casualties and contingencies as Mortgagee may require on personal property, as herein referred to, and on all buildings and improvements on said premises in an amount not less than the full insurable value of such personal property and improvements, or not less than the unpaid balance herein, whichever amount is smaller, with such insurance payable to Mortgagors and Mortgagee, as their interests may appear. Mortgagors shall promptly deposit such policies or copies thereof if held by the first Mortgagee with proper riders with the Mortgagee.

4. REPAIRS TO PROPERTY. Mortgagors shall keep the buildings and other improvements on said premises in as good repair and condition, as same may now be, or are hereafter placed, ordinary wear and tear only excepted; and shall not suffer or commit waste on or to said security.

5. ADVANCES OPTIONAL WITH MORTGAGEE. It is expressly understood and agreed that if the insurance above provided for is not promptly effected, or if the taxes or special assessments assessed against said property shall become delinquent, Mortgagee may (but need not) effect the insurance above provided for, and need not, but may and is hereby authorized to pay said taxes and special assessments (irregularities in the levy or assessment of said taxes being expressly waived) and add said sum to the balance of the indebtedness secured by this Real Estate Mortgage Agreement.

6. PROVISIONS ON REVERSE. THIS INDENTURE SPECIFICALLY INCLUDES ALL OF THE ADDITIONAL PROVISIONS SET FORTH ON THE REVERSE SIDE HEREOF (PARAGRAPHS 7 THROUGH 13), THE SAME BEING INCORPORATED HEREBY BY REFERENCE.

7. ACCELERATION OF MATURITY AND RECEIVERSHIP. If Mortgagors fail to make payment of said Note or any part of the interest thereon within ten days of the time required or fail to observe any covenant of the said Note or of the transaction evidenced by this Agreement, breach of which materially impairs the condition, value or protection of or the Mortgagee's right in the security or materially impairs the Mortgagor's prospect to pay amounts due on the said note, the Mortgagor shall be in default and Mortgagee may proceed to enforce his rights by notice and otherwise as provided by law. Upon expiration of the minimum applicable legal period to cure default, then, at the option of the Mortgagee, said note and the whole of the indebtedness secured by this mortgage, including all payments for taxes, assessments or insurance premiums, shall become due and shall become collectible at once by foreclosure or otherwise after such default or failure, and at any time after the commencement of an action in foreclosure, or during the period of redemption, the court having jurisdiction of the case shall, at the request of the Mortgagee appoint a receiver to take immediate possession of said property, and of the rents and profits accruing therefrom, and to rent or cultivate the same as he may deem best for the interest of all parties concerned, and shall be liable to account to said Mortgagors only for the net profits, after application of rents, issues and profits upon the costs and expenses of the receivership and foreclosure and the indebtedness, charges and expenses hereby secured and herein mentioned.

8. SHORT PERIOD REDEMPTION. The Mortgagor hereby grants to the Mortgagee, the right to elect the short period redemption as provided by Section 628.26 and 628.27 of the Code of Iowa.

9. DEFAULT ON FIRST MORTGAGE. The Mortgagee shall have the right, but shall not be obligated, to cure any default of the Mortgagor under the first mortgage and recover immediately from the Mortgagor the amount so expended. All monies so paid shall be added to the balance of the indebtedness secured by this real estate mortgage agreement.

10. ALTERATION OF FIRST MORTGAGE. The Mortgagor will not increase the amount presently owed to the first Mortgagee, if any.

11. DEFINITION OF TERMS. Unless otherwise expressly stated, the word "Mortgagors" as used herein, includes successors in interest of such "Mortgagors"; the word "Mortgagee", as used herein, unless otherwise expressly stated includes the successors in interest 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 acknowledgment hereof.

12. THE ADDRESS OF THE MORTGAGEE IS 7611 Douglas Avenue, Suite 32,
(Street and Number)

Des Moines, Iowa 50322
(City) (State) (Zip Code) (See last sentence of Section 447.9 Code of Iowa)

13. ADDITIONAL PROVISIONS. The following additional provisions are hereby incorporated herein:
(INSERT DUE DATE OR DUE DATES IF DESIRED) The principal obligation herein, the one promissory note above referred to is payable $_____ on _____ and $_____ on _____

IN WITNESS WHEREOF, said Mortgagors have hereunto set their hands the day and year first above written.

NOTICE TO MORTGAGOR: 1. Do not sign this paper before you read it. 2. You are entitled to a copy of this paper. 3. You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned charges in accordance with law. 4. If you prepay the unpaid balance, you may have to pay a minimum charge not greater than seven dollars and fifty cents.

John D. Osberg
Vicky Osberg
Mortgagors

STATE OF IOWA, Polk COUNTY, ss:

On this 23rd day of December, A. D. 19 85, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared John D. and Vicky Osberg, husband and wife

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.

JOLENE PETERS MY COMMISSION EXPIRES 1/17/87

Jolene Peters, Notary Public in and for the State of Iowa

IOWA MORTGAGE
No. 1351
MORTGAGE
From
To

Filed for record the 2 day of January A. D. 19 86 10:14 o'clock A M., and recorded in Book 144 of Mortgages on page 590 of Madison County Records.
Mary E. Welty Recorder
By _____ Deputy

WHEN RECORDED RETURN TO
Thorp Credit
PO Box 7597
D M 50322