COLLATERAL ASSIGNMENT OF LEASE

THIS COLLATERAL ASSIGNMENT OF LEASE (this "Assignment") is given the 12 day of November, 1991, by R. C. HUMMEL also known as ROBERT C. HUMMEL, whose address is P. O. Box BB, Greeley, Colorado 80632 ("Assignor"), to THE COLORADO NATIONAL BANK OF DENVER, a national banking association, whose address is 918 17th Street, Denver, Colorado 80202 ("Assignee").

RECITALS

A. Assignor is the owner of the real property located at 1117 West Main, Manchester, Iowa and legally described as: ~~X~~ That part of the South one-half of the Southeast Quarter (SE¼) of Section Thirty (30) Township Eighty Nine (89) North, Range Five (5) West of the Fifth Principal Meridian described as commencing at the Southwest corner of the Southeast Quarter and running thence North * Such real property, together with all improvements now or hereafter located thereon and all appurtenances thereto, is referred to herein as the "Property".

B. Assignee has loaned Assignor the sum of $260,000.00 (the "Loan") pursuant to that certain Letter Agreement dated November 12, 1991, and effective November 30, 1991 (the "Agreement"). Assignor has executed his promissory note (the "Note") dated November 30, 1991, payable to the order of Assignee in the original principal amount of $260,000.00 as evidence of the indebtedness created by the Loan.

C. Assignor has entered into a lease of the Property to Parker Livestock Supply*Iowa, a division of Lextron, Inc. ("Lessee"), dated October 1, 1991 (the "Lease").

For Release, See Book 3000
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ASSIGNMENT

NOW, THEREFORE, to induce Assignee to make the Loan, as a partial source of repayment of the Loan, and as additional security for the payment and performance of all obligations of Assignor to Assignee evidenced by or referred to in the Note and Agreement, whether now existing or subsequently incurred, Assignor hereby undertakes and agrees as follows:

1. Assignment of Lease. Assignor hereby assigns to Assignee all of Assignor's right, title and interest in the Lease. This Assignment shall remain in full force and effect as long as any of the Assignor's obligations under the Note and Agreement remain unperformed or executory, or any indebtedness evidenced thereby remains unpaid, but shall terminate and be of no further effect when Assignor has fully performed all such obligations and the indebtedness evidenced thereby has been paid in full.

2. Assignee's Right of Possession. At any time after the occurrence of any default under the Note and Agreement, Assignee may, at its option and without any obligation to do so, enter and take possession of the Property and perform all acts necessary for the operation and maintenance thereof and the enforcement of all of Assignor's rights and remedies under the Lease in the same manner and to the same extent as Assignor could do the same things. The net income derived under the Lease, after payment of all proper costs and charges (including any loss or damage of the nature referred to in paragraph 4 hereof,

*89° 59' East One thousand three hundred twenty (1320) feet along the South line of the the Southeast Quarter thence North North 0° 01' West Six hundred twenty seven (627) feet thence North 88° 49' 30" West two hundred thirty seven and one-tenth (237) feet, thence South 0° 50' 40" East six hundred thirty two (632) feet to the point of beginning.

FILE No. 177-2861
RECORDING FEE $ 15.00
TRANSFER FEE $

FILED FOR RECORD THE 6 DAY OF April, 19 92 AT 12:47 O'CLOCK P M. BOOK 3 PAGE 36

STATE OF IOWA, DELAWARE COUNTY
Jane A. Lloyd, Recorder
Misc.

and including reasonable attorneys' fees and other costs of collection) shall be applied to any sums then due Assignee under the Note and Agreement, in such order as Assignee may elect, but Assignee will in no event be accountable for any sums not actually received by Assignee pursuant to this Assignment.

3. Direction to Lessee. Assignor hereby irrevocably agrees and directs that the Lessee under the Lease shall, upon demand and notice from Assignee that Assignor is in default, under the Note and Agreement, pay all rents, income and profits to Assignee, without liability on the part of Lessee for determining the validity or propriety of Assignee's notice or the existence of such default, and notwithstanding any claim by Assignor that Assignee's notice and demand is invalid or improper. Assignor will have no claim against Lessee for any rents or other sums paid by Lessee to Assignee.

4. Limitation on Assignee's Duties; Indemnification. Prior to Assignee's actual entry and taking possession of the Property, this Assignment shall not operate to place responsibility upon Assignee for the condition, safety, control, care, management, or repair of the Property. Nothing contained herein shall be construed to bind Assignee at any time to the performance of any of the terms or provisions in the Lease, or otherwise to impose any obligation on Assignee. Assignor agrees to indemnify and hold Assignee harmless from any and all claims, demands, liens, losses, costs, damages, expenses (including, without limitation, attorneys' fees and costs of litigation) and liabilities of any kind or character which Assignee may suffer or incur under the Lease or under or by reason of this Assignment, provided, however, that Assignor's indemnification does not extend to claims or demands which are attributable solely to Assignee's gross negligence or wilful misconduct.

5. Waivers. No waiver by Assignee of any default by Assignor under this Assignment or under the Note and Agreement or of any right to enforce this Assignment, nor any delay in or deferral of such enforcement, shall operate as a waiver of any other right or rights of Assignee under the Note and Agreement, under this Assignment, or provided by law, or as a waiver of the same default on any future occasions, or of the right to enforce this Assignment upon any future default. Any waiver must be set forth in writing, executed by Assignee, to be effective against Assignee.

6. Reassignment by Assignee. Assignee may assign all or part of Assignor's right, title, and interest in the Lease to any subsequent holder, owner, co-owner or participant of or in the Note and Agreement, or to any person who acquires title to the Property through foreclosure or otherwise.

7. Binding Effect. The provisions of this Assignment shall bind and benefit the parties hereto and their respective successors and permitted assigns.

8. Applicable Law. This Assignment shall be construed in accordance with and enforced under the laws of the State of Colorado.

Signed and delivered as of the date first above written.

X R C Hummel
R. C. Hummel also known as
Robert C. Hummel

STATE OF COLORADO)
) ss.
COUNTY OF X Weld)

The foregoing instrument was acknowledged before me this X 12 day of November, 1991, by R. C. Hummel also known as Robert C. Hummel.

My commission expires: X 1-30-95

Witness my hand and official seal.

X Bonnie Kay Sowder
Notary Public
BONNIE KAY SOWDER

