ASSIGNMENT OF A SELLER'S INTEREST
IN A REAL ESTATE CONTRACT

IT IS AGREED between Thomas J. Short and Judy Ann Short
Rural Route # 5
Manchester, Iowa 52057 (Assignor),
and Farmers & Merchants Savings Bank, Manchester, Iowa
(Assignee Bank), as follows:

Words and phrases in this Assignment shall be contrued as in the singular number.

On January 4, 1993 the Assignor entered into a Real Estate Contract as the Seller and Russell L. Reth and Dianne M. Reth was the Buyer of the following described real estate:

The Southwest Quarter (SW¼) of the Northeast Quarter (NE¼), and the South one-half (S½) of the Northwest Quarter (NW¼) in Section Twenty Eight (28), Township Eighty Eight (88) North, Range Six (6), West of the Fifth P.M., except the West five hundred sixty one (561) feet of the South seven hundred seventy six (776) feet of the Southwest Quarter (SW¼) of the Northwest Quarter (NW¼) in Section Twenty Eight (28), Township Eighty Eight (88) North, Range Six (6), West of the Fifth P.M.

The Contract was filed for record in the office of the DELAWARE County Recorder in book 130 at page 321 on January 6, 1993.

1. CONSIDERATION AND ASSIGNMENT.

a. The Assignee Bank has loaned to the Assignor the amount of One Hundred Thirty Thousand and No/100 ---------- dollars ($ 130,000.00) for the purpose of refinancing land to sell on contract. The loan has been made by a promissory note or notes numbered 92592 dated December 18, 1992, and referral should be made to that note or notes and allied documents for additional details.

b. In consideration of the above, plus one dollar and other good and valuable consideration, the Assignor assigns all right, title, and interest in the above referenced Contract to the Assignee Bank. The purpose of this Assignment is to convey security or additional security to the Assignee Bank for amounts owed and for any future loans. The Assignor shall repay amounts owed as required by the promissory note or notes. The Assignor shall continue to receive the Contract payments.

2. TITLE.

a. The Assignor warrants that the Assignor holds legal title to the real estate and a Seller's interest in the above described Contract; that the Assignor has legal authority to assign the above referenced Contract and give a security interest in the payments to be received; that the Seller's interest in the Contract and in the title to the real estate is free and clear of all liens and encumbrances; and that the Assignor will defend his interest in the real estate and the Contract against all claims.

b. The Assignor warrants that the Contract permits this Assignment or that the Contract buyers acquiese to this Assignment. In any event, the Assignor shall provide a copy of this Assignment to the Contract sellers.

3. RELINQUISHMENT OF RIGHTS. Each of the undersigned Assignors relinquishes all rights of dower, homestead, distributive share, and all rights of exemption in the real estate, fixtures, and personal property.

4. JOINT TENANCY IN PROCEEDS. If the Assignor immediately preceding this sale holds the title to the real estate in joint tenancy, this Assignment shall not constitute a destruction of that joint tenancy.

5. PAYMENT OF INDEBTEDNESS. The Assignor shall pay the indebtedness due under the above described promissory note or notes and this Assignment, and shall pay all future indebtedness that the Assignee Bank may acquire against the Assignor during the existence of this Assignment. The total of all principal indebtedness that may be secured by this Assignment shall not exceed $ 130,000.00. A non-title holding spouse joining in this Assignment as Assignor has received consideration and shall also be liable for payment.

FILE No. 250-2045	FILED FOR RECORD THE 6 DAY OF	STATE OF IOWA, DELAWARE COUNTY
RECORDING FEE $ 15.00	Jan 19 93 AT 4:10	Deborah L. Peyton, Recorder
TRANSFER FEE $	O'CLOCK P. M. BOOK 130 PAGE 322	LD

6. CARE OF PROPERTY. The Assignor shall assure that the Contract Buyer or the Assignor:

a. Makes all payments on the above referenced Contract on or before the due dates.

b. Keeps the real estate, fixtures, and personal property in the above described real estate in good repair and, if the real estate is farm land, to keep it in a proper state of cultivation. Assures that the Buyer neither commits nor permits waste upon the real estate, fixtures, or personal property.

c. Pays all taxes and assessments upon the real estate, fixtures, and personal property, before they become delinquent.

d. Maintains insurance on the real estate, fixtures, and personal property, in an amount not less than the full insured value of that property, against loss by fire, tornado, and other hazards, casualties, and contingencies. The Assignor shall deliver proof of coverage and proof of renewal of coverage to the Assignee Bank. In the event of insurable damage, the Assignee Bank may collect, adjust, or compromise any loss under the insurance policies to restore and repair the damaged property. In any event, proceeds shall stand as security for the balance of the indebtedness due under this Assignment.

e. Does not breach any other provisions of the above referenced Contract.

7. DEFAULT AND REMEDIES.

a. BUYER'S DEFAULT. If the Assignor's Buyer defaults in regard to the above referenced Contract then the Assignor shall immediately take forfeiture action against the Buyer.

b. PROTECTIVE DISBURSEMENTS. The Assignee Bank may, WITHOUT NOTICE to the Assignors, pay any due or delinquent Contract payments, taxes, assessments, and insurance regarding the Contract. All sums advanced shall be payable by the Assignor on demand or may, at the election of the Assignee Bank, WITHOUT NOTICE to the Assignor, be added to the principal amount due on this Assignment. The Assignor shall pay interest to the Assignee Bank at the default rate shown on the promissory note.

c. ACCELERATION OF MATURITY. If default is made on the payment of the indebtedness secured by this Assignment, if the Assignor fails to comply with any other condition of this Assignment, if default is made in regard to the above referenced Contract by either the Assignor or the Assignor's buyer, or if the Assignor fails to give immediate notice to the Assignee Bank of any legal or equitable action against the Assignor in regard to the above referenced contract, then the indebtedness secured by this Assignment (including real estate contract payments, taxes, assessments, insurance premiums, abstracting costs, and reasonable attorney fees) shall at the option of the Assignee Bank, become immediately due and collectible at once by foreclosure or otherwise, WITHOUT NOTICE to the Assignor. The Assignee Bank may immediately take receipt of all payments due under the above referenced Contract and apply them to the Assignor's debt, WITHOUT NOTICE to the Assignor. The indebtedness shall then bear interest at the default rate shown on the promissory note or notes.

d. FORECLOSURE.

(1). The Assignee Bank may, after the Assignor defaults in regard to this Assignment, WITHOUT NOTICE to the Assignor, sue at law or in equity to foreclose this Assignment. The Assignee Bank may also exercise the options permitted by Section 554.9501(4) of the Code of Iowa.

(2). If the Assignor fails to take immediate foreclosure action after the Contract buyer defaults in regard to the above referenced Contract, then the Assignee Bank may give the Assignor a written twenty (20) day demand, sent by ordinary mail to the Assignor's last known address, to take foreclosure action. If the Assignor does not take foreclosure action within the twenty day period, then the Assignee Bank may take such forfeiture action against the Contract buyer for the Assignor.

e. ABSTRACT. In the event of default by the Assignor, the Assignee Bank may, at the Assignor's expense, procure and updated abstract of title of the real estate.

f. ATTORNEY FEES. In the event of any action to collect any sums payable according to this Assignment or the above described Contract, to protect the lien of the Assignee Bank, or in any other case permitted by law, the Assignor shall reimburse the Assignee Bank for reasonable attorney fees.

g. FOREFEITURE.

(1). The Assignee Bank may proceed, after the Assignor defaults in regard to this Assignment, to forfeit and cancel this Assignment as if it were a real estate contract under Chapter 656, Iowa Code, and all payments made to the Assignee Bank shall be forfeited, and the Assignee Bank shall assume the status of vendor in regard to the above referenced Contract. The Assignor shall then transfer legal title to the above referenced real estate to the Assignee Bank by giving the Assignee Bank a Quit Claim Deed.

(2). If the Assignor fails to take immediate forfeiture action after the Contract buyer defaults in regard to the above referenced Contract, then the Assignee Bank may give the Assignor a written twenty (20) day demand, sent by ordinary mail to the Assignor's last known address, to take forfeiture action. If the Assignor does not take forfeiture action within the twenty day period, then the Assignee Bank may take such forfeiture action against the Contract buyer for the Assignor.

8. HEIRS AND ASSIGNS. The covenants and agreements contained in this Assignment shall benefit and be binding upon the parties and their respective heirs, personal representatives, successors, and assigns.

9. ASSIGNMENT. The Assignor shall not reassign this Assignment, for the reason that this Assignment serves as collateral for the above referenced loan. Prompt written notice shall be given, by ordinary mail, to the Assignor at the Assignor's last known address of any assignment by the Assignee Bank.

Thomas J. Short
Assignor Thomas J. Short

Judy Ann Short
Assignor Judy Ann Short

Dated: January 4, 1993

Assignee - Farmers & Merchants Savings Bank
Manchester, IA 52057

By: Gerald T Burke
Gerald T. Burke-Vice President

Dated: January 4, 1993

STATE OF IOWA, Delaware COUNTY, ss:

On this 4th day of January, 19 93, before me, the undersigned Notary Public, personally appeared Gerald T. Burke to me personally known, who being by me first duly sworn, did say that (he is - ~~she is~~ - ~~they are~~) the Vice president, (respectively,) of Farmers & Merchants Savings Bank; that ~~(no seal has been procured by the~~ - the seal affixed thereto is the seal of) said corporation; that the foregoing Assignment was signed (and sealed) on behalf of the corporation by authority of its Board of Directors; and that the above named officer acknowledged execution of said Assignment to be the voluntary act and deed of the corporation, by it and by (him - ~~her~~ - ~~them~~) voluntarily executed.

ROSEMARY DREES
My Commission Expires
1/30/93

Rosemary Drees
Notary Public in and for Iowa

STATE OF IOWA, Delaware COUNTY, ss:

On this 4th day of January, 19 93, before me, the undersigned Notary Public, personally appeared Thomas J. Short and Judy Ann Short to me known to be the identical person named in and who executed the foregoing Assignment, and acknowledged that they executed the same as their voluntary act and deed.

ROSEMARY DREES
1/30/93

Rosemary Drees
Notary Public in and for Iowa
Rosemary Drees