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Farm Credit Services
P.O. Box 349
Manchester IA
52057-0349

384-1013
DELAWARE COUNTY IOWA
FILED
'96 DEC 30 PM 4 15
6 PAGE 234
RECORDER
$41.00

Prepared by: Chris Jacobsen, Farm Credit Services of the Midlands, 206 S. 19th Street, Omaha, NE 68102, 402/348-3385

LEASE - BUSINESS PROPERTY

THIS LEASE is entered into this 27th day of December, 1996, by and between PROPERTY PARTNERS, L.L.C., Landlord, whose mailing address shall be 801 MAIN Street, Suite 2F, Keokuk, IA 52632 {Ph.#319/524-4847 * FAX# 319/524-5003}, and FARM CREDIT SERVICES OF THE MIDLANDS, PCA AND FLCA, Tenant, whose mailing address shall be 206 South 19th Street, Omaha, NE 68102-1745.

Landlord hereby leases to the Tenant, and the Tenant hereby leases from the Landlord in consideration of the rents and the mutual promises of the parties and upon the terms, provisions and conditions contained herein, the building or a portion thereof situated on the premises described as:

SEE EXHIBIT "B"
Office space located within the Farm Credit Building located at 907 West Main, Manchester, IA 52057-1522 and existing space in the outside sign presently utilized by Tenant.

which premises may be more particularly diagrammed in Exhibit "A" attached hereto, together with all accesses.

1. LEASE PERIOD. The duration of this Lease shall be from the 1st day of January, 1997, to and including the 31st day of December, 2001.

2. RENT. Tenant agrees to pay to Landlord as rent for said term as follows: $1,006.83 per month, in advance, commencing on the 1st day of January, 1997, and on the 1st day of each month thereafter, during the term of this Lease. All sums above shall be paid to the Landlord at the address of Landlord as above designated, or at such other place as the Landlord shall designate in writing.

3. RIGHT TO SUBLET. Notwithstanding, Tenant shall have the right without Owner consent to sublease the leased premises for business alliances. However, such sublease shall not relieve Tenant of any obligation set forth herein.

4. USE. Tenant shall use said premises only for its business office space. Tenant shall comply with all lawful regulations, restrictions, ordinances and laws applicable to the purpose, use and occupancy of said premises; shall not permit said premises to be occupied for any purpose or permit any act which shall invalidate any policy of insurance on said premises or increase the fire hazard, and shall pay promptly to Landlord any increase in rate of insurance on the premises resulting from Tenant's occupancy or act. Tenant shall not permit smoking of cigars, cigarettes, pipes or other lighted smoking equipment within the building and in the leased space except in smoking areas to be designated by Landlord.

5. USE OF PARKING AREA. Tenant shall have non-exclusive use of the parking area and sidewalk adjacent to the building to be shared with Landlord and/or other tenants. Repair, maintenance and illumination shall be at Landlord's expense.

6. CARE OF PREMISES. Tenant agrees to keep the property in a clean, safe and sanitary condition, including the cleaning of all windows, to repair or replace any fixtures or premises broken, damaged destroyed, clogged or frozen (other than by situations not caused by Tenant's negligence), including replacement of light bulbs and maintenance of exit signs, and shall surrender possession of said premises to the Landlord in as good repair and condition as the same are now, or may hereafter be placed (ordinary wear and tear, non-negligent damage by fire or the elements excepted) at the expiration of this Lease. Tenant shall not do or permit the following: allow the premises to be destroyed by any act or negligence of the tenant or of any person on the premises by permission of the Tenant; allow any unlawful use of the premises; or do or cause to be done any remodeling, without Landlord's written consent.

7. FIXTURES AND IMPROVEMENTS. Tenant shall leave upon and surrender to the Landlord with the premises at the termination of the Lease all locks, brackets for curtains, and other fixtures attached to doors, windows or woodwork, and all alterations, additions or improvements made by Tenants. The DTN satellite dish attached to the roof shall remain the property of Tenant and may be removed by Tenant upon expiration of the lease.

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8. RIGHT TO ENTER. Tenant shall allow the Landlord, its agents or workmen at reasonable times upon reasonable notice, to enter the premises to inspect the same, make repairs or improvements, or show the property to persons desirous of leasing or purchasing. Landlord shall have the right to enter upon and into said premises, if in good faith it does so, in the absence or apparent absence of Tenant to meet an apparent emergency.

9. UTILITIES AND SERVICES. Tenant, during the term of this lease, shall pay, before delinquency, all charges for use of telephone, janitorial services, garbage/trash disposal and other utility services which are not available on a building wide basis and are limited to only Tenant's premises.

Landlord shall pay during the term of this Lease all charges for electricity, water sewer, gas, heat, and air-conditioning, and Tenant shall reimburse Landlord in accordance with the reimbursement schedule noted below.

Reimbursement to Landlord shall be a payment by Tenant equal to nineteen (19%) percent of Landlord's reimbursable expenses commencing January 1, 1997, until the end of this Lease. Reimbursement shall be paid by Tenant within seven (7) business days of Landlord's billing.

Non-reimbursable expenses which Landlord shall assume shall be those for janitorial services for the restrooms and common areas, paper products for the restrooms and other restroom supplies, pest control, lawn care, snow removal, landscape maintenance (and improvements), and miscellaneous minor repairs and maintenance to the building, repair and replacement of air conditioning systems, heating systems, wiring, and structural parts of the building or any of its parts, exclusive of interior areas controlled by Tenant.

10. TAXES. Landlord shall pay all real property taxes with respect to the personal property and real property owned by Landlord. Tenant shall pay all personal property taxes regarding personal property owned by Tenant.

11. NO ORAL CHANGES. No statement, representation or promise with reference to this Lease or the premises leased, or any repairs, alterations or improvements or the change in the terms of this Lease shall be binding upon either of the parties unless in writing and signed by both Landlord and Tenant.

12. MECHANIC'S LIENS. Neither the Tenant nor anyone claiming by, through, or under the Tenant, shall have the right to file or place any mechanic's lien or other lien of any kind or character whatsoever, upon said premises or upon any building or improvement thereon, or upon the leasehold interest of the Tenant therein, and notice is hereby given that no contractor, subcontractor, or anyone else who may furnish any material, service or labor for any building, improvements, alterations, repairs or any part thereof, shall at any time be or become entitled to any lien thereon, and for the further security of the Landlord, the Tenant covenants and agrees to give actual notice thereof in advance, to any and all contractors and subcontractors who may furnish or agree to furnish any such material, service or labor.

13. LANDLORD'S LIEN AND SECURITY INTEREST. Said Landlord shall have, in addition to any lien given by law, a security interest as provided by the Uniform Commercial Code of the state in which the premises are located, upon all personal property and all substitutions therefore, kept and used on said premises by Tenant. Landlord may proceed at law or in equity with any remedy provided by law for the recovery of rent, or for termination of this Lease because of Tenant's default in its performance.

14. NOTICE AND DEMANDS. Notices as provided for in this Lease shall be given to the respective parties hereto at the respective addresses designated on page one of this Lease unless either party notifies the other, in writing, of a different address. Without prejudice to any other method of notifying a party in writing or making a demand or other communication, such message shall be considered given under the terms of this Lease when sent, addressed as above designated, postage prepaid, by registered or certified mail, return receipt requested, by the United States mail and so deposited in a United States mail box.

15. DESTRUCTION OF BUSINESS USE. If, during the terms of this Lease, the building or premises shall be destroyed by fire, the elements or other casualty, or taken by eminent domain, or condemned or partially destroyed, so as to render the premises wholly unfit for occupancy, and if they shall be so badly damaged that they cannot be repaired within one-hundred twenty (120) days from the date of the damages, this

Lease shall cease and be of no further force and effect from the date of such damage. Tenant shall immediately surrender said premises and rent shall be adjusted to the time of such surrender. If said premises shall be repairable within one-hundred twenty (120) days from the happening of said damage, the rent shall not accrue while the repairs are being made but shall recommence immediately after said repairs have been completed. In case of termination of the Lease under this numbered paragraph, the Landlord may re-enter and repossess said premises discharged of the Lease and may remove all parties therefrom. If, however, said premises shall be so slightly damaged by fire or the elements as not to be rendered unfit for occupancy, then the Landlord shall promptly repair the same and the rent accrued or accruing shall not cease or be terminated by reason of said damage.

Landlord shall settle and adjust any claim against any insurance company under its said policies of insurance for the premises, and said insurance monies shall be paid to and held by the Landlord to be used in payment for costs of repairs or restoration of damaged building, if the destruction is only partial.

16. INDEMNITY AND LIABILITY INSURANCE. Neither party shall be responsible for any acts, omissions, or negligence of the other party constituting a breach of this Lease, and each party agrees to hold the other harmless from any and all loss, costs, damages and expenses arising out of such acts, omissions, or negligence of the other. The Tenant further covenants and agrees that it will at its own expense, procure and maintain casualty and liability insurance in a responsible company or companies authorized to do business in the State in which the premises are located, in amounts not less than $100,000.00 for any one person injured, and $500,000.00 for any one accident, and with the limits of $25,000.00 for property damaged, protecting the Landlord against such claim, damages, costs or expenses on account of injury to any person or persons, by reason of such casualty, accident or other happening on or about the demised premises during the term thereof. Certificates of copies of said policies, naming the Landlord, and providing for fifteen (15) days' notice to the Landlord before cancellation shall be delivered to the Landlord within twenty (20) days from the date of the beginning of the term of this Lease.

17. DEFAULT OR BREACH. Each of the following events shall constitute a default or breach of this Lease by Tenant:

(a) If Tenant fails to pay Landlord any rent or additional rent when due hereunder; or

(b) If Tenant fails to perform or comply with any other term or condition of this Lease and if such nonperformance shall continue for a period of ten (10) days after notice thereof by Landlord to Tenant, time being of the essence.

18. EFFECT OF DEFAULT. In the event of any default or breach hereunder, in addition to any other right or remedy available to Landlord, either at law or in equity, Landlord may exert any one or more of the following rights:

(a) Landlord may re-enter the premises immediately and remove the property and personnel of Tenant, and shall have the right, but not the obligation, to store such property in a public warehouse or at a place selected by Landlord, at the risk and expense of Tenant.

(b) Landlord may retake the premises and may terminate this Lease by giving written notice of termination to Tenant. Without such notice, Landlord's retaking will not terminate the Lease. On termination, Landlord may recover from Tenant all damages proximately resulting from the breach, including the cost of recovering the premises and the difference between the rent due for the balance of the Lease term, as though the Lease had not been terminated, and the reasonable rental value of the premises, which sums shall be immediately due Landlord from Tenant.

(c) Landlord may relet the premises or any part thereof for any term without terminating this Lease, at such rent and on such terms as it may choose. Landlord may make alterations and repairs to the premises. In addition to Tenant's liability to Landlord for breach of this Lease, Tenant shall be liable for all expenses of the reletting, for any alterations and repairs made, and for the rent due Landlord from Tenant. The amount due Landlord will be reduced by the rent received by Landlord during the remaining term of this Lease from reletting the premises or any part thereof.

19. SURRENDER - HOLDING OVER. Tenant shall, upon termination of this Lease, whether by lapse of time or otherwise, peaceably and promptly surrender the premises to Landlord. If Tenant remains in possession after the termination of this Lease, without a written lease duly executed by the parties, Tenant shall be deemed a trespasser. If Tenant pays and Landlord accepts, rent for a period after termination of this Lease, Tenant shall be deemed to be occupying the premises only as a tenant from month to month, subject to all the terms, conditions, and agreements of this Lease.

20. OPTION TO EXTEND. Tenant shall have the right, to be exercised as hereafter provided, to extend the term of this Lease for 4 additional 5 year periods on the following terms and conditions:

(a) Such additional 5 year period shall be on the same terms, covenants, and conditions as provided in this Lease, except that the amount of rent to be paid to Landlord by Tenant shall be determined in accordance with this provision.

(b) At least 60 days prior to the expiration of the initial term, Tenant shall notify Landlord in writing of its election to extend the term of this Lease for the additional 5 year period.

(c) On the giving of such notice of election, this Lease, subject to the terms of this provision, shall be deemed to be extended and the term thereof extended for a period of 5 years from the date of the expiration of the initial term, without the execution of any further lease or instrument.

(d) The amount of rent to be paid by Tenant during the extended 5 year period shall be the market rental value for the premises determined as follows: The parties shall agree in writing on the rent to be paid during such extended term, if they are able to do so. If, within thirty days after the exercise of this option by Tenant, the parties are still unable to agree on the rent to be paid, then Landlord or his successor within ten days shall in writing appoint an appraiser, and Tenant or his successor within ten days shall in writing appoint an appraiser, and the two appraisers so appointed shall determine the rent to be paid for the five year extended term. If, within ten days, the two appraisers so appointed are unable to agree on such rent, they shall in writing immediately appoint a third appraiser, and the majority of the three so appointed shall determine the rent. If either of the parties fails or refuses to appoint an appraiser within the time aforesaid or within ten days after new appraisers should be appointed by the parties as next provided, the other party shall appoint both appraisers who shall determine the amount of the rent. If the appraisers so appointed are unable to agree within the time aforesaid, and then fail or refuse to appoint a third appraiser as aforesaid, or if they appoint a third within that time, but a majority of the three refuse or are unable to agree within ten days, then the parties within ten days thereafter shall each in writing appoint a new appraiser and the two so selected shall determine the rent, or if they are unable to do so, they shall appoint a third appraiser as aforesaid, and the majority of the three so appointed shall determine the rent. This process of appointing and re-appointing appraisers shall be continued within the time and in the manner aforesaid until either the parties themselves or appraisers for them determine the amount of the rent. The appraisers shall then reduce to writing and deliver to each party a statement of the amount of rent fixed.

21. LANDLORD'S FAILURE TO REPAIR AND MAINTAIN. Landlord agrees to maintain the building, sign, sidewalks and parking lot in good condition during the term of this lease. If Landlord fails to perform its obligations to repair and maintain the premises, Tenant may at its option (but shall not be required to do so) put the premises in good order, condition, and repair, or otherwise cure the default. The cost of any such action, plus ten percent (10%) of such cost, shall be deducted from rent due Landlord commencing with Tenant's next rental installment.

22. TENANT'S RIGHT OF FIRST REFUSAL TO PURCHASE PREMISES. If at any time during the term of this lease agreement Landlord shall receive from any third party a bona fide offer to purchase the premises at a price and on terms acceptable to Landlord, Landlord shall give written notice of the price and terms to Tenant, and Tenant shall have thirty (30) days thereafter in which to execute a written agreement with Landlord for the purchase of the premises at that price and on those terms. If Landlord shall so notify Tenant and Tenant shall fail to execute such agreement within the thirty (30) day period, Landlord shall thereafter be free to sell the property to the third party making the offer on the same terms and conditions set forth in the offer. If the property is so sold to such party, then all rights of Tenant under this section shall promptly terminate. If the property is not sold to the party making the offer, then Landlord shall give Tenant the same right to purchase the property on receiving any subsequent offer from any third party that is acceptable to Landlord; provided, however, that nothing contained in this section shall in any way limit the right of Landlord to transfer or convey the premises on the dissolution of Landlord or otherwise, for nominal or no consideration, and Tenant shall have no right to purchase the property in the event of a transfer or conveyance made for this purpose.

23. SUBORDINATION/NON-DISTURBANCE/ATTORNMENT.

(a) This lease agreement, at Landlord's option, shall be subordinate to any

mortgage, deed of trust, or other hypothecation for security now or hereafter placed upon the real property of which the premises are a part, and to any and all advances made on the security thereof, and to all renewals, modifications, consolidations, replacements, and extensions thereof. In spite of such subordination, Tenant's right to quiet possession of the demised premises shall not be disturbed if Tenant is not in default and so long as Tenant shall pay the rent and observe and perform all of the provisions of this lease agreement, unless this lease agreement is otherwise terminated pursuant to its terms. If any holder of such mortgage, deed of trust, or other hypothecation for security shall elect to have this lease agreement prior to its lien and shall give written notice to that effect to Tenant, this lease agreement shall be deemed prior to such mortgage, deed of trust, or other hypothecation for security, whether this else agreement is dated prior or subsequent to such mortgage, deed of trust, or other hypothecation for security, or the date of recording such instrument. Landlord shall be obligated to obtain a non-disturbance agreement from any present or future mortgagee in favor of Tenant.

(b) Tenant also agrees to execute any documents required to effectuate such subordination or to make this lease agreement prior to the lien of any mortgage, deed of trust, or other hypothecation for security, as the case may be. Failing to do so within thirty (30) days after written demand shall make, constitute, and irrevocably appoint Landlord as Tenant's attorney-in-fact and in Tenant's name, place, and stead to so act.

(c) Upon a foreclosure of any deed of trust or mortgage or execution of any deed in lieu of foreclosure, or declaration of Landlord's default under any hypothecation for security and demand by Landlord's successor, Tenant shall attorn to and recognize such successor as Landlord under this lease agreement.

24. OPTION TO LEASE ADDITIONAL SPACE. Landlord grants to Tenant an option to lease additional space in the building in the event space becomes available. This option may be exercised at any time prior to the expiration of this lease upon fifteen (15) days written notice to Landlord of Tenant's intention to exercise said option. In the event that Landlord enters into any written agreement for the lease of this space to a third party, Tenant shall be given a copy of said written agreement and shall have fifteen (15) days from receipt to decide whether Tenant wishes to exercise its option to lease. In the event Tenant does not choose to exercise this option within fifteen (15) days, Landlord may lease said space to said third party and this option shall become unenforceable.

This option to lease additional space, if exercised by Tenants, shall be under the same terms and conditions as this original Lease, except that Tenant agrees to pay to Landlord additional rent for the use of this space in the amount of (amounts as agreed) per month, in advance, commencing on possession.

25. RENOVATIONS. Tenant shall have the right, at its own expense, to make any alterations as are necessary to adapt the premises for the conduct of tenant's business, provided that such alterations are not structural changes to the exterior of the building and the plans and specifications are approved in writing by Landlord. Tenant may utilize any materials from alterations to incorporate them into new improvements and shall have access to mechanical and electrical runs in the building to alter them to adapt the premises to the conduct of Tenant's business. The changes and alterations necessary to so remodel the premises should be done in conformity with the building laws of the city of Manchester, Iowa. Landlord assumes no liability of any kind for such alterations to any contractor, subcontractor, laborer or materialmen. Such alterations shall become part of the leased premises and shall belong to Landlord at the expiration of this Lease.

26. MISCELLANEOUS.

(a) Binding on assigns. All terms, conditions, and agreements of this Lease shall be binding upon, apply, and inure to the benefit of the parties hereto and their respective heirs, representatives, successors, and assigns.

(b) Waiver - None. The failure of Landlord to insist upon strict performance of any of the terms, conditions and agreements of this Lease shall not be deemed a waiver of any of its rights or remedies hereunder and shall not be deemed a waiver of any subsequent breach or default of any of such terms, conditions, and agreement. The doing of anything by Landlord which Landlord is not obligated to do hereunder shall not impose any future obligation on Landlord nor otherwise amend any provisions of this Lease.

(c) Captions. The captions of the various paragraphs in this Lease are for convenience only and do not define, limit, describe, or construe the contents of

such paragraphs.

(d) Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State in which the premises are located. Landlord is an affirmative action employer in compliance with all applicable provisions of Executive Order 11246, the Rehabilitation Act of 1976 and all implementing rules, regulations and guidelines.

Landlord and Tenant each acknowledge receipt of a signed copy of this Lease.

PROPERTY PARTNERS, L.L.C.

By: Steven A. Haage, President
Steven A. Haage
President

LANDLORD

FARM CREDIT SERVICES OF THE MIDLANDS PCA AND FLCA

By: Kevin W. Kerns
Kevin W. Kerns
AVP, Fixed Asset Manager

TENANT

STATE OF NEBRASKA)
)ss
COUNTY OF DOUGLAS)

On this 24th day of December, 1996, before me, a Notary Public, personally appeared Kevin W. Kerns, being by me personally known, and duly sworn, did say that he is Assistant Vice President of the above corporations executing the foregoing instrument; ~~that the seal affixed to the instrument is the seal of the corporations;~~ that the instrument was signed ~~and sealed~~ on behalf of the corporations by authority of their board of directors; and acknowledged the execution of the instrument to be the voluntary act and deed of the corporations and him.

(SEAL) GENERAL NOTARY-State of Nebraska KRISTI K. NICHOLAS My Comm. Exp. Aug. 31, 2000

Kristi K. Nicholas
Notary Public in and for Said County and State

My commission expires 8-31-2000

STATE OF IOWA)
)ss
COUNTY OF Lee)

Farm Credit Services Of The Midlands, PCA CORPORATE Seal CHARTERED DEC. 31, 1985 OMAHA, NEB.

Farm Credit Services Of The Midlands, FLCA CORPORATE Seal CHARTERED SEPT. 30, 1993 OMAHA, NEB.

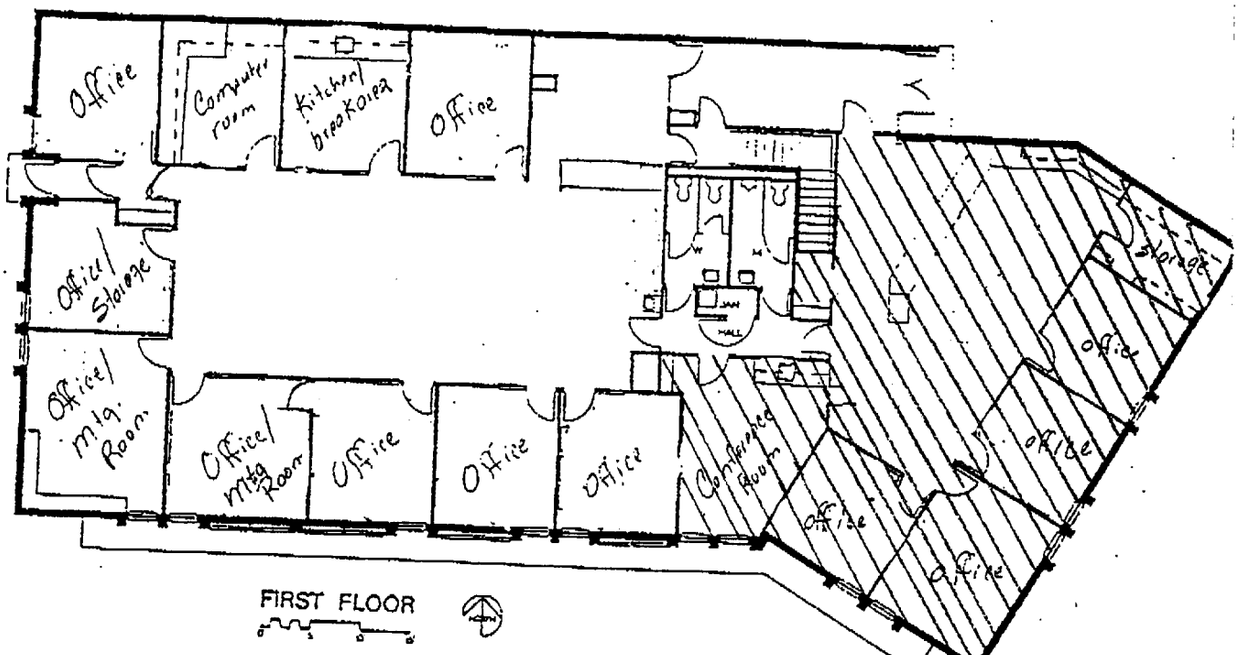
On this 27th day of December, 1996, before me, a Notary Public, personally appeared Steven A. Haage, being by me personally known, and duly sworn, did say that he is President of the above corporations executing the foregoing instrument; that the seal affixed to the instrument is the seal of the corporations; that the instrument was signed and sealed on behalf of the corporations by authority of their board of directors; and acknowledged the execution of the instrument to be the voluntary act and deed of the corporations and him.

(SEAL)

Ron Bergman
Notary Public in and for Said County and State
Ron Bergman

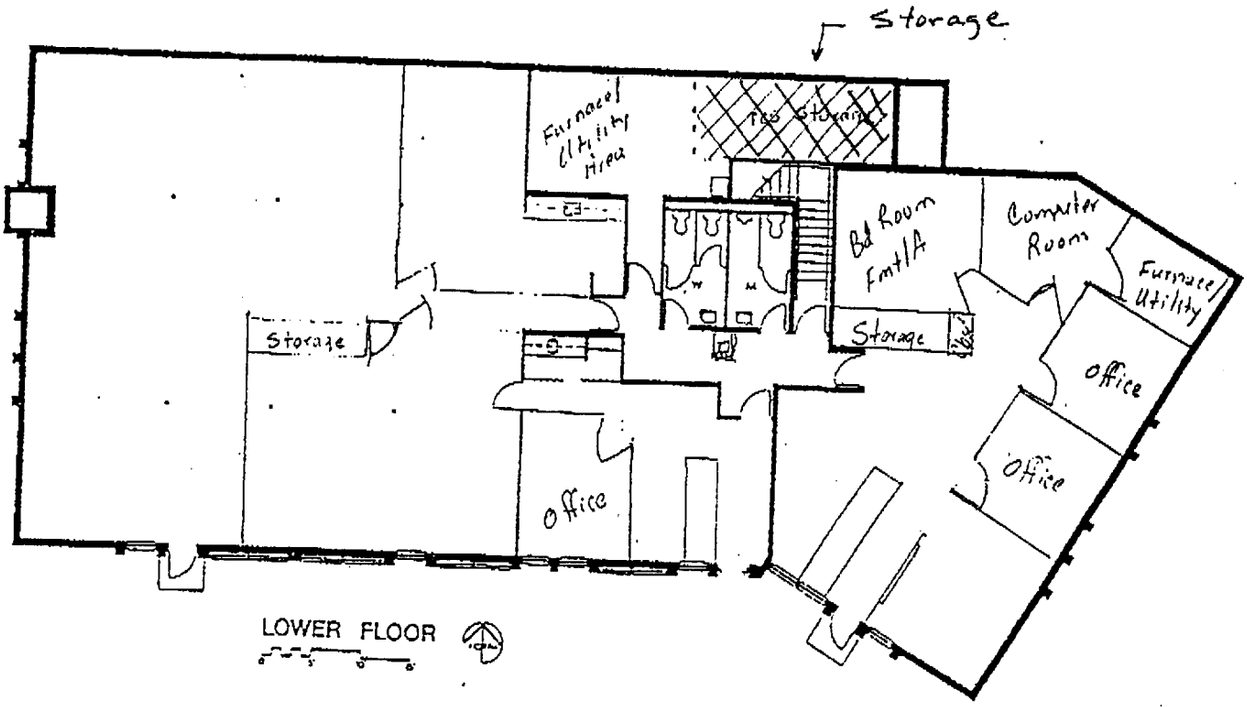
My commission expires 11-6-99.

Exhibit "A" - Manchester



FIRST FLOOR

2 FCSM office space



LOWER FLOOR

EXHIBIT "B"

The North ninety five (95.0) feet of Lot Four Hundred Seventy Eight (478), Lot Four Hundred Seventy Nine (479) except the South twenty (20.0) feet of the East fourteen (14.0) feet thereof, and Lots Four Hundred Eighty (480), Four Hundred Eighty One (481), Four Hundred Eighty Two (482), Five Hundred Six (506) and Five Hundred Seven (507), and the West fifty two (52.0) feet of Lot Five Hundred Eight (508), and that part of Ninth Street lying between Lots Four Hundred Eighty One (481) and Four Hundred Eighty Two (482), and the alley lying between the West fifty two (52.0) feet of Lot Four Hundred Seventy Nine (479) and the West fifty two (52.0) feet of Lot Five Hundred Eight (508), and the alley lying between Lots Four Hundred Eighty (480) and Four Hundred Eighty One (481) and Lots Five Hundred Six (506) and Five Hundred Seven (507) all being vacated lots, streets and alleys in the City of Manchester, Iowa; and a tract of land described as commencing at the Southwest corner of said Lot Four Hundred Eighty Two (482) and running thence South twenty (20.0) feet, thence East one hundred thirty two (132.0) feet to the Northwest corner of Lot Five Hundred Six (506), thence North twenty (20.0) feet to the Southwest corner of Lot Four Hundred Eighty One (481), thence West one hundred thirty two (132.0) feet to the point of beginning, all in the City of Manchester, Iowa,