DELAWARE COUNTY, IOWA
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BOOK 188 PAGE 1538
DEBORAH L. MYTON
DELAWARE CO. RECORDER
2000

(X) The Cooperative Finance Association, Inc., P.O. Box 7305, Kansas City, MO 64116

REAL ESTATE MORTGAGE

(With Future Advance Clause)

THIS MORTGAGE made this 24th day of June, 1998, between **Ryan Cooperative,** a corporation organized and existing under the laws of the state of Iowa, (hereinafter called the "Mortgagor") and The Cooperative Finance Association,Inc., a Kansas corporation, (hereinafter called "Mortgagee") whose post office address is 3315 North Oak Trafficway, Kansas City, Missouri 64116,

WITNESSETH

WHEREAS, the Mortgagor has applied for and the Mortgagee has heretofore approved loans to the Mortgagor in the original principal sum of Three Million Eight Hundred Fifty Thousand AND NO/100 DOLLARS ($3,850,000.00), as evidenced by the promissory note(s) given by Mortgagor to Mortgagee payable ON DEMAND as follows:

Date of Note	Principal Amount	Interest Rate
June 30, 1998	$2,500,000.00	8.50%
June 30, 1998	$1,000,000.00	8.50%
May 17, 1996	350,000.00	8.75%

NOTICE: This mortgage secures credit in the amount of $3,850,000.00. Loans and advances up to this amount, together with interest, are senior to indebtedness to other creditors under subsequently recorded or filed mortgages and liens.

This Mortgage is given to secure said note(s) and all renewals, extensions or refinancing of said note(s) or the indebtedness represented thereby, in whole or in part, and also all other indebtedness and/or liabilities of Mortgagor to Mortgagee, its successors or assigns, as may now be in existence or as may hereafter come into existence at any time prior to the release of record of this instrument; it being understood that Mortgagee may make future loans, increase advances or readvances to Mortgagor which shall be secured by this Mortgage. Provided however the maximum amount to be secured hereunder shall not exceed $5,775,000.00 outstanding at any one time as may, at the sole option and discretion of the Mortgagee, hereafter be advanced or readvanced by Mortgagee to Mortgagor prior to the 24th day of June, 2008.

NOW THEREFORE, THIS INDENTURE WITNESSETH;

That in order to secure the payment of said note(s) and interest thereon and to secure all renewals, extensions or refinancing of said note(s) or the indebtedness represented thereby, in whole or in part, and also all other indebtedness and/or liabilities of Mortgagor to Mortgagee, its successors or assigns, as may now be in existence or may hereafter come into existence at any time prior to the release of record of this instrument and to secure all future loans, increases advances and readvances, and to secure the performance and observations of all the covenants and conditions thereof or contained herein, and for and in consideration of the premises and of the sum of $10.00 cash and other good and valuable consideration, in hand paid, receipt of which is hereby acknowledged, the Mortgagor has executed and delivered this mortgage and hereby grants, sells, and conveys to

the said Mortgagee the following described real estate, together with all buildings, fixtures, improvements, rights, privileges, appurtenances, and easements thereunto belonging, said real estate, being, lying and situate in the County of Delaware, State of Iowa, to-wit:

See Exhibit "A" attached hereto and made a part hereof.

TO HAVE AND TO HOLD the above-described real property with the appurtenances thereto belonging unto the Mortgagee, forever, the intention being to convey an absolute title in fee to said premises, and the Mortgagor covenants and agrees:

First. That it will keep the properties covered by this mortgage insured by policies of insurance, of such kinds and in forms and amounts and with a company or companies satisfactory to the Mortgagee, with a clause or clauses attached making loss payable to the Mortgagee as its interest may appear; the said policies of insurance to be delivered to the Mortgagee. The Mortgagee is hereby given a first lien on any insurance proceeds paid as a result of loss or damage to the properties covered by this mortgage. Any insurance funds paid to the Mortgagee as a result of damage or loss to the properties covered shall at the option of the Mortgagee, be credited against the payment or payments of the indebtedness last due under this mortgage.

Second. That it will pay all premiums upon insurance policies, licenses, or fees legally owing by the Mortgagor, and all taxes and assessments which may be levied or assessed upon said mortgaged premises, and in default thereof the Mortgagee may pay the insurance premiums, licenses, fees, taxes or assessments due, and any amount so paid shall become a part of the principal debt, shall bear interest from the date of payment shall, together with interest, be a lien on said premises and property and be secured by this mortgage, and shall be immediately due and payable.

Third. That it will keep all buildings, fixtures, and equipment subject to this mortgage in good and substantial repair during the continuance hereof and will not cause, suffer, or permit waste thereof.

Fourth. That it will bear all expenses or costs incident to the release of the lien of this mortgage, in whole or in part.

Fifth. That it will, at all times during the existence of any part of the lien herein provided for, maintain its corporate existence and operate its business as a cooperative association qualified under the provisions of the Acto of Congress known as the Agricultural Marketing Act, as amended.

Sixth. That it will not, during the existence of any part of the lien herein provided for, sell, lease, or assign all, or any part of the realty herein described without the consent of the Mortgagee approving such sale, lease, or assignment.

Seventh. That no remedy herein conferred on or reserved to the Mortgagee is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder, and now or hereafter existing at law or in equity or by statute.

Eighth. That every right, remedy, privilege, covenant, agreement, and power granted hereunder to the said Mortgagee shall run, inure and be likewise for the benefit of any or all successors or assigns of said Mortgagee/

Ninth. That in the event the Mortgagor defaults in the payment of any indebtedness hereby secured or installment thereof, or interest thereon, when due, or in the payment of any insurance premium or taxes, and such default shall continue for a period of 10 days, or in the event of the violation of any of the other above conditions,

agreements or covenants, or upon any change of ownership by legal process, execution, judicial sale, or operation of law, or if the Mortgagor shall cease the operation of its plant, then the Mortgagee may elect without notice that the whole of the principal sum hereby secured, or so much as shall then remain unpaid, together with any interest accrued thereon, shall immediately become due and payable, and the Mortgagee may immediately foreclose this mortgage or pursue any other available legal remedy. Provided that in the event of such default and prior to said foreclosure and sale, the Mortgagee is hereby authorized to enter upon the mortgaged premises, to take possession of the same, and to rent or lease any of the properties above described to any person, who is hereby authorized to occupy the said properties, the proceeds thereof, after deducting all necessary expenses, to be applied to the payment of the indebtedness secured hereby; and said Mortgagor hereby appoints and designates the Mortgagee, or any person appointed by it therefor, as its agent and attorney in fact, with full power and authority to execute, in the name of and by authority of the Mortgagor, any instrument by which the Mortgagee exercises any of the rights and privileges herein conferred. In the event of any action by The Mortgagee to enforce collection of the mortgage debt, the Mortgagor agrees that all taxable costs of such action, including reasonable or statutory attorney fees for plaintiff's attorney and the cost of extending the abstract of title shall become a part of the debt secured hereby and shall be paid by the Mortgagor.

Tenth. That the omission of the Mortgagee to exercise any option hereunder, in case of any default by the Mortgagor, shall not preclude it from the exercise thereof at any subsequent time, or for any subsequent default, and nothing but a written contract of the Mortgagee shall be a waiver of any such option.

Eleventh. It is further agreed that in case of default in respect to any of the terms of this mortgage, the Mortgagee, either before or on the commencement of an action to foreclose this mortgage, or at any time thereafter, shall be entitled to the appointment of a receiver, who shall have the power to take and hold possession of said premises and to rent the same, collect the rents and profits therefrom for the benefit of said Mortgagee, pay the taxes levied against said premises, and keep the same in repair, and such right shall in no event be barred, forfeited, or retarded by reason of judgement, decree or sale in such foreclosure, and the right to have such receiver appointed upon application of the Mortgagee shall exist regardless of the value of said mortgaged premise, or the waste, loss, and destruction of the rents and profits of said mortgaged premises, or the waste, during the statutory period of redemption. The right to the appointment of such receiver shall be construed as auxiliary to and in aid of any other rights under this mortgage as hereinbefore provided, and in no manner as detracting from or in derogation of said lien.

PROVIDED, NEVERTHELESS, that this mortgage and all the conditions hereof, shall be and become null and void upon the making by the Mortgagor of the payments and meeting of conditions and covenants herein stated, otherwise to remain in full force and effect.

The Mortgagor hereby acknowledges that the Mortgagee has delivered to it, and it has, at the time of the delivery of this mortgage, received a true duplicate copy of said instrument.

IN WITNESS WHEREOF, the Mortgagor having complied with all the conditions necessary to render this a valid mortgage, and its officers being duly authorized to do so, has executed this mortgage and affixed its seal thereto on the day and year first above written.

(SEAL) No Seal

Ryan Cooperative
Mortgagor

ATTEST: Alden Fischer
Secretary

William McCoy
President

Real Estate Mortgage

ACKNOWLEDGMENT

STATE OF IOWA)
)
COUNTY OF)
Delaware

On this 24th day of June, 1998, before me Dean Cox Jr, a Notary Public in and for the said County, personally appeared Bill McEvoy and Arden Fisher to me personally known, who, being by me duly sworn did say that they are respectively, President and Secretary of Ryan Cooperative, that (no seal has been procured by the said corporation) (the seal affixed to said instrument is the seal of said corporation) and that the instrument was (signed) (signed and sealed) on behalf of said corporation by authority of its Board of Directors, and that said officers named herein have acknowledged the execution of said instrument to be the voluntary act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed my Notarial Seal the day and year last above written.

My commission expires:

(SEAL) NOTARIAL SEAL IOWA DEAN E. COX, JR. MY COMMISSION EXPIRES 12-22-2000

Dean Cox Jr.
Notary Public in and for said County and State

EXHIBIT "A"
LEGAL DESCRIPTION

ALL OF THE FOLLOWING DESCRIBED REAL ESTATE, SITUATE IN THE COUNTY OF DELAWARE AND STATE OF IOWA, TO-WIT:

A parcel of land located in the southeast Quarter of the Northeast Quarter of Section 13, Township 87 North, Range 6 West of the Fifth Principal Meridian at Ryan, Delaware County, Iowa, said parcel being more particularly described as follows:

Beginning at the point where a line that lies parallel to and 150 feet Southeasterly from the centerline of the Illinois Central Gulf Railroad Company's Cedar Rapids District main track intersects the South line of the Northeast Quarter of said Section 13; Thence Northeasterly along said parallel line, being along Grantor's Southeasterly property line, a distance of 275 feet; Thence Northwesterly at a right angle to the last described course, a distance of 125 feet to a line that lies parallel to and 25 feet Southeasterly from the centerline of said main track; Thence Southwesterly along the last said parallel line, a distance of 355 feet, more or less, to the South line of said Northeast Quarter of Section 13; Thence East along said South line, a distance of 150 feet, more or less, to the Point of Beginning.

RECORD OWNER - RYAN COOPERATIVE

ALSO:
The East forty four (44) feet of Lot Eight (8), Block Ten (10), Ryan, Iowa, and the West Four (4) inches of Franklin Street in the town of Ryan, Iowa, adjoining said Lot Eight (8) on the East; from and including the date of the filing of the plat at No. 1 within, except as to any changes or entries made upon the records relating or having reference to any instruments filed, rights or relations existing or to transactions occurring previous to May 7, 1889.

RECORD OWNER - RYAN COOPERATIVE

ALSO:
The part of the Southeast Quarter (SE1/4) of Section Thirteen (13), Township Eighty-seven (87) North, Range Six (6), West of the Fifth Principal Meridian, described as follows: Commencing at the intersection of the North line of said quarter section with the West line of the right-of-way of the Illinois Central Railway, thence West along the North line of said quarter section a distance of one hundred (100) feet, to an existing lane, thence South along the East side extended of said existing lane a distance of two hundred and thirty-six (236) feet, thence East a distance of fifteen (15) feet to the West line of said Illinois Central Railway right-of-way, thence Northeasterly along the West line of said Illinois Central Railway right-of-way to the point of beginning, from the date of Original Entry to the 18th day of December, 1967 at 8:00 a.m.

RECORD OWNER - RYAN COOPERATIVE

ALSO:
Lot Two (2), Block Twenty Two (22), Ryan, Iowa, according to plat recorded in Book 1 Plats, Page 42.

RECORD OWNER - RYAN COOPERATIVE