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DELAWARE COUNTY IOWA
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DEROSHA L. TUTTON
DELAWARE CO. RECORDER
20.00

PREPARER
INFORMATION BRETT W. NAGEL, VICE PRESIDENT/SENIOR COMMERCIAL LENDER
101 EAST UNION STREET, PO BOX 77 EDGEWOOD, IA 52042 (563)928-6425

AFTER RECORDING RETURN TO: Community Savings Bank – See Above

ASSIGNMENT OF REAL ESTATE LEASE AND AGREEMENT

This assignment of lease and agreement made and entered into by and between FGH, Inc. (hereinafter called "Lessee"); and JDD, L.C. (Lessor-hereinafter called "Borrower"); and Community Savings Bank (hereinafter called "Assignee"); Witnesseth:

Whereas Lessee has heretofore leased from Borrower certain property by lease dated August 15th, 2001 recorded in Book 2001 Pge 2968 of records of the County of Delaware State of Iowa for a term of 5 years, and described as follows:

> Parcel G, being part of Lot One (1) of Friedlein Subdivision in Section Thirty-One (31), Township Eighty-Nine North (89N), Range Five (5), West of the 5th Principal Meridian, in the City of Manchester, Delaware County, Iowa, according to the plat recorded in Book 8, Plats, Page 167, subject to a permanent easement for ingress and egress and for utilities as shown on the Plat and subject to the agreement of the owners of parcel G and parcel H to share equally in any maintenance expense for driveway improvements and subject to the right of the owner of Parcel H to place a sign within the Twenty-Five Foot (25') easement at such owner's expense and maintenance.

And, Whereas, Assignee has authorized the making of a loan to Borrower in the amount of $284,000.00 due and payable on or before August 15, 2005.

And, Whereas, such loan is for the benefit of both Borrower and Lessee, in that the funds are to be used for the benefit of the business conducted on the leased premises;

Now, Thereafter, for and in consideration of the premises and of disbursement of said loan or any part thereof, Borrower, with the consent of Lessee, hereby Assigns, Transfers and Conveys unto Assignee the lease above described, To have and To Hold the same for and during the remainder of the term mentioned in the lease, and all renewals and extensions of said term.

A. Borrower and Lessee further Convenant and Agree:

1. Lessee is not now in default in the performance of lease; and Lessee and Borrower will each perform the covenants and conditions required of him by said lease for the term of said loan and any extension or renewal of it.

2. Except as otherwise herein permitted, Borrower and Lessee will not alone or by agreement between them, modify or terminate said lease without consent of Assignee.

3. In the event of default by Lessee under the terms of said lease, Borrower shall have the right to terminate said lease in accordance with its terms,

Provided, However, Borrower shall first give Assignee 60 days written notice of such default and the right, at the option of Assignee, during such periods, to cure such default; and during such period, Borrower will take no action to enforce its claim arising from such default without Assignees' consent.

4. In the event of any default by Borrower in the performance of any of the obligations of his note to Assignee evidencing the aforesaid loan, any renewal or extension thereof, or any other agreement made in connection therewith, including his agreements herein, then Assignee, at its option may, without notice, using such force as may be necessary, enter said premises and do any one or more of the following:

   a. Remove all property of Borrower therefrom that is hypothecated as collateral for its aforementioned loan.

   b. Sell the property referred to in paragraph a. on said premises in the form and manner of a liquidation or going out of business sale, including advertising, any terms or provisions of any master lease to the contrary being expressly waived.

   c. Transfer and assign said lease and Borrower's rights therein to parties satisfactory to Assignee, and upon assignment, the obligations of said lease shall be binding on said transferee.

In the event Assignee shall only undertake the options provided in paragraph a. or b., it shall have no obligation other than payment of rent accruing during the period of its possession of the premises. In the event Assignee shall make transfer of said lease as provided in paragraph c., Assignee will cure all defaults in said lease, and its sole other obligations shall be the payment of rent which accrued prior to the transfer of said lease. Any lien for past-due rent from the Lessee-tenant shall be on a subordinate lien to Assignees' lien.

5. None of the property required to be hypothecated as collateral for the aforesaid loan constitutes real property.

B. Borrower agrees to, and does hereby, subordinate any lien he may, now or hereafter, have on the property of Lessee, that is now or hereafter security for the aforesaid loan, to Assignee's lien or liens on said property and to Assignee's rights herein.

C. Borrower hereby represents and warrants that title to said leased premises is held by him in fee simple and that he has full power and authority to enter into this Agreement.

D. This agreement shall be biding upon and inure to the benefit of the personal representatives, successors and assignees of the parties hereto.

Witness our hands and seals this 15th day of August, 2001.

FGH, Inc. -- Lessee

BY: Judith A. Henkel-Fox, President
Judith A. Henkel-Fox, President

DLG

BY: Diane L. Gloede, VP/Secretary
Diane L. Gloede, Vice President/Secretary

JJD, L.C.--Lessor

BY: Judith A Henkel-Fox, a Member/a manager
Judith A. Henkel-Fox, A Member/A Manager

BY: Diane L. Gloede, a Member/a Manager
Diane L. Gloede, A Member/A Manager

BY: Dana M Henkel, A member/A manager
Dana M. Henkel, A Member/A Manager

Community Savings Bank, an Iowa Banking Corporation – Assignor

BY: _____
Brett W. Nagel, Vice President/Sr. Commercial Lender

STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this 15th day of August, 2001, before me, the undersigned, a Notary Public in and for the said State, personally appeared Judith A. Henkel-Fox and Diane L. Gloede, to me personally known, who being by me duly sworn, did say that they are the President and Vice President/Secretary, respectively, of the corporation executing the within and foregoing instrument **to which this is attached,** that (no seal has been procured by the) ~~the seal affixed thereto is the seal of the~~ corporation; that the instrument was signed ~~and sealed~~ on behalf of the corporation by authority of its Board of Directors; and that Judith A. Henkel-Fox and Diane L. Gloede as officers acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation, by it and by them voluntarily executed.

Peggy A. Knipper

Peggy A. Knipper, Notary Public in and for said State.

PEGGY A. KNIPPER
MY COMMISSION EXPIRES
12-21a-03

(Section 558.39, Code of Iowa)

Acknowledgment: For use in the case of corporations

STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this 15th day of August, 2001, before me, a Notary Public in and for the said State, personally appeared Diane L. Gloede, to me personally known, who being by me duly sworn did say that that person is A Member/A Manager (Insert title of executing member) of said limited liability company, that (no seal has been procured by the said) limited liability company and that said instrument was signed on behalf of the said limited liability company by authority of its managers and the said Diane L. Gloede acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company by it voluntarily executed.

Peggy A. Knipper

Peggy A. Knipper, Notary Public in and for said State.

PEGGY A. KNIPPER
MY COMMISSION EXPIRES
12-21-03

(Section 558.39, Code of Iowa)

Acknowledgment: For use in the case of limited liability companies

THE IOWA STATE BAR ASSOCIATION Official Form No. 193	ISBA #	FOR THE LEGAL EFFECT OF THE USE OF THIS FORM, CONSULT YOUR LAWYER

STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this 15th day of August, 2001, before me, a Notary Public in and for the said State, personally appeared Judith A. Henkel-Fox, to me personally known, who being by me duly sworn did say that that person is A Member/A Manager (Insert title of executing member) of said limited liability company, that ~~(the seal affixed to said instrument is the seal of said)~~ (no seal has been procured by the said) limited liability company and that said instrument was signed ~~(and sealed)~~ on behalf of the said limited liability company by authority of its managers and the said Judith A. Henkel-Fox acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company by it voluntarily executed.

Peggy A. Knipper

Peggy A. Knipper, Notary Public in and for said State.

PEGGY A. KNIPPER
MY COMMISSION EXPIRES
12-21-03

(Section 558.39, Code of Iowa)

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THE IOWA STATE BAR ASSOCIATION Official Form No. 193	ISBA #	FOR THE LEGAL EFFECT OF THE USE OF THIS FORM, CONSULT YOUR LAWYER

STATE OF IOWA, COUNTY OF DELAWARE, ss:

On this 15th day of August, 2001, before me, a Notary Public in and for the said State, personally appeared Dana M. Henkel, to me personally known, who being by me duly sworn did say that that person is A Member/A Manager (Insert title of executing member) of said limited liability company, that ~~(the seal affixed to said instrument is the seal of said)~~ (no seal has been procured by the said) limited liability company and that said instrument was signed ~~(and sealed)~~ on behalf of the said limited liability company by authority of its managers and the said Dana M. Henkel acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company by it voluntarily executed.

Peggy A. Knipper

Peggy A. Knipper, Notary Public in and for said State.

PEGGY A. KNIPPER
MY COMMISSION EXPIRES
1-26-03

(Section 558.39, Code of Iowa)

Acknowledgment: For use in the case of limited liability companies

STATE OF Iowa, COUNTY OF Delaware, ss:

On this 15th day of August, 2001, before me, the undersigned, a Notary Public in and for the said State, personally appeared Brett W. Nagel ~~and~~ _____, to me personally known, who being by me duly sworn, did say that ~~they are~~ he is the Vice President/Senior Commercial Lender ~~and~~ _____, respectively, of the corporation executing the within and foregoing instrument **to which this is attached,** that (~~no~~ the seal has been procured by the) (~~the seal affixed thereto is the seal of the~~) corporation; that the instrument was signed **(and sealed)** on behalf of the corporation by authority of its Board of Directors; and that Brett W. Nagel ~~and~~ _____ as officers acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation, by it and by them voluntarily executed.

Peggy A. Knipper

Peggy A. Knipper, Notary Public in and for said State.

PEGGY A. KNIPPER
MY COMMISSION EXPIRES
12-26-03

(Section 558.39, Code of Iowa)

Acknowledgment: For use in the case of corporations

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