Book 2008 Page 817
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DEBORAH L PEYTON, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

(Recorder's Cover Sheet)

Preparer information:
By Kimberly Price
US Bank
950 17th Street
DN-CO-T8CB
Denver, Colorado 80202
303-585-4191

Taxpayer information:
R.C. Properties V, LLC.
P.O.Box 336580
Greeley, Colorado 80633

Return Document to:
US Bank
555 SW Oak
PD-OR-P7LD
Portland, OR 97204

Grantors: R C Properties V LLC Grantees: US Bank NA

Legal Description is located on page: 4

Document or instrument number of previously recorded documents: non-applicable

COLLATERAL ASSIGNMENT OF LEASE

THIS COLLATERAL ASSIGNMENT OF LEASE (this "Assignment") is given the 15th day of December, 2007, by R. C. Properties V, LLC, a Colorado Limited Liability Company, whose address is P.O. Box 336580, Greeley, Colorado 80633 ("Assignor"), to U.S. BANK NATIONAL ASSOCIATION, a national banking association, whose address is 950 17th Street, Denver, Colorado 80202 ("Assignee").

RECITALS

A. Assignor is the owner of the real property located at 1117 West Main, Manchester, Iowa 52075 and legally described as: "see attached Exhibit". 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 R.C. Properties V, LLC ("Borrower"), the sum of $566,264.00 (the "Loan") pursuant to that certain Loan Agreement dated December 15, 2004, (the "Agreement"). Borrower has executed his promissory note (the "Note") dated December 15, 2004, payable to the order of Assignee in the original principal amount of $566,264.00 as evidence of the indebtedness created by the Loan.

C. Assignor has entered into a lease of the Property to Lextron Animal Health *Iowa, a division of LEXTRON, INC, ("Lessee") , dated December 1, 2007 (as such lease may be amended, extended, replaced or renewed, the "Lease"), the original of which is delivered to Assignee together with this Assignment.

ASSIGNMENT

NOW, THEREFORE, to induce Assignee to make the Loan and as additional security for the payment and performance of all obligations of Borrower 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 as collateral security for Borrower's obligations to Assignee. This Assignment shall remain in full force and effect as long as any of the Borrower'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 Borrower 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 or 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, 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 Borrower 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 of 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 willful misconduct.

5. Waivers. No waiver by Assignee of any default by Assignor under this Assignment or by Borrower under the Note or 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 or 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.

R.C. Properties V, LLC, A Colorado
Limited Liability Company

By: Robert C. Hummel
Robert C. Hummel, Manager

STATE OF COLORADO)
) ss.
COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 8 day of January, 2008, by Robert C. Dumm, as Manager of R. C. Properties V, LLC, a Colorado limited liability company, on behalf of said company.

My commission expires: 8-17-09

Witness my hand and official seal.

Bonda Gates
Notary Public

BONDA GATES
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 8-17-2009

LEGAL DESCRIPTION

Property Address: 1117 West Main Manchester, IA more fully described as:

The following described property located in the County of Delaware, State of Iowa:

That part of the South one-half (S½) 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 (SE¼) and running thence North 89° 59' East one thousand three hundred twenty (1320.0) feet along the South line of the Southeast Quarter (SE¼), then North 0° 50' 40" West eighty (80.0) feet to the point of beginning, then North 89° 59' East two hundred twenty eight (228.0) feet, thence North 0° 01' West Six hundred twenty seven (627.0) feet, thence North 88° 49' 30" West two hundred thirty seven and one-tenth (237.1) feet, then South 0° 50' 40" East six hundred thirty two (632.0) feet to the point of beginning.

Per land survey recorded in Book 3, Plat Page 198.

also known as street and number as: 1117 ~~10117~~ West Main St., Manchester
COUNTY OF DELAWARE
STATE OF IOWA 52057

ACKNOWLEDGEMENT OF LEASE

This **ACKNOWLEDGEMENT OF LEASE** is made by the undersigned, which is an affiliate of Lextron, Inc., for the benefit of U.S. Bank National Association, this 15th day of December 2007

The undersigned hereby acknowledges that it has leased certain real property as Lessee from R.C. Properties V, LLC as Lessor pursuant to that certain Lease, a true copy of which is [attached hereto][has been delivered to U.S. Bank National Association]. This is also to acknowledge that said Lessor is the Assignor under a certain Collateral Assignment of Lease made to U.S. Bank National Association, a true and correct copy of which has been received by the undersigned.

Lextron Animal Health *Iowa, a
Division of Lextron, Inc.
By: Bonnie Kay Sowder
Name: Bonnie Kay Sowder
Title: Secretary

STATE OF Colorado)
) ss.
COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 8 day of January, 2008, by Bonnie Kay Sowder, as Secretary of Lextron Animal a, on behalf of said company. North Dowa

My commission expires: 8-17-09

Witness my hand and official seal.

Bonda Gates
Notary Public

BONDA GATES
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 8-17-2009

LEASE

THIS AGREEMENT OF LEASE (Lease), is made this 1st day of December 2007, by and between R C Properties V, LLC, a Colorado Limited Liability Company (Lessor) and Lextron Animal Health*Iowa, a division of LEXTRON, INC., a Colorado Corporation (Lessee).

RECITALS

A. Lessor is the owner of all of that certain real property located at 1117 West Main, Manchester, Iowa 52057, comprising of land and an industrial building of approximately 14,400 square feet (the "leased premises") plus an additional 13 acres of land purchased in 2006.

B. Lessor desires to lease to Lessee and Lessee is willing to hire and take from Lessor the "leased premises" referred to above.

AGREEMENT

NOW THEREFORE, it is agreed as follows:

1. Lease and Term. Upon the terms, covenants, and conditions set forth herein, Lessor does hereby lease to Lessee and Lessee does hereby hire and take from Lessor the leased premises for a term of twelve (12) months commencing on December 1, 2007, and ending on November 30, 2008.

2. Rental. Lessee shall pay to Lessor as rent for the leased premises equal monthly payments of Twelve Thousand five Hundred Twenty Five Dollars ($12,525), in advance, or on or before the seventh business day of each month of the term of this Lease. Rent shall be payable in lawful money of the United States to Lessor at such place or places as Lessor may from time to time designate.

3. Use. The leased premises shall be used solely for warehouse/office purposes, and for no other purpose without the written consent of Lessor, which consent, shall not be unreasonably withheld.

4. Compliance with Law. Lessee shall, at Lessee's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders, restrictions of record, and requirements in effect during the term or any part of the term of this Lease regulating the use by Lessee of the leased premises. Lessor makes no representations or warranties about the condition of the leased premises or applicable zoning or use restrictions. Lessee accepts the condition of the leased premises in its "as is" condition.

5. Triple Net. Notwithstanding that the term of this lease is for twelve months, it is the agreement of the Lessee and Lessor that the leased premises be leased to the Lessee on a Triple Net basis, i.e., that the Lessee is fully responsible for all taxes, all insurance and all repairs and maintenance of every kind nature and description and without proration. Without limiting the foregoing, Lessee shall be responsible for:

A. All Taxes. Lessee shall be liable and promptly pay for all special assessments and ad valorem taxes levied against the real property. Further Lessee shall be liable and promptly pay personal property taxes on personal property and trade fixtures placed by Lessor or Lessee in, on or about the leased premises.

B. All Insurance.

i. Lessee shall procure, pay for and maintain fire and extended coverage insurance on the leased premises for the full replacement cost of the building, structures and improvements on the leased premises.

ii. Lessee shall procure, pay for and maintain comprehensive public liability insurance providing coverage from any loss or damage occasioned by an accident or casualty, about or adjacent to the leased premises, which policy shall be written on an "occurrence basis" with limits of not less than $1,000,000 liability coverage and $100,000.00 property damage coverage. In addition to providing general liability coverage to members of the public for accidents, injuries, or losses occurring on the leased premises, said policy shall also provide coverage for the Lessee's invitees who may sustain an injury or loss while on the premises, including the parking area and/or common areas.

iii. All insurance shall name the Lessor as an insured. Certificates of such insurance shall be delivered to Lessor and shall provide that said coverage shall not be changed, modified, reduced or canceled without thirty (30) days prior written notice thereof being given to Lessor. If Lessee uses, in the leased premises, any kind of steam or other high pressure boiler or other apparatus which presents the possibility of damage to the leased premises or the improvements of which the leased premises are a part or the life or limb of persons within such premises, then Lessee agrees to carry appropriate boiler insurance in an amount satisfactory to Lessor to indemnify against any loss resulting from any explosion or other damage or liability.

iv. Lessor does not carry or provide personal property insurance for the Lessee. Lessee may insure, at its own expense, any of Lessee's personal property, equipment, books, records, or other assets maintained by Lessee on the leased premises. Lessor bears no responsibility for any loss of Lessee's personal property (tangibles or intangibles) maintained on the leased premises, regardless of the cause or source of such loss.

C. All Maintenance and Repair. Lessee shall keep the foundation, roof, and exterior walls of the building; together with the parking area and any outside structures, in good order, condition and repair. Further, Lessee shall keep in good order, all plumbing, heating, air conditioning, ventilating, electrical and lighting facilities and equipment within the leased premises, interior walls and interior surfaces of exterior walls, ceilings, windows, doors, plate glass, and skylights located within the leased premises. Lessee shall maintain the plumbing, heating, air conditioning, electrical and lighting on a regular maintenance basis.

6. Alterations. Lessee shall not, without Lessor's prior written consent, make any alterations, improvements, or additions in or about the leased premises, except for nonstructural alterations not exceeding one thousand five hundred dollars ($1,500.00) in costs. Lessor may require that Lessee remove any and all of said alterations, improvements, or additions at the expiration of the term of this Lease, and restore the leased premises to their prior condition.

7. Utilities. Except as expressly stated otherwise herein, Lessee agrees to pay all charges for utility services to the leased premises during the term of this Lease, including without limitation, gas, electricity, and telephone (which utilities shall be separately metered), together with all charges for water/sewer and trash removal services to the whole of property described herein during the term of this Lease.

8. Indemnity/Subrogation. Lessee shall indemnify and hold Lessor harmless from and against any and all claims arising from Lessee's use of the leased premises, or from the conduct of Lessee's business or from any activity, work or things done, permitted or suffered by Lessee in or about the leased premises and Lessee, upon notice from Lessor, shall defend Lessor at Lessee's expense by counsel satisfactory to Lessor. Lessor and Lessee each hereby waives any and all rights of recovery against the other, or against the officers, employees, agents and representatives of the other, for loss of or damage to such waiving party or its property or the property of others under its control, where such loss or damage is insured against under any insurance policy in force at the time of such loss or damage. Lessor and Lessee shall give

notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

9. Condemnation. In the event the leased premises are taken for public or quasi-public use by eminent domain or condemnation proceedings (an agreed sale after threat of condemnation shall constitute a public taking as used herein), this Lease shall thereupon cease. In the event of a partial condemnation of the leased premises, and such condemnation extends to more than ten percent (10%) of the square footage of the leased premises or more than twenty-five percent (25%) of the land area on which the leased premises are located, Lessee may, at Lessee's option, to be exercised in writing within ten (10) days after Lessor shall have given Lessee written notice of such condemnation, terminate this Lease as of the date the condemning authority takes possession thereof. If Lessee does not terminate this Lease in accordance with the foregoing sentence, this Lease shall remain in full force and effect as to the portion of the leased premises remaining, except that the rent shall be reduced in the proportion of the square footage of the leased premises taken bears to the square footage of the total leased premises. Any award for the taking of all or any part of the leased premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Lessor; provided, however, that Lessee shall be entitled to any award for loss of or damage to Lessee's trade fixtures and removable personal property. Lessor shall, to the extent of severage damages received by Lessor in connection with such condemnation, repair any damage to the leased premises caused by such condemnation.

10. Subordination. This Lease, at Lessor's option, shall be subordinate to any ground lease, mortgage, deed of trust, or other hypothecation for security now or hereafter placed upon the real property of which the leased 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. Notwithstanding such subordination, Lessee's right to quiet possession of the leased premises shall not be disturbed if Lessee is not in default and so long as Lessee shall pay the rent and observe and perform all of the provisions of this Lease, unless this Lease otherwise terminated pursuant to its terms. Lessee agrees to execute any documents required to effectuate such subordination and failing to do so within ten (10) days after written demand, does hereby make, constitute and irrevocably appoint Lessor as Lessee's attorney-in-fact to do so.

11. Notices. Any notice required to be given hereunder or any notice required to be given by law shall be in writing and may be given by personal delivery or by certified mail, return receipt requested, postage prepaid, addressed to Lessor at 1015 37th Avenue Court, Suite 202, Greeley CO 80633, and if to Lessee at LEXTRON, INC., Attention: Chief Financial Officer, P. O. Box 1240, Greeley, CO 80632, or to such other addresses as either party may

upon written notice to the other designate from time to time. Notice by personal delivery is effective upon delivery. Notice by certified mail is effective one day after mailing.

12. Interest On Past Due Obligations. Any amount due to Lessor not paid when due shall bear interest at one and one-half percent (1 ½%) per month from the due date until paid. Payment of such interest shall not excuse or cure any default by Lessee under this Lease.

13. Late Charges. The Lessor shall have the right to collect from Lessee, in addition to any amounts due under paragraph 12 above, a monthly collection charge for any payment due to Lessor which is received by Lessor later than the 7th of the month; said collection charge to be Seventy-Five ($75.00) Dollars.

14. Inspection. Lessor shall have the right to inspect the Property, without notice, any time during the Lease.

15. Assignment or Subletting. Lessee may not assign the Lease, or sublet the leased premises without the consent of Lessor; such consent shall not be unreasonably withheld, provided, however, no such assignment or subletting shall relieve Lessee of any of its obligations hereunder, and performance of the covenants herein by sublessees shall be considered as performance pro tanto by the Lessee.

16. Enforcement/Attorney Fees. If either party brings an action to enforce the terms of this Lease or declare rights hereunder, the prevailing party in any such action shall be entitled to reasonable attorney's fees from the other party, as fixed by the court.

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first above written.

Lessee:

Lextron Animal Health*Iowa
A Division of LEXTRON, INC.,
A Colorado Corporation

By: _____
David R. Wagley
Its: VP ~~Finance/~~CFO

Lessor:

R C Properties V, LLC, A
Colorado Limited Liability
Company

By: Robert C. Hummel
Robert C. Hummel
Its: Manager