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DEBORAH L PEYTON, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

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USDA RURAL DEVELOPMENT

Return Document to: Central Iowa Water Assoc., R-O-W Department 3801 Iowa Speedway Drive Newton, Iowa 50208

1942-55A IA (REV 10-97)

REAL ESTATE MORTGAGE

Legal Description (See Page 7) (Water System)

KNOW ALL MEN BY THESE PRESENTS, that

WHEREAS, Iowa Regional Utilities Association, a Corporation organized and operating under Chapter 504A of the State of Iowa, with its principal place of business and post office address at 3801 Iowa Speedway Drive, Newton, Iowa, being called "Borrower," is justly indebted to the United States of America, acting through the Rural Utility Service, United States Department of Agriculture, herein called the "Government," as evidenced by certain promissory notes herein, whether one or more, called "the note", executed by Borrower and payable to the order of the Government in installments as specified therein, which note authorizes acceleration of the entire indebtedness at the option of the Government upon any default by Borrower, said note being described as follows:

2009-858
2008-3839

Date of Promissory Note(s)	Principal Amount	Interest Rate	Due Date of Final Installment
11/23/2009	3,300,000.00	3.375	11/23/2049
11/23/2009	2,900,000.00	3.375	11/23/2009
11/23/2009	1,000,000.00	2.500	11/23/2049
11/23/2009	1,000,000.00	4.125	11/23/2049
11/23/2009	244,000.00	4.500	11/23/2049

And, the note evidences a loan to Borrower and the Government at any time, may assign the note and insure the payment thereof pursuant to the Consolidated Farm and Rural Development Act:

And, it is the purpose and intent of this instrument that, among other things, at all times when the note is held by the Government, or in the event the Government should assign this instrument without insurance of the note, this instrument shall secure payment of the note; but when the note is held by an insured lender, this instrument shall

not secure payment of the note or attach to the debt evidenced thereby, but as to the note and such debt shall constitute an indemnity mortgage to secure the Government against loss under its insurance endorsement by reason of any default by Borrower:

NOW THEREFORE, in consideration of said loan and (a) at all times when the note is held by the Government, or in the event the Government should assign this instrument without insurance of the payment of the note, to secure prompt payment of the note and any renewals and extensions thereof and any agreements contained therein, (b) at all times when the note is held by an insured lender, to secure performance of Borrower's agreement herein to indemnify and save harmless the Government against loss under its insurance endorsement by reason of any default by Borrower, and (c) in any event and at all times to secure the prompt payment of all advances and expenditures made by the Government, with interest, as hereinafter

described, and the performance of every covenant and agreement of the Borrower contained herein or in any supplementary agreement, Borrower does hereby mortgage, assign, and warrant to the Government the following property situated in the State of Iowa, County of *see above.

(a) See Attachments

(b) All right, title and interest of the Borrower in, to and under any and all grants, privileges, rights-of-way and easements not owned, held, leased, enjoyed or exercised or which shall hereafter be owned, held, leased, acquired, enjoyed or exercised by the Borrower for the purposes of and in connection with the construction or operation by or on behalf of the Borrower of water mains and pipe lines and service lines.

(c) All right, title and interest of the Borrower, a transmitting utility, in and to the water transmission and distribution system now owned, or to be acquired or constructed or to be constructed by the Borrower with the proceeds of the loan evidenced by the note described herein, in the County of *see above, State of Iowa, to serve consumers in said County, and in and to all extensions and improvements thereof and additions thereto, including all water mains, pipelines, service lines, meters, meter boxes, fixtures, appliances, machinery and other equipment and any and all other property of every nature and description used or acquired for use by the Borrower in connection therewith.

(d) All right, title, and interest of the Borrower in, to and under all licenses, franchises, ordinances, privileges and permits heretofore granted, issued or executed or which may hereafter be granted, issued or executed to it or its assignors by the State of Iowa or by any county, township, municipality, village or other political subdivision thereof, or by any agency, board, commission, or department of any of the foregoing, authorizing the construction, acquisition or operation of a water system insofar as the same may by law be assigned, granted, bargained, sold, conveyed, transferred, mortgaged, or pledged.

(e) All right, title, and interest of the Borrower in and to a certain contract dated the 9th day of July, 1979, entered into by and between City of Newton and **see below and the Borrower, providing for the supply of water to the Borrower by said supplier together with all rents, incomes, revenues, profits and benefits at any time derived, received, or had from any and all of the above described property of the Borrower (all the property here in above described in paragraphs (a), (b), (c), (d), and (e) hereof), together with all rights, interests, easements, hereditaments and appurtenances thereunto belonging, the rents, issues, and profits thereof and revenues and income therefrom, all improvements and personal property now or later attached thereto or reasonably necessary to the use

thereof, all water, water rights, and water stock pertaining thereto, and all payments at any time owing to Borrower by virtue of any sale, lease, transfer conveyance or condemnation of any part thereof or interest therein, being hereinafter called the "property":

TO HAVE AND TO HOLD the property unto the Government and its assigns forever.

BORROWER, for itself, its successors and assigns WARRANTS THE TITLE to the property to the Government against all lawful claims and demands whatsoever except any liens, encumbrances, easements, reservations, or conveyances specified here in above and COVENANTS AND AGREES as follows:

1. To pay promptly when due any indebtedness to the Government hereby secured and to indemnify and save harmless the Government against any loss under its insurance of payment of the note by reason of any default by Borrower. At all times when the note is held by an insured lender, Borrower shall continue to make payments on the note to the Government as collection agent for the holder.

2. To pay to the Government such fees and other charges as may now or hereafter be required by regulations of the Rural Utility Service.

3. Whether or not the note is insured by the Government, the Government may at any time pay any other amounts required herein to be paid by Borrower and not paid by it when due, as well as any costs and expenses for the preservation, protection, or enforcement of this lien, as advances for the account of Borrower. All such advances shall bear interest at the note rate until paid to the Government.

4. All advances by the Government as described in this instrument, with interest, shall be immediately due and payable by Borrower to the Government without demand at the place designated in the note and shall be secured hereby. No such advance by the Government shall relieve Borrower from breach of its covenant to pay. Such advances, with interest, shall be repaid from the first available collections received from Borrower. Otherwise, any payment made by Borrower may be applied on the note or any indebtedness to the Government secured hereby, in any order the Government determines.

5. To use the loan evidenced by the note solely for purposes authorized by the Government.

6. To pay when due all taxes, liens, judgments, encumbrances, and assessments lawfully attaching to or assessed against the property and promptly deliver to the Government without demand receipts evidencing such payments.

** City of Marshalltown, November 29, 1994, City of Pella, August 21, 2000 and any amendments thereto.

7. To pay from its own funds the amount of any excess installation costs resulting from failure to obtain adequate land, rights-of-way, or subordinations.

8. To keep the property insured as required by and under insurance policies approved by, delivered to, and retained by the Government.

9. To maintain said property in proper repair and good condition; to commit or suffer no waste or exhaustion of said property; and to remove or demolish no building or other improvement on said property, without the consent of Government; and promptly to effect such repairs to said property as Government may from time to time require.

10. To perform, comply with and abide by each and every agreement, condition and covenant contained in said instrument(s) of debt, in any extension or renewal thereof, in any agreement supplementary thereto, in the Loan Resolution adopted by its Board of Directors on the 8/13/2002,5/08/2007,7/08/2008, 4/14/2009, authorizing the note, and in this mortgage; to furnish in such form and at such time as Government shall request statements of annual income and expenses and other information concerning Borrower's operations as Government may request; and to comply with all laws, ordinances and regulations affecting said property or its uses.

11. To pay or reimburse the Government for expenses reasonably necessary or incidental to the protection of the lien and priority hereof and to the enforcement of or the compliance with the provisions hereof and of the note or any supplementary agreement (whether before or after default), including but not limited to costs of evidence of title to and survey of the property, costs of recording this and other instruments, attorneys' fees, trustees' fees, court costs, and expenses of advertising, selling and conveying the property.

12. Neither the property nor any portion thereof or interest therein shall be assigned, sold, transferred, or encumbered, voluntarily or otherwise, without the written consent of the Government. The Government shall have the sole and exclusive rights as mortgagee hereunder, including but not limited to the power to grant consents, partial releases, subordinations, and satisfactions, and no insured lender shall have any right, title or interest in or to the lien or any benefits hereof.

13. At all reasonable times the Government and its agents may inspect the property to ascertain whether the covenants and agreements contained herein or in any supplementary agreement are being performed.

14. The Government may extend and defer the maturity of and renew and reamortize the debt evidenced by the note (with the consent of the holder of the note when it is held by an insured lender) or any indebtedness to the Government secured hereby, release from liability to the Government any party so liable thereon, release portions of the property from and subordinate the lien hereof, and waive any other rights hereunder, without affecting the lien or priority hereof or the liability to the Government or Borrower or any other party for payment of the note or indebtedness secured hereby.

15. If at any time it shall appear to the Government that the Borrower may be able to obtain a loan from a responsible cooperative or a private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will upon the Government's request, apply for and accept such loan in sufficient amount to pay the note and any indebtedness secured hereby and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan.

16. This instrument shall be subject to the present regulations of USDA Rural Development, and to its future regulations not inconsistent with the express provisions hereof.

17. Default hereunder shall constitute default under any other real estate or chattel security instrument held or insured by the Government and executed or assumed by Borrower, and default under any such other security instrument shall constitute default hereunder.

18. SHOULD DEFAULT occur in the performance or discharge of any obligation secured by this instrument, or should the Borrower be declared a bankrupt, or an insolvent, or make an assignment for the benefit of creditors, the Government, at its option, may: (a) declare the entire amount unpaid under the note and any indebtedness to the Government hereby secured immediately due and payable, (b) for the account of Borrower incur and pay reasonable expenses for repair or maintenance of and take possession of, operate or rent the property, (c) upon application by it and production of this instrument, without other evidence and without notice of hearing of said application, have a receiver appointed for the property, with the usual powers of receivers in like cases, (d) foreclose this instrument as provided herein or by law, and (e) enforce any and all other rights and remedies provided herein or by present or future law.

19. The proceeds of foreclosure sale shall be applied in the following order to the payment of: (a) costs and expenses incident to enforcing or complying with the provisions hereof, (b) any prior liens required by law or a competent court to be so paid, (c) the debt evidenced by the note and all indebtedness to the Government secured hereby, (d) inferior liens of record required by law or a competent court to be so paid, (e) at the Government's option, any other indebtedness of Borrower owing to or insured by the Government, and (f) any balance to the Borrower. At foreclosure or other sale of all or any part of the property, the Government and its agents may bid and purchase as a stranger and may pay the Government's share of the purchase price by crediting such amount on any debts of Borrower owing to or insured by the Government, in the order prescribed above.

20. The Borrower agrees there shall be no period of redemption.

21. The lien created by this mortgage in favor of the Government is, shall be, and shall remain prior to the lien of any mechanic, materialman, contractor, subcontractor, laborer, or of any other statutory lien.

22. Notices given hereunder shall be sent by certified mail, unless otherwise required by law, addressed, unless and until some other address is designated in a notice so given, in the case of the Government to Rural Utility Service, United States Department of Agriculture, at Des Moines, Iowa 50309, and in the case of Borrower to it at its post office address stated above.

23. If additional loans to Borrower not exceeding $10,555,000.00 in the aggregate are hereafter made or issued by the Government from time to time during the life of this instrument, such loans shall be evidenced by promissory notes. Such notes and the indebtedness evidenced thereby and all related indemnity and other obligations of Borrower to the Government shall be subject to all the provisions hereof and shall be secured hereby to the same extent as "the note" described here in above and Borrower's indemnity and other obligations related thereto.

IN WITNESS WHEREOF, the borrower has caused these presents to be executed and acknowledged by its President and Secretary, and its corporate seal impressed hereon, all on the 23th day of November, 2009.

Iowa Regional Utilities Association
Corporation

BY Ronald Dunsbergen Pres
Ronald Dunsbergen, President

ATTEST Delwin Van Zante, Sec
Delwin Van Zante
Secretary

ACKNOWLEDGMENT

STATE OF IOWA)SS
COUNTY OF JASPER)

On this 19th day of November, A.D., 2009 before me, a Notary Public in and for the State of Iowa, personally appeared Ronald Dunsbergen and Delwin Van Zante to me personally known, who being by me duly sworn, did say that they are respectively, the President and Secretary of the Iowa Regional Utilities Association, the aforesaid corporation executing the within and foregoing instrument, that no seal has been procured by said corporation; that said instrument was signed on behalf of the said corporation by authority of its Board of Directors and the said President and Secretary acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

Duane C. Rozendaal
NAME OF NOTARY
Notary Public

(SEAL)
My Commission Expires

DUANE C. ROZENDAAL
Commission Number 191895
My Commission Expires
8-12-2012

CIWA Parcels A-52 and A-53
DELAWARE COUNTY
(GREELEY TOWER SITE #1)
(GREELEY TOWER SITE #2)

Lots Seventeen (17) and Nineteen (19), EXCEPT the West Seventy (70.0) feet of said Lots, in Block Three (3) in the original Town of Greeley, Iowa, according to plat recorded in Book E L.D., Pages 320-321.
The North Thirty (30.0) feet of the West Seventy (70.0) feet of Lot Seventeen (17), Block Three (3) in the original Town of Greeley, Delaware County, Iowa; Also all that part of Lots Seventeen (17) and Nineteen (19), Block Three (3), Greeley, Iowa, described as commencing at a point Thirty (30.0) feet South of the Northwest corner of Lot Seventeen (17), thence South Sixty-two (62.0) feet, thence East Seventy (70.0) feet, thence North Sixty-two (62.0) feet, thence West Seventy (70.0) feet to point of beginning.

CIWA Parcel A-54
DELAWARE COUNTY
(DUNDEE BOOSTER SITE)

Parcel A, Part of the South One-half (S½) of the Southwest Quarter (SW¼) of Section Twenty-seven (27), Township Ninety (90) North, Range Five (5) West of the 5th P.M., Delaware County, Iowa, according to plat recorded in Book 2008, Page 3383.