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LISA SMITH RECORDER
Madison County, Iowa

Recorder's Cover Sheet

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Mortgagor: **HEARTLAND CO-OP**

Mortgagee: **COBANK, ACB, AS ADMINISTRATIVE AGENT**

Title of Document: **MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND
RENTS AND FIXTURE FINANCING STATEMENT**

Legal description: See Exhibit A attached

**MORTGAGE, SECURITY AGREEMENT,
ASSIGNMENT OF LEASES AND RENTS
AND FIXTURE FINANCING STATEMENT**

Made By

HEARTLAND CO-OP,
as Mortgagor,

in favor of

COBANK, ACB,
as Mortgagee

Dated as of April 4, 2022

NOTICE: THIS MORTGAGE SECURES CREDIT IN THE AMOUNT OF \$650,000,000. LOANS AND ADVANCES UP TO THIS AMOUNT, TOGETHER WITH INTEREST, ARE SENIOR TO INDEBTEDNESS TO ANY OTHER CREDITORS UNDER SUBSEQUENTLY RECORDED OR FILED MORTGAGES AND LIENS.

THIS MORTGAGE ENCUMBERS BOTH REAL AND PERSONAL PROPERTY. IT CONTAINS AN AFTER-ACQUIRED PROPERTY CLAUSE AND SECURES PRESENT AND FUTURE ADVANCES.

If this box is checked, this Mortgage is a Purchase Money Mortgage as defined in the Iowa Code.

THIS MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS AND FIXTURE FINANCING STATEMENT, dated as of April 4, 2022, is made by **HEARTLAND CO-OP**, an Iowa cooperative association (hereinafter called the “**Mortgagor**”), in favor of **COBANK, ACB**, a federally chartered instrumentality of the United States, as administrative agent for and on behalf of each Lender Party (as defined in the Credit Agreement referenced below) (hereinafter called the “**Mortgagee**”).

ARTICLE I.

DEFINITIONS

Section 1.01. **Definitions.** In addition to the terms defined elsewhere in this Mortgage, the following terms shall have the meanings specified in this Section 1.01, unless the context clearly requires otherwise. The terms defined herein include the plural as well as the singular. Accounting terms used in this Mortgage but not otherwise defined herein shall have the meanings they have under GAAP.

“**Credit Agreement**” shall mean that certain Credit Agreement dated as of June 25, 2019, by and among the Mortgagor, the lenders from time to time party thereto, and the Mortgagee, as administrative agent for the Lender Parties, as amended, restated, supplemented or otherwise modified from time to time.

“**Default Rate**” shall have the meaning set forth and described in the Credit Agreement.

“**Environmental Laws**” shall have the meaning set forth and described in the Credit Agreement.

“**Event of Default**” shall have the meaning specified in Section 4.01.

“**Excluded Swap Obligation**” shall have the meaning set forth and described in the Credit Agreement.

“**GAAP**” shall mean generally accepted accounting principles as established by the American Institute of Certified Public Accountants.

“**Hazardous Materials**” shall mean any Hazardous Substance (as defined in the Credit Agreement).

“**Impositions**” shall have the meaning specified in Section 3.18.

“**Lien**” shall mean any statutory or common law consensual or non-consensual mortgage, pledge, grant, security title or interest, lien, encumbrance or charge of any kind against property, including, without limitation, any conditional sale or other title retention transaction, and any lease transaction in the nature of a security interest.

“**Loan Documents**” shall have the meaning set forth and described in the Credit Agreement.

“**Loan**” shall have the meaning set forth and described in the Credit Agreement.

“**Maximum Debt Limit**” shall mean \$650,000,000 at any one time outstanding.

“**Mortgage**” shall mean this Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Financing Statement, as amended, restated, supplemented or otherwise modified from time to time.

“**Mortgaged Property**” shall have the meaning specified in Section 2.01.

“**Mortgagee**” shall have the meaning specified in the preamble hereto.

“**Mortgagor**” shall have the meaning specified in the preamble hereto.

“**Obligations**” shall mean (a) all “Obligations” as defined in the Credit Agreement, and (b) all other indebtedness and other obligations of any Obligor (as defined in the Credit Agreement) to the Mortgagee of every type and description, whether now existing or hereafter arising, fixed or contingent, as primary obligor or as guarantor or surety, acquired directly or by assignment or otherwise, liquidated or unliquidated, regardless of how they arise or by what agreement or instrument they may be evidenced, including, without limitation, indebtedness under all loans, advances and other extensions of credit made to or for the account of the Mortgagor, including without limitation all covenants, agreements and provisions contained in this Mortgage, the Credit Agreement or in any of the other Loan Documents, in each case except, as to any applicable Obligor, Excluded Swap Obligations.

“**Permitted Encumbrances**” shall mean:

(i) as to the real property specifically described in Exhibit A hereto, the restrictions, exceptions, reservations, conditions, limitations, interests and other matters which are set forth or referred to in the descriptions of such real property; and

(ii) as to all Mortgaged Property, any Lien permitted under the Credit Agreement.

“**UCC**” means the Uniform Commercial Code, as in effect from time to time, of the State of Iowa or of any other State the laws of which are required as a result thereof to be applied in connection with the

attachment, perfection or priority of, or remedies with respect to, the Mortgagee's Lien on any Mortgaged Property.

ARTICLE II.

GRANTING CLAUSES

Section 2.01. **Granting Clauses.** In order to secure the repayment of the Obligations, whether such Obligations are made pursuant to a commitment, made at the option of the Mortgagee, made after a reduction to zero or other balance, or made otherwise, up to the Maximum Debt Limit, and the performance of all covenants and agreements of the Obligors contained in the Credit Agreement, this Mortgage and any other Loan Document, and to declare the terms and conditions upon which the Obligations are to be secured, the Mortgagor, in consideration of the premises, does hereby grant, bargain, sell, alienate, convey, assign, transfer, mortgage, hypothecate, pledge, set over and confirm unto the Mortgagee, and its respective successors and assigns, the following (all of which are hereinafter collectively called the "**Mortgaged Property**"):

All right, title and interest of the Mortgagor in and to those fee estates described in Exhibit A hereto (hereinafter called the "**Land**"), subject in each case to those matters set forth in such Exhibit, together with all buildings, improvements, fixed assets, personalty and fixtures (collectively, "**Improvements**") now or in the future annexed, affixed or attached to said real property and/or Improvements; and

All right, title and interest of the Mortgagor in, to and under any and all grants, privileges, rights of way, easements and other similar interests now existing, held, leased, enjoyed or exercised, or which may hereafter be owned, held, leased, acquired, enjoyed or exercised, by the Mortgagor for the purposes of, or in connection with the real property described in Exhibit A hereto or the construction, acquisition, ownership, use or operation by or on behalf of the Mortgagor of all Improvements wherever located.

TOGETHER WITH all easements, rights, rights-of-way, strips and gores of land, alleys, sewer rights, water and water rights relating to the Land, including reversions and remainders, if any, of the Mortgagor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street or highway adjoining the Land.

TOGETHER WITH all leases, subleases, licenses, and other agreements affecting the use, enjoyment or occupancy of the Land, now or hereafter entered into, together with any extensions thereof and guarantees relating thereto (collectively, the "**Leases**"), and all rents, issues, revenues, profits, fees, charges, accounts, income, and other sums payable under the Leases, all tenant security and other deposits, oil and gas or other mineral royalties, bonuses and rents, revenues, issues and profits relating to the Land (collectively, the "**Rents**").

TOGETHER WITH all general intangibles, whether now owned or hereafter acquired or arising, or in which the Mortgagor now has or hereafter acquires any rights, including without limitation all causes of action, goodwill and similar intangibles and all income tax refunds, all privileges, franchises, immunities, licenses (to the extent a security interest can be granted in particular licenses), permits, similar intangibles, any rights to receive any payments in connection with a termination of any pension plan or employee stock ownership plan or trust established for the benefit of employees of the Mortgagor, patents, patent applications, patent licenses, trademarks, trademark registrations and trademark licenses, and tradenames, and all other intangible personal property (including things in action) not otherwise covered by this Mortgage (collectively, "**General Intangibles**").

TOGETHER WITH all judgments, awards of damages, settlements and other compensation

heretofore or hereafter made resulting from condemnation proceedings or the taking of the Land or any part thereof or any improvements now or at any time hereafter located thereon or any easement or other appurtenance thereto under the power of eminent domain, or any similar power or right (including any award from the United States Government at any time after the allowance of the claim therefor, the ascertainment of the amount thereof and the issuance of the warrant for the payment thereof), whether permanent or temporary, or for any damage (whether caused by such taking or otherwise) to said Land or any part thereof or the improvements thereon or any part thereof, or to any rights appurtenant thereto, including severance and consequential damage, and any award for change of grade of streets (collectively, “**Condemnation Awards**”).

TOGETHER WITH all tenements, hereditaments and appurtenances belonging or otherwise pertaining to the Mortgaged Property or any part thereof, with all reversions, remainders, rents, income, revenues, profits, cash, proceeds, products and benefits at any time derived, received or had from any or all of the Mortgaged Property and all deposits or other accounts into which the same may be deposited.

TO HAVE AND TO HOLD the Mortgaged Property unto the Mortgagee and its successors and assigns forever, to secure the payment and performance of the Obligations, including, without limitation, the due performance of the covenants, agreements and provisions herein contained, and for the uses and purposes and upon the terms, conditions, provisos and agreements hereinafter expressed and declared.

The total amount of principal secured by this Mortgage may be increased or decreased from time to time, but the total unpaid principal balance so secured at any one time shall not exceed the Maximum Debt Limit plus interest thereon at the applicable rate therefor and any disbursements made under the Credit Agreement or this Mortgage including, without limitation, the payment of taxes, assessments, levies, insurance premiums, attorneys’ fees, costs incurred for the protection of the Mortgaged Property, or otherwise with interest on such disbursements at the rate specified in the Credit Agreement, from time to time. It is agreed that any additional sum or sums loaned, advanced, or readvanced by the Mortgagee pursuant to the terms of this Mortgage, the Credit Agreement or any other Loan Document after the date of the execution hereof shall be equally secured with, and have the same priority as, the original principal loaned or advanced and shall be subject to all of the terms, provisions, and conditions of this Mortgage, whether or not, in the case of loans, advances, or readvances, such additional loans or advances or readvances are evidenced by promissory notes of the Mortgagor and whether or not identified by a recital that it or they are secured by this Mortgage.

ARTICLE III.

PARTICULAR REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE MORTGAGOR

The Mortgagor represents, warrants and, except as otherwise permitted by the Mortgagee, covenants with the Mortgagee as follows:

Section 3.01. **Authority to Execute and Deliver this Mortgage; All Action Taken; Enforceable Obligations.** The Mortgagor is authorized under its articles of incorporation and bylaws or other applicable organizational documents and all applicable laws and by appropriate corporate or organizational action to execute and deliver this Mortgage; and this Mortgage is, and any amendment, supplement or restatement of this Mortgage, when executed and delivered will be, the legal, valid and binding obligations of the Mortgagor which are enforceable in accordance with their respective terms.

Section 3.02. **Authority to Mortgage Property; No Liens; Exception for Permitted Encumbrances; Mortgagor to Defend Title and Remove Liens.** The Mortgagor has good and

marketable title to all fee and leasehold estates in real property and good, right and lawful authority to mortgage the Mortgaged Property for the purposes herein expressed. The Mortgaged Property is free and clear of any Lien affecting the title thereto, except Permitted Encumbrances. The Mortgagor will, until all commitments of the Lender Parties under the Credit Agreement have been terminated and all Obligations have been indefeasibly paid in full, maintain and preserve the Lien of this Mortgage superior to all other Liens, other than Permitted Encumbrances, and will forever warrant and defend the title to the Mortgaged Property against any and all claims and demands.

Section 3.03. **No Encumbrances on Mortgaged Property.** The Mortgagor will not create, incur, suffer or permit to exist any Lien on any of the Mortgaged Property, except for Permitted Encumbrances. Except for claims giving rise to Permitted Encumbrances, the Mortgagor will promptly pay or discharge any and all obligations for or on account of which any such Lien might exist.

Section 3.04. **Sale or Transfer of Mortgaged Property.** The Mortgagor shall not sell, lease or transfer any of the Mortgaged Property to any person or entity except as permitted in the Credit Agreement.

Section 3.05. **Payment of Obligations; Observance of Covenants.** The Mortgagor will duly and punctually pay all amounts due under the Obligations, at the dates and places and in the manner provided in the Credit Agreement, and all other sums becoming due hereunder, and shall duly and punctually perform and observe all of the covenants and agreements and provisions contained herein, in the Credit Agreement and any other instrument given by the Mortgagor as security for the payment of the Obligations.

Section 3.06. **Preservation of Franchises and Compliance with Laws.** The Mortgagor will take or cause to be taken all such action as may from time to time be necessary to obtain, preserve and renew all franchises, rights of way, easements, permits, and licenses now or hereafter granted or upon it conferred necessary to the operations of the Mortgagor, and will comply in all material respects with all laws, ordinances, regulations, and requirements applicable to it or the Mortgaged Property.

Section 3.07. **Maintenance of Mortgaged Property.** The Mortgagor will at all times maintain and preserve the Mortgaged Property and each and every material part and parcel thereof in accordance with the Credit Agreement.

Section 3.08. **Insurance; Restoration of Damaged Mortgaged Property.**

(A) **Risks to be Insured.** In furtherance of and not in limitation of the requirements set forth in the Credit Agreement, the Mortgagor, at its sole cost and expense, shall maintain insurance of the character required by the Credit Agreement:

(B) **Policy Provisions.** All insurance policies and renewals thereof maintained by the Mortgagor pursuant to the Credit Agreement shall be written by an insurance carrier reasonably satisfactory to the Mortgagee, contain a standard lender loss payee or mortgagee endorsement in favor of and in form reasonably acceptable to the Mortgagee, contain an agreement of the insurer that it will not cancel or modify the policy except after 30 days' prior written notice to the Mortgagee, and be reasonably satisfactory to the Mortgagee in all other respects.

(C) **Delivery of Policy.** At least 30 days prior to the expiration date of a required policy, the Mortgagor shall deliver to the Mortgagee a copy of evidence of insurance that satisfies the requirements in the Credit Agreement.

(D) **Assignment of Policy.** If the Mortgaged Property is sold at a foreclosure sale or if the Mortgagee otherwise acquires title to the Mortgaged Property, the Mortgagee shall have all of the right, title and interest of the Mortgagor in and to any insurance policies required under the Credit Agreement and the unearned premiums thereon and in and to the proceeds resulting from any damage to the Mortgaged Property prior to such sale or acquisition.

(E) **Notice of Damage or Destruction.** All proceeds of insurance maintained under the Credit Agreement shall be applied as set forth in the Credit Agreement.

Section 3.09. **Mortgagee Right to Expend Money to Protect Mortgaged Property.** From time to time, the Mortgagee may, in its sole discretion, but shall not be obligated to, advance funds on behalf of the Mortgagor, in order to ensure compliance with any covenant or agreement of the Obligors made in or pursuant to this Mortgage, the Credit Agreement or any of the other Loan Documents, to preserve or protect any right or interest of the Mortgagee in the Mortgaged Property or under or pursuant to this Mortgage, the Credit Agreement or any of the other Loan Documents, including, without limitation, the payment of any insurance premiums or taxes and the satisfaction or discharge of any judgment or any Lien upon the Mortgaged Property or other property or assets of the Mortgagor (other than Permitted Encumbrances); provided, however, that the making of any such advance by the Mortgagee shall not constitute a waiver by the Mortgagee of any Event of Default with respect to which such advance is made nor excuse the Mortgagor from any performance required hereunder. The Mortgagor shall pay to the Mortgagee upon demand all such advances made by the Mortgagee with interest thereon at Default Rate. All such advances and accrued interest shall be secured by this Mortgage.

Section 3.10. **Further Assurances.** Upon the request of the Mortgagee, the Mortgagor shall promptly do all acts and things, including the execution, acknowledgment and delivery of such amendments hereto and other instruments and documents as the Mortgagee may request, to enable the Mortgagee to perfect and maintain the Lien of this Mortgage and/or the Mortgagee's rights and remedies hereunder. The Mortgagor shall notify the Mortgagee promptly upon the acquisition of any fee or leasehold estate in real property and, to the extent required under the Credit Agreement or any other Loan Document, shall execute and record such amendments or supplements to this Mortgage or other documents or instruments as are necessary or appropriate to subject such real property to the Lien of this Mortgage and shall deliver such executed and recorded amendments or supplements or other documents or instruments to the Mortgagee. In the event the Mortgagor fails to take any action required under this Section 3.10, the Mortgagee may take any such action and make, execute and record any such instruments and documents for and in the name of the Mortgagor, and the Mortgagor hereby irrevocably appoints the Mortgagee as its attorney-in-fact to take such actions, which appointment is coupled with an interest and irrevocable.

Section 3.11. **Condemnation, Etc.** Subject to the terms of the Credit Agreement, in the event that the Mortgaged Property or any part thereof shall be taken under the power of eminent domain or like power, then, unless the Mortgagee otherwise consents, all proceeds and avails thereof in excess of \$1,000,000 in any single fiscal year of the Mortgagor (the proceeds of which are not used within one year to purchase property used or useful in the business of the Mortgagor) shall be applied by the Mortgagor to the prepayment of the Obligations (such prepayments to be applied in such order and manner as the Mortgagee may, in its sole discretion, elect).

Section 3.12. **Conflict with Mortgage Terms.** The provisions of this Mortgage and the Loan Documents shall be cumulative and not mutually exclusive, notwithstanding any inconsistencies.

Section 3.13. **Environmental Representations, Warranties and Covenants.** The Mortgagor makes the following representations, warranties and covenants, all of which, to the extent that they deal with representations of fact, are based on the Mortgagor's present knowledge, arrived at after reasonable

inquiry.

(A) Use of the Mortgaged Property.

(1) The Mortgagor shall use, handle, transport or store Hazardous Materials and store or treat non-hazardous wastes, in each case, in a good and prudent manner in the ordinary course of business, and in material compliance with all applicable Environmental Laws.

(2) The Mortgagor shall not conduct or allow to be conducted, in material violation of any Environmental Law, any business, operations or activity on the Mortgaged Property, or, except in strict compliance with applicable law, employ or use the Mortgaged Property to generate, use, handle, manufacture, treat, store, process, transport or dispose of any Hazardous Materials, or any other substance which is prohibited, controlled or regulated under applicable law. The Mortgagor shall not use the Mortgaged Property in a way that poses a threat or nuisance to public safety, health or the environment, or cause or allow to be caused a known or suspected release of Hazardous Materials, on, under, or from the Mortgaged Property.

(3) The Mortgagor shall not do or permit any act or thing, business or operation that poses an unreasonable risk of harm, or impairs or may impair the value of the Mortgaged Property or any part thereof.

(B) Condition of the Mortgaged Property.

(1) The Mortgagor shall take all appropriate response actions, including any removal and remedial actions, in the event of a release, emission, discharge or disposal of Hazardous Materials in, on, under, or about the Mortgaged Property, so as to remain in compliance with all Environmental Laws.

(2) All underground tanks, wells, septic tanks, ponds, pits, or any other storage tanks (whether currently in use or abandoned) on the Mortgaged Property, if any, are, as of the date hereof, maintained in compliance with all applicable Environmental Laws.

(C) Notice of Environmental Problems or Litigation. Neither the Mortgagor nor any of its tenants have given, nor were they required to give, nor have they received, any notice, letter, citation, order, warning, complaint, inquiry, claim or demand that: (1) the Mortgagor and/or any of its tenants have violated, or are about to violate, any Environmental Law, judgment or order; (2) there has been a release, or there is a threat of release, of Hazardous Materials from the Mortgaged Property; (3) the Mortgagor and/or any of its tenants may be or are liable, in whole or in part, for the costs of cleaning up, remediating, removing or responding to a release or a threatened release of Hazardous Materials; or (4) the Mortgaged Property is subject to a Lien in favor of any governmental entity for any liability, costs or damages, under any Environmental Law arising from, or costs incurred by such governmental entity in response to, a release or a threatened release of a Hazardous Material. The Mortgagor further represents and warrants that no conditions currently exist or are currently reasonably foreseeable that would subject the Mortgagor to any such investigation, litigation, administrative enforcement or to any damages, penalties, injunctive relief, or cleanup costs under any Environmental Law. Upon receipt of any such notice, the Mortgagor and/or any of its tenants shall immediately provide a copy to the Mortgagee.

(D) Right of Inspection. The Mortgagor hereby grants, and will cause any of its

tenants to grant, to the Mortgagee, its agents, attorneys, employees, consultants, contractors, successors and assigns, an irrevocable license and authorization, upon reasonable notice, to enter upon and inspect the Mortgaged Property and facilities thereon, and perform such tests, including without limitation, subsurface testing, soils and groundwater testing, and other tests which may physically invade the Mortgaged Property, as the Mortgagee, in its sole discretion, determines are necessary to protect its security interest; provided, however, that under no circumstances shall the Mortgagee be obligated to perform such inspections or tests.

(E) **Indemnity.** The Mortgagor agrees to indemnify and hold the Mortgagee, its directors, employees, agents, and its successors and assigns, harmless from and against any and all claims, losses, damages, liabilities, fines, penalties, charges, judgments, administrative orders, remedial action requirements, enforcement actions of any kind, and all costs and expenses incurred in connection therewith (including without limitation attorney's fees and expenses) arising directly or indirectly, in whole or in part, out of any failure of the Mortgagor to comply with the environmental representations, warranties, and covenants contained herein.

(F) **Continuation of Representations, Warranties, Covenants and Indemnities.** The Mortgagor's representations, warranties, covenants, and indemnities contained herein shall survive the occurrence of any event whatsoever, including, without limitation, the satisfaction of the Obligations secured hereby, the reconveyance or foreclosure of this Mortgage, the acceptance by the Mortgagee of a deed in lieu of foreclosure, or any transfer or abandonment of the Mortgaged Property.

(G) **Corrective Action.** In the event the Mortgagor is in breach of any of its representations, warranties or agreements as set forth above, then, without limiting the Mortgagee's other rights hereunder, the Mortgagor, at its sole expense, shall take all actions required, including, without limitation, environmental cleanup of the Mortgaged Property, to comply with the representations, warranties, and covenants contained herein and with all applicable Environmental Laws and, in any event, shall take all actions deemed necessary under all applicable Environmental Laws.

Section 3.14. **Use of Obligations.** None of the real property described in Exhibit A hereto constitutes and none of the funds represented by the Obligations will be used to purchase: (i) real property which is a single-family or two-family dwelling occupied or to be occupied by the Mortgagor; (ii) agricultural products or property used for an agricultural purpose as defined in Iowa Code § 535.13; (iii) agricultural lands as defined in Iowa Code § 9I.1; or (iv) property used for agricultural purposes as defined in Iowa Code § 570A.1(2). The Mortgaged Property is to be used solely for business purposes. Unless required by applicable law or unless the Mortgagee has otherwise agreed in writing, the Mortgagor shall not allow all or any part of the Mortgaged Property to be used for other than business purposes. The Mortgagor shall not initiate or acquiesce in a change in the zoning classification of the Mortgaged Property without the Mortgagee's prior written consent. The transactions contemplated by this Mortgage, the Obligations and the Credit Agreement and the other Loan Documents do not constitute a consumer credit transaction as defined in Iowa Code § 537.1301(12); and the transactions contemplated by this Mortgage, the Obligations and the Credit Agreement and the other Loan Documents are for a business purpose as defined in Iowa Code § 535.2(2)(a)(5).

Section 3.15. **Non-Statutory Liens.** The Liens granted hereby are not the type of Lien referred to in Iowa Code § 575, as now enacted or hereafter modified, amended or replaced. The Mortgagor, for itself and all persons claiming by, through or under the Mortgagor, agrees that it claims no Lien or right to a Lien of the type contemplated by Iowa Code § 575 or any chapter of the Iowa Code and further waives all notices and rights pursuant to said law with respect to the Liens hereby granted, and represents and

warrants that it is the sole party entitled to do so and agrees to indemnify and hold harmless the Mortgagee from any loss, damage and costs, including reasonable attorneys' fees, threatened or suffered by the Mortgagee arising either directly or indirectly as a result of any claim of the applicability of said law to the Liens hereby granted.

Section 3.16. **Appointment of Receiver.** In addition to any rights granted under the terms of this Mortgage, upon the occurrence and during the continuance of an Event of Default, the Mortgagee will be entitled as a matter of right to the appointment of a receiver without giving bond, and without regard to the solvency or insolvency of the Mortgagor, waste, or adequacy of the security. Such receiver will have all the rights, powers, and remedies provided by law (including without limitation the rights of receiver pursuant to Iowa Code § 654.14, as amended), including without limitation the ability to (i) collect any rents; (ii) manage the Mortgaged Property so as to prevent waste; (iii) execute leases within or beyond the receivership; (iv) perform the terms of this Mortgage; and (v) apply the rents to the payment of the expenses enumerated in Iowa Code § 654.14, in the priority required therein, and to all expenses for maintenance of the Mortgaged Property, and to the costs and expenses of the receivership, including attorneys' fees, and to the repayment of the Obligations. The Mortgagor hereby irrevocably consents to such appointment.

Section 3.17. **Non-Homestead Property.** The Mortgaged Property is not homestead property.

Section 3.18. **Payment of Impositions.** The Mortgagor shall pay when due and in any event before any penalty attaches all taxes, assessments, governmental charges, water charges, sewer charges, and other fees, taxes, charges and assessments of every kind and nature whatsoever assessed or charged against or constituting a Lien on the Mortgaged Property or any interest therein ("**Impositions**"), subject to contest as permitted by the Credit Agreement, and will upon demand furnish to the Mortgagee proof of the payment of any such Impositions. In the event of a court decree or an enactment by any legislative authority of any law imposing upon a mortgagee or beneficiary of a deed of trust the payment of the whole or any part of the Impositions herein required to be paid by the Mortgagor, or changing in any way the laws relating to the taxation of mortgages or deeds of trust or debts secured by mortgages or deeds of trust or a beneficiary's interest in mortgaged premises, so as to impose such Imposition on the Mortgagee or on the interest of the Mortgagee in the Mortgaged Property, then, in any such event, the Mortgagor shall bear and pay the full amount of such Imposition, provided that if for any reason payment by the Mortgagor of any such Imposition would be unlawful, or if the payment thereof would constitute usury or render the Obligations wholly or partially usurious, the Mortgagee, at its option, may declare the whole sum secured by this Mortgage with interest thereon to be immediately due and payable, without prepayment premium, or the Mortgagee, at its option, may pay that amount or portion of such Imposition as renders the Obligations unlawful or usurious, in which event the Mortgagor shall concurrently therewith pay the remaining lawful and non-usurious portion or balance of said Imposition.

ARTICLE IV.

EVENTS OF DEFAULT AND REMEDIES OF THE MORTGAGEE

Section 4.01. **Events of Default.** Each of the following shall be an "**Event of Default**":

(A) default shall be made in the payment of any amount due under any Obligation;

(B) default shall be made in the due observance or performance of any of the covenants, conditions or agreements on the part of the Mortgagor, and, if such default shall be under Sections 3.06, 3.07 or 3.08 hereof, such default shall continue for a period of thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been

given to the Mortgagor by the Mortgagee;

(C) any representation or warranty made by the Mortgagor herein, or in any certificate, instrument or document delivered hereunder, shall prove to be false or misleading in any material respect on or as of the date made;

(D) an "Event of Default" shall have occurred under the Credit Agreement or any other Loan Document or, in the event the Credit Agreement or any other Loan Document does not contain specified "Events of Default," the Mortgagor shall breach or be in default of the Credit Agreement or any other Loan Document; and

(E) an event of damage, destruction or loss or a taking under the power of eminent domain or like power (or transfer in lieu of such taking) shall have had, in the judgment of the Mortgagee, a material adverse effect on the ability of the Mortgagor to pay or perform the Obligations.

Section 4.02. Acceleration of Maturity. If an Event of Default shall have occurred and be continuing, the Mortgagee may declare the Obligations to be due and payable, and upon such declaration, all Obligations shall become due and payable immediately, anything contained herein, in the Credit Agreement or in any other Loan Document to the contrary notwithstanding.

Section 4.03. Remedies of the Mortgagee. If one or more Events of Default shall occur and be continuing, the Mortgagee (personally or by attorney), in its discretion, may:

(A) take immediate possession of the Mortgaged Property, collect and receive all credits, outstanding accounts and bills receivable of the Mortgagor and all rents, income, revenues, profits and proceeds pertaining to or arising from the Mortgaged Property, or any part thereof, whether then past due or accruing thereafter, and issue binding receipts therefor; and manage, control and operate the Mortgaged Property as fully as the Mortgagor might do if in possession thereof, including, without limitation, the making of all repairs or replacements deemed necessary or advisable;

(B) proceed to protect and enforce the rights of the Mortgagor and the rights of the Mortgagee by foreclosure without redemption of the Mortgaged Property, or any part thereof, pursuant to Iowa Code § 654. A deficiency judgment may then be entered against the Mortgagor even though the Mortgagee has elected foreclosure without redemption if the Mortgaged Property is not the Mortgagor's residence, is not a one- or two-family dwelling, is not used for an agricultural purpose as defined by Iowa Code § 535.13, and the Mortgagee has complied with the notice and petition provisions of Iowa Code § 654.20. Nothing in this Section shall be construed to limit or otherwise affect any other redemption provisions contained in Iowa Code § 628;

(C) pursue nonjudicial foreclosure, pursuant to Iowa Code § 654.18 and § 655A as now enacted or hereafter modified, amended or repealed;

(D) initiate suits or actions in equity or at law in any court or courts of competent jurisdiction, whether for specific performance of any covenant or any agreement contained herein, in the Credit Agreement or in any other Loan Document or in aid of the execution of any power herein granted or for the closure hereof or hereunder or for the sale of the Mortgaged Property, or any part thereof, or to collect of the debts hereby secured or for the enforcement of such other or additional appropriate legal or equitable remedies as may be deemed necessary or advisable to protect and enforce the rights and remedies herein granted or conferred. In the event of the

institution of any such action or suit, the Mortgagee shall have the right to have appointed a receiver of the Mortgaged Property and of all rents, income, revenues, profits and proceeds pertaining thereto or arising therefrom, whether then past due or accruing after the appointment of such receiver, derived, received or had from the time of the commencement of such suit or action, and such receiver shall have all the usual powers and duties of receivers in like and similar cases, to the fullest extent permitted by law, and if application shall be made for the appointment of a receiver, the Mortgagor hereby expressly consents that the court to which such application shall be made may make said appointment ex parte;

(E) sell or cause to be sold all of the Mortgaged Property or any part thereof, and all right, title, interest, claim and demand of the Mortgagor therein or thereto, at public auction at such place in any county in which the property to be sold, or any part thereof, is located, at such time, upon such notice, and upon such terms as may be specified in a notice of sale, which shall state the time when and the place where the sale is to be held, shall contain a brief description of the property to be sold, and shall be given by mailing a copy thereof to the Mortgagor at least fifteen (15) days prior to the date fixed for such sale and by publishing the same once in each week for two successive calendar weeks prior to the date of such sale in a newspaper of general circulation published in said county or, if no such newspaper is published in such county, in a newspaper of general circulation in such county, the first such publication to be not less than fifteen (15) days nor more than thirty (30) days prior to the date fixed for such sale. Any sale to be made under this Section 4.03(E) may be adjourned from time to time by announcement at the time and place appointed for such sale or for such adjourned sale or sales, and without further notice or publication the sale may be had at the time and place to which the same shall be adjourned. Notwithstanding the foregoing, in the event another or different notice of sale or another or different manner of conducting the same shall be required by law, the notice of sale shall be given or the sale be conducted, as the case may be, in accordance with the applicable provisions of law. The costs and expenses incurred by the Mortgagee (including, but not limited to, receiver's fees, counsel fees, cost of advertisement and agents' compensation) in the exercise of any of the remedies provided in this Mortgage shall be secured by this Mortgage;

(F) foreclose this Mortgage, either judicially or nonjudicially, in accordance with Iowa law, and, in any foreclosure proceeding the court shall, upon application, at once, and without notice to the Mortgagor, or any party claiming under the Mortgagor, and without giving bond on such application (such notice and bond being hereby expressly waived) and also without reference to the then value of the Mortgaged Property, to the use of said Mortgaged Property as a homestead, or to the solvency or insolvency of any person liable for any of the Obligations secured hereby, appoint a receiver for the benefit of the legal holder of the Obligations secured hereby, to take possession of the Mortgaged Property, with power to collect rents, issues, and profits of the Mortgaged Property, then due or to become due, during the pendency of such foreclosure suit, and until the time to redeem the same shall expire (such rents, issues and profits being hereby expressly assigned and pledged as additional security for the payment of the Obligations secured by this Mortgage); Such receiver will have all the rights, powers, and remedies provided by law (including, without limitation, the rights of receiver pursuant to Iowa Code § 654.14); this provision for appointment of a receiver being expressly a condition upon which the loan hereby secured was made; and Mortgagor hereby further consents that said receiver may, out of the said rents, pay prior or subordinate liens, the taxes, assessments, water rates and insurance on Mortgaged Property, then due or unpaid or accruing whether before or after the filing of such bill, and for any necessary repairs thereon, and management and rental fees and any other proper charges, and the amount of any deficiency decree; provided that, in case of any default or breach, as aforesaid, as a concurrent (and not alternative or exclusive) remedy and measure for making effective the terms provisions and purposes hereof, it shall be lawful for Mortgagee, its agent or attorney forthwith (either with

or without process of law, forcibly or otherwise) to enter upon and take possession of said Mortgaged Property and to expel and remove any person, goods or chattels, occupying or upon the same, to collect and to receive all the rents, issues and profits therefrom, from time to time, to manage and control the same and make all necessary repairs, and lease the same or any part thereof at such rentals as in its sole discretion it may deem just and reasonable, and after deducting all reasonable attorneys' fees and all expenses incurred in the protection, care, repair and management of said Mortgaged Property, apply the remaining income upon the Obligations hereby secured in the same manner as is hereafter provided upon the sale of said Mortgaged Property under foreclosure as enumerated in Iowa Code § 654.14; and the Mortgagor hereby expressly releases and waives any and all right to possession, control or management of the Mortgaged Property, or to the rents, issues and profits therefrom, after any default or breach of the terms or provisions of this Mortgage and the Mortgagor hereby further expressly releases and waives any and all damages and claims for damages occasioned by such expulsion; and

(G) it is agreed that if this Mortgage covers less than ten (10) acres of land, and in the event of the foreclosure of this Mortgage and sale of the property by sheriff's sale in such foreclosure proceedings, the time of one year for redemption from said sale provided by the statutes of the State of Iowa shall be reduced to six (6) months provided the Mortgagee, in such action files an election to waive any deficiency judgment against the Mortgagor which may arise out of the foreclosure proceedings; all to be consistent with the provisions of Chapter 628 of the Iowa Code. If the redemption period is so reduced, for the first three (3) months after sale such right of redemption shall be exclusive to the Mortgagee, and the time periods in Sections 628.5, 628.15, and 628.16 of the Iowa Code shall be reduced to four (4) months.

It is further agreed that the period of redemption after a foreclosure of this Mortgage shall be reduced to sixty (60) days if all of the three following contingencies develop: (1) The real estate is less than ten (10) acres in size; (2) the applicable court finds affirmatively that the said real estate has been abandoned by the owners and those persons personally liable under this Mortgage at the time of such foreclosure; and (3) the Mortgagee in such action files an election to waive any deficiency judgment against the Mortgagor or its successor in interest in such action. If the redemption period is so reduced, the Mortgagor or its successor in interest or the owner shall have the exclusive right to redeem for the first thirty (30) days after such sale, and the time provided for redemption by creditors as provided in Sections 628.5, 628.15, and 628.16 of the Iowa Code shall be reduced to forty (40) days. Entry of appearance by pleading or docket entry by or on behalf of the Mortgagor shall be a presumption that the property is not abandoned. Any such redemption period shall be consistent with all of the provisions of Chapter 628 of the Iowa Code. This paragraph shall not be construed to limit or otherwise affect any other redemption provisions contained in Chapter 628 of the Iowa Code.

Section 4.04. Application of Proceeds from Remedial Actions. Any proceeds or funds arising from the exercise of any rights or the enforcement of any remedies herein provided after the payment or provision for the payment of any and all costs and expenses in connection with the exercise of such rights or the enforcement of such remedies shall be applied to the Obligations in such order and manner as set forth in the Credit Agreement.

Section 4.05. Remedies Cumulative; No Election. Every right or remedy herein conferred upon or reserved to the Mortgagee shall be cumulative and shall be in addition to every other right and remedy given hereunder, under the Credit Agreement or under any other Loan Document or now or hereafter existing at law, or in equity, or by statute. The pursuit of any right or remedy shall not be construed as an election.

Section 4.06. **Waiver of Appraisal Rights.** The Mortgagor, for itself and all who may claim through or under it, covenants that it will not at any time insist upon or plead, or in any manner whatever claim, or take the benefit or advantage of, any appraisalment, valuation, stay, extension or redemption laws now or hereafter in force in any locality where any of the Mortgaged Property may be situated, in order to prevent, delay or hinder the enforcement or foreclosure of this Mortgage, or the absolute sale of the Mortgaged Property, or any part thereof, or the final and absolute putting into possession thereof, immediately after such sale, of the purchaser or purchasers thereat, and the Mortgagor, for itself and all who may claim through or under it, hereby waives the benefit of all such laws unless such waiver shall be forbidden by law.

Section 4.07. **Expenses of Exercising Rights, Powers and Remedies.** The reasonable and documented expenses (including any receiver's fees, attorneys' fees, appraisers' fees, environmental engineers' and/or consultants' fees, costs incurred for documentary and expert evidence, stenographers' charges, publication costs, costs (which may be estimated as to items to be expended after entry of the decree of foreclosure) of procuring all abstracts of title, continuations of abstracts of title, title searches and examinations, title insurance policies and commitments and extensions therefor, Torrens duplicate certificates of title, Uniform Commercial Code and chattel lien searches, and similar data and assurances with respect to title as the Mortgagee may deem reasonably necessary either to prosecute any foreclosure action or to evidence to bidders at any sale which may be had pursuant to any foreclosure decree the true condition of the title to or the value of the Mortgaged Property, and agent's compensation) incurred by the Mortgagee after the occurrence of any Default or Event of Default and/or in pursuing the rights, powers and remedies contained in this Mortgage shall be immediately due and payable by the Mortgagor, with interest thereon from the date incurred at the rate set forth in Section 3.09 hereof, and shall be added to the indebtedness secured by this Mortgage.

Section 4.08. **Restoration of Position.** In case the Mortgagee shall have proceeded to enforce any right under this Mortgage by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely, then, and in every such case, the Mortgagor and the Mortgagee shall be restored to their former positions and rights hereunder with respect to the Mortgaged Property subject to the lien hereof.

Section 4.09. **Marshalling.** The Mortgagor, for itself and on behalf of all persons, parties and entities which may claim under the Mortgage, hereby waives all requirements of law relating to the marshalling of assets, if any, which would be applicable in connection with the enforcement by the Mortgagee of its remedies for an Event of Default hereunder, absent this waiver. The Mortgagee shall not be required to sell or realize upon any portion of the Mortgaged Property before selling or realizing upon any other portion thereof.

ARTICLE V.

POSSESSION UNTIL DEFAULT; SATISFACTION

Section 5.01. **Possession Until Default.** Until one or more Events of Default shall have occurred, the Mortgagor shall be permitted to retain actual possession of the Mortgaged Property, and to manage, operate and use the same and any part thereof, with the rights and franchises appertaining thereto, including, without limitation, to collect, receive, take, use and enjoy the rents, revenues, issues, earnings, income, products, profits and proceeds thereof or therefrom, subject to the provisions of this Mortgage.

Section 5.02. **Satisfaction.** Upon payment in full of all Obligations and the termination of all commitments of the Lender Parties under the Credit Agreement, all property, rights and interest hereby conveyed or assigned or pledged shall, upon the written request of the Mortgagor, revert to the Mortgagor

and the estate, right, title and interest of the Mortgagee shall thereupon cease, determine and become void, and the Mortgagee, in such case, upon the Mortgagor's written request and at the Mortgagor's sole cost and expense, shall enter satisfaction of this Mortgage upon the record.

ARTICLE VI.

MISCELLANEOUS

Section 6.01. **Property Deemed Real Property.** It is hereby declared to be the intention of the Mortgagor that all the Mortgaged Property, including, without limitation, all rights of way and easements granted or given to the Mortgagor or obtained by it to use real property in connection with the construction, acquisition, ownership, use or operation of the Improvements, and all other property physically attached to any of the foregoing, including fixtures now or in the future attached to any of the foregoing, shall be deemed to be real property.

Section 6.02. **Mortgage to Bind and Benefit Successors and Assigns.** All of the covenants, stipulations, promises, undertakings and agreements herein contained by or on behalf of the Mortgagor shall bind its successors and assigns, whether so specified or not, and all titles, rights and remedies hereby granted to or conferred upon the Mortgagee shall pass to and inure to the benefit of the successors and assigns of the Mortgagee. The Mortgagor hereby agrees to execute such consents, acknowledgments and other instruments as may be requested by the Mortgagee in connection with the assignment, transfer, mortgage, hypothecation or pledge of the rights or interests of the Mortgagee hereunder, under the Credit Agreement, under any other Loan Document or in and to any of the Mortgaged Property.

Section 6.03. **Headings.** The descriptive headings of the various articles and sections of this Mortgage were formulated and inserted for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

Section 6.04. **Notices.** All demands, notices, reports, approvals, designations or directions required or permitted to be given hereunder shall be in writing and shall be deemed to be properly given if sent by registered or certified mail, postage prepaid, or delivered by hand, or sent by facsimile or electronic transmission, receipt confirmed, addressed to the proper party or parties at the following address:

As to the Mortgagor: Heartland Co-op
2829 Westown Parkway, Suite 350
West Des Moines, IA 50266
Attention: Tom Hauschel
Fax No: (515) 225-8511
E-mail: thauschel@heartlandcoop.com

As to the Mortgagee: CoBank, ACB
6340 S. Fiddlers Green Circle
Greenwood Village, CO 80111
Attention: Credit Information Services
Fax No: (303) 224-6101
E-mail: CIServices@cobank.com

Either such party may from time to time designate to each other a new address to which demands, notices, reports, approvals, designations or directions may be addressed, and from and after any such designation, the address designated shall be deemed to be the address of such party in lieu of the address given above.

Section 6.05. **Severability.** The invalidity of any one or more phrases, clauses, sentences, paragraphs or provisions of this Mortgage shall not affect the remaining portions hereof.

Section 6.06. **Governing Law.** The effect and meaning of this Mortgage, and the rights of all parties hereunder, shall be governed by, and construed according to, the laws of the State of Iowa, except to the extent governed by federal law.

Section 6.07. **Indemnification by the Mortgagor of the Mortgagee.** The Mortgagor agrees to indemnify and save harmless the Mortgagee against any liability or damages which the Mortgagee may incur or sustain in the exercise and performance of its rightful powers and duties hereunder, including any liability or damages arising from the Mortgagor’s failure to comply with any Environmental Law or the like applicable to the Mortgaged Property. For such indemnity, the Mortgagee shall be secured under this Mortgage in the same manner as the Obligations and all amounts payable under this Section shall be paid to the Mortgagee with interest at the Default Rate. The Mortgagor’s obligations under this Section shall survive the exercise by the Mortgagee of its rights and remedies hereunder, any foreclosure on all or any part of the Mortgaged Property and the cancellation or satisfaction of this Mortgage.

Section 6.08. **Uniform Commercial Code Security Agreement.** This Mortgage constitutes a security agreement within the meaning of the UCC, with respect to all of the personal property, and is intended to afford the Mortgagee, on behalf of and for the ratable benefit of the Lender Parties (as defined in the Credit Agreement), to the fullest extent allowed by law, the rights and remedies of a secured party under the UCC. For the purposes of the security agreement and related financing statements, the “debtor” is the Mortgagor, and the “secured party” is the Mortgagee. The Mortgagor hereby authorizes the Mortgagee (and the Mortgagee’s representatives and agents) to file (a) the Mortgagee’s financing statements (together with amendments thereto and continuation statements thereof) relating to the Mortgaged Property and (b) any termination statements relating to the filings of other secured parties that relate to the Mortgaged Property. The form and substance of any financing statement filed with respect to this Mortgage shall be as the Mortgagee, in its sole discretion, may determine and the Mortgagee is authorized to file a financing statement with a collateral description of “all assets” or any other similar description. The Mortgagor shall pay all costs of filing such financing statements and termination and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements the Mortgagee may reasonably require. In exercising any remedies under this Mortgage, the Credit Agreement or any other Loan Document, the Mortgagee may proceed against the items of real property and any items of personal property specified above as part of the Mortgaged Property separately or together and in any order whatsoever, without in any way affecting the availability of the Mortgagee’s remedies under the UCC or of the remedies provided in Section 4.03 of this Mortgage.

Section 6.09. **Fixture Filing.** This instrument shall be deemed to be a Fixture Filing within the meaning of the UCC, and for such purpose, the following information is given:

(a) Name and address of Debtor:	Heartland Co-op 2829 Westown Parkway, Suite 350 West Des Moines, IA 50266
(b) Name and address of Secured Party:	CoBank, ACB 6340 S. Fiddlers Green Circle Greenwood Village, CO 80111 Attention: Credit Information Services
(c) Description of the types (or items) of property covered by this Fixture Filing:	See granting clauses.

<p>(d) Description of real estate to which the collateral is attached or upon which it is or will be located:</p>	<p>See Exhibit A hereto.</p>
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Some of the above-described collateral is or is to become fixtures upon the Land, and this Fixture Filing is to be filed for record in the public real estate records. The above-stated address of Secured Party is the address from which information concerning the security interest may be obtained.

Section 6.10. **Assignment of Rents and Profits.** This Mortgage constitutes an assignment of rents and profits and affords the Mortgagee, to the fullest extent allowed by law, the rights and remedies of a mortgage lender or secured lender pursuant thereto.

(A) Upon the occurrence and during the continuance of any Event of Default, the Mortgagee may, in addition to all other rights in the Mortgage, at its option, at any time:

(1) In the name, place and stead of the Mortgagor and without becoming a mortgagee in possession (a) enter upon, manage and operate the Mortgaged Property or retain the services of one or more independent contractors to manage and operate all or any part of the Mortgaged Property; (b) make, enforce, modify and accept surrender of the Leases; (c) obtain or evict tenants, collect, sue for, fix or modify the Rents and enforce all rights of Mortgagor under the Leases; and (d) perform any and all other acts that may be necessary or proper to protect the security of this Mortgage.

(2) With or without exercising the rights set forth in subparagraph (A)(1)(a) above, give or require the Mortgagor to give, notice to any or all tenants and guarantors under the Leases and other parties obligated to pay Rents authorizing and directing the tenants or other parties obligated to pay Rents to pay all Rents directly to the Mortgagee.

(3) Without regard to waste, adequacy of the security or solvency of the Mortgagor, apply for, and the Mortgagor hereby consents to, the appointment of a receiver of the Mortgaged Property, whether or not foreclosure proceedings have been commenced, and whether or not a foreclosure sale has occurred. The receiver will have authority to make Leases for terms which extend beyond the receivership.

The exercise of any of the foregoing rights or remedies and the application of the Rents pursuant to this Section 6.10, will not cure or waive any Event of Default (or notice of Default) or invalidate any act done pursuant to such notice.

(B) All Rents collected by the Mortgagee or any receiver each month shall be applied in the manner consistent with the requirements for application of rents, profits, and all income of any kind, as follows:

(1) If received prior to any foreclosure sale of the Mortgaged Property pursuant to this Mortgage, to the Mortgagee for payment of the indebtedness secured hereby, but no such payment made after acceleration of the indebtedness secured hereby will affect such acceleration;

(2) If received during or with respect to the period of redemption after a foreclosure sale of the Mortgaged Property pursuant to this Mortgage:

(a) if the purchaser at the foreclosure sale is not the Mortgagee, first to the Mortgagee to the extent of any deficiency of the sale proceeds to repay the indebtedness secured hereby, second to the purchaser as a credit to the redemption price, but if the Mortgaged Property is not redeemed, then to the purchaser of the Mortgaged Property;

(b) if the purchaser at the foreclosure sale is the Mortgagee, to the Mortgagee to the extent of any deficiency of the sale proceeds to repay the indebtedness secured hereby and the balance to be retained by the Mortgagee as a credit to the redemption price, but if the Mortgaged Property is not redeemed, then to the Mortgagee, whether or not any such deficiency exists.

The rights and powers of the Mortgagee under this Mortgage and the application of Rents under this Section 6.10 shall continue until expiration of the redemption period from any foreclosure sale, whether or not any deficiency remains after a foreclosure sale.

Section 6.11. **Waiver of Surrender of Note.** The Mortgagor waives, to the fullest extent permitted by applicable law, any requirement, whether pursuant to Iowa Rule of Civil Procedure 1.961 or otherwise, that any note must be filed with the Clerk of Court or otherwise surrendered at the time judgment is rendered on any note. The Mortgagor further consents, in any mortgage foreclosure or other action brought on the Obligations in Iowa, to the entry of judgment in any such action without the filing of any note with the Clerk of Court or other surrender of the note.

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT.

THE MORTGAGOR ACKNOWLEDGES THE RECEIPT OF A COPY OF THIS MORTGAGE AT THE TIME IT WAS SIGNED AND ALL OTHER DOCUMENTS EXECUTED BY THE MORTGAGOR IN CONNECTION THEREWITH.

THE MORTGAGOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND THE MORTGAGOR AGREES TO ITS TERMS.

Signature page follows.

IN WITNESS WHEREOF, the Mortgagor has caused this Mortgage to be signed in its name by its officer thereunto duly authorized, all as of the day and year first above written.

HEARTLAND CO-OP, Mortgagor

By: Brian Bailey
Name: Brian Bailey
Title: Chief Financial Officer

STATE OF Iowa)
)
COUNTY OF Polk)

This instrument was acknowledged before me on this 18th day of March, 2022, by Brian Bailey as Chief Financial Officer of Heartland Co-op, a cooperative association existing under the laws of the State of Iowa, on behalf of such cooperative association.

(SEAL)



Katherine Stillmunkes
Notary Public
Printed Name: Katherine Stillmunkes
Controller
Title (and Rank)

My commission expires: September 6, 2024

EXHIBIT A -- REAL PROPERTY

Real property in the City of Earlham, County of Madison, State of Iowa, described as follows:

Parcel 1:

Lots Three (3), Four (4) and Five (5) in Block Fourteen (14) of the Original Town of Earlham, Madison County, Iowa.

Parcel 2:

Lots One (1), Two (2), Three (3), Four (4), Five (5), Six (6), Seven (7), Eight (8), Nine (9), Ten (10), and Eleven (11), in Block Seven (7); AND Lot Two (2) in Block Eight (8); AND that part of Lot One (1) in Block Sixteen (16) described as follows:

A tract commencing 28 feet North of the Southeast corner of Lot One (1) in Block Sixteen (16), thence South to said Southeast corner, thence West to the Southwest corner of said Lot One (1), thence North 54¼ feet, thence Easterly on a straight line to the point of beginning; AND a tract commencing at the Northwest corner of said Lot One (1) in said Block Sixteen (16), thence South along the West line thereof 27 feet more or less to a point 25 feet Southwesterly, measured at right angles, from the Northerly line of said Lot One (1), thence Southeasterly along a line 25 feet Southwesterly from and parallel with the Northerly line of said Lot One (1), 150 feet more or less to the West line of Chestnut Street, thence North to the Northeast corner of said Lot One (1), thence Northwesterly along the Northerly line of said Lot One (1) to the point of beginning, EXCEPTING therefrom Parcel 3 and Parcel 4 as described in Acquisition Plat dated May 10, 2004, and attached to Corporate Quit Claim Deed filed on August 3, 2004, in Book 2004, Page 3608 of the Records of the Recorder of Madison County, Iowa,

AND

Lots One (1) and Two (2) in Block Fifteen (15); AND Lots Two (2), Three (3), Four (4), and Five (5), in Block Sixteen (16) and Lot Ten (10) in Block Sixteen (16) EXCEPTING therefrom Parcel 1 as described on Acquisition Plat dated May 10, 2004, attached to Corporate Quit Claim Deed filed on August 3, 2004, in Book 2004, Page 3608 of the Records of the Recorder of Madison County, Iowa; and Lot Eleven (11) in Block Sixteen (16), EXCEPT the South 45 feet thereof, AND EXCEPT Parcel 2 as described in Acquisition Plat dated May 10, 2004, attached to Corporate Quit Claim Deed filed on August 3, 2004, in Book 2004, Page 3608 of the Records of the Recorder of Madison County, Iowa; AND Parcels "A", "B", and "C" as shown by the Plat of Survey recorded on May 12, 2004 in Book 2004, Page 2163, in the Office of the Recorder of Madison County, Iowa; said Parcel "A" adjoins the Northwest corner of Lot Eleven (11) in Block Sixteen (16); said Parcel "B" lies within said Lot Eleven (11); said Parcel "C" lies within Lot Eleven (11) and Lot One (1) in Block Sixteen (16) and a portion of the alley lying between said Lot Eleven (11) and said Lot One (1); ALL in the Original Town of Earlham, Madison County, Iowa,

AND

All that part of the West Half (½) of the Northwest Quarter (¼) of Section Two (2), Township Seventy-seven (77) North, Range Twenty-nine (29) West of the 5th P. M., Madison County, Iowa, lying South of the Chicago, Rock Island and Pacific Railway right of way as now located, containing 4 acres, more or less;

AND

The North Half (½) of the Northwest Quarter (¼) of the Southeast Quarter (¼) of Section Seven (7) in Township Seventy-seven (77) North, Range Twenty-eight (28) West of the 5th P.M., Madison County, Iowa, EXCEPT Parcel "B" located in the Northwest Quarter (¼) of the Southeast Quarter (¼) of said Section Seven (7), containing 1.33 acres as shown in Plat of Survey filed in Book 3, Page 280 on June 18, 1998, in

the Office of the Recorder of Madison County, Iowa,

AND

The following described tracts, formerly a part of the Chicago, Rock Island and Pacific Railroad Company, and the Heartland Rail Corporation, located in the Southwest Quarter (¼) of the Southwest Quarter (¼) of Section Six (6), Township Seventy-seven (77) North, Range Twenty-eight (28) West of the 5th P.M., in the City of Earlham, Madison County, Iowa:

1. A tract commencing at the Northwest corner of Lot Two (2) in Block Eight (8) of the Original Town of Earlham, Madison County, Iowa, thence North along the East line of Elm Street in said Town 105 feet, more or less, to a line being 50 feet Southerly of and parallel with the centerline of the Chicago, Rock Island and Pacific Railroad Company's station grounds in said Town, thence Southeasterly along said parallel line 305 feet, thence South parallel with the West line of Locust Street in said Town, 105 feet more or less to the Southerly line of said station grounds, thence Northeasterly along said Southern line of said station grounds 305 feet to the point of beginning; being land conveyed by Quit Claim Deed filed on April 17, 1969 in Town Book 39, Page 152 of the records of the Recorder of Madison County, Iowa.
2. A tract commencing on the Southerly line of above mentioned right of way 55 feet East of the East line of said Locust Street, thence South to the Northerly line of Block Sixteen (16) of said Town of Earlham, thence Southeasterly along the Northerly line of said Block Sixteen (16) to the West line of Chestnut Street in said Town, thence North along the West line of Chestnut Street to the Southerly line of the above mentioned right of way, thence Northwesterly along said line to the point of beginning; being a part of land conveyed as Parcel 2 by Quit Claim Deed filed on April 17, 1969 in Town Book 39, Page 137 of the records of the Recorder of Madison County, Iowa.
3. A tract commencing on the Southerly line of said right of way at its intersection with the East line of said Chestnut Street, thence South to the Northwest corner of Block Fifteen (15) of said Town, thence Southeasterly along the Northerly line of said Block Fifteen (15) to the West line of Sycamore Street in said Town, thence North to the Southerly line of said right of way, thence Northwesterly along said line to the point of beginning; being land conveyed as Parcel 3 by Quit Claim Deed filed on April 17, 1969 in Town Book 39, Page 137 of the records of the Recorder of Madison County, Iowa.
4. A tract commencing on the Southerly line of said right of way at its intersection with the East line of said Sycamore Street, thence South to the Northwest corner of Block Fourteen (14) of said Town, thence Southeasterly along Northerly line of said Block Fourteen (14) to West line of Maple Street in said Town, thence North to the Southerly line of said right of way, thence Northwesterly along said line to the point of beginning; being land conveyed as Parcel 4 by Quit Claim Deed filed on April 17, 1969 in Town Book 39, Page 137 of the records of the Recorder of Madison County, Iowa.
5. A parcel commencing at the Northwest corner of Parcel No. 2, more particularly described in the certain Quit Claim Deed recorded in Town Lot Deed Record 39, at Page 137; thence Northwesterly on a line 8.5 feet perpendicularly distant Southerly from the centerline of stock track, as it existed on March 5, 1976, to a point 305 feet East of the East line of Elm Street, as extended; thence South 115 feet, more or less, to the Southerly line of the station grounds of the former Chicago, Rock Island and Pacific Railroad Company thence

Southeasterly on said Southerly line of such station grounds 102 feet to the East line of Locust Street thence continuing southerly on said Southerly line 55 feet, more or less, to the Westerly boundary of said Parcel No. 2; thence Northerly along said Westerly boundary of said Parcel No. 2 100 feet, more or less, to the Point of Beginning, being land conveyed by Quit Claim Deed filed on May 28, 1993 in Town Book 58, Page 342 of the records of the Recorder of Madison County, Iowa.