

OBLIGATIONS. The Debtor covenants with the Bank faithfully to observe and perform all of the obligations and agreements imposed upon the Debtor as the seller in the Contract. The Bank does not by the acceptance of this Agreement agree to perform any of the obligations of the Debtor under the Contract. This Agreement continues until specifically terminated in writing by Bank. The security interest granted herein is given to secure the performance of the covenants and agreements herein set forth and the payment of the indebtedness evidenced by all promissory note(s) or other instruments executed by Debtor to the order of the Bank and any other indebtedness of Debtor to Bank, whether now existing or hereafter incurred, of every kind and character, direct or indirect, whether maker, endorser, guarantor or surety and whether such indebtedness is from time to time reduced and thereafter increased or entirely extinguished and thereafter reincurred, including without limitation, any sums advanced by Bank in performance of Debtor's obligations hereunder, and fees, insurance, and repairs with respect to the Collateral, and any attorney fees and other charges and expenses incurred in the collection of the obligations secured hereby or to enforce and protect any rights in the Collateral, provided, however, that indebtedness incurred in a "Consumer Credit Transaction" as defined in the Iowa Consumer Credit Code shall not be secured by this Agreement.

If more than one person signs this Security Agreement, each of the undersigned individuals acknowledge and agree that the interest of each of us in the Collateral described above shall stand as security and collateral for any indebtedness, direct or contingent, that Bank or its assignee may now hold or in the future acquire, made or incurred by both of us jointly, or made or incurred by either one of us separately and independently of the other, without the necessity of obtaining the consent, co-signature or acknowledgement of the other on any such other indebtedness or obligation and whether made or incurred with or without my knowledge.

REMEDIES/DEFAULT. It is understood and agreed between the Debtor and the Bank that in the event of the non-payment or other event of default occurring with respect to any of the Obligations secured by this Assignment in accordance with the terms of the Obligations or at maturity, whether such maturity be by acceleration or otherwise, or in the event of the failure of the Debtor to keep and perform any of the conditions, stipulations and covenants contained in this Assignment or required to be kept by the terms of any Obligations secured hereby, or in the event the Buyer or its successors or assigns fails to observe or perform any of its Obligations under the Contract, that then the whole amount of principal and interest secured by this Assignment and then unpaid shall become due and payable, at the option of the Bank, and without notice to the Debtor and suit may be brought for the collection thereof and for the enforcement of this Assignment.

After the occurrence of a default as described above, the Bank may direct any or all of the Buyers of the Property under the Contract to pay to the Bank or its agents such proceeds, payments, profits, revenues, rights and benefits as may now be due or shall hereafter become due. The affidavit or written statement of an agent or attorney of the Bank stating that there has been a default shall constitute conclusive evidence thereof, and any Buyer or other person is authorized and directed to rely thereon without liability or the determination of the actual existence of any default under this Assignment and the Debtor shall have no recourse against any Buyer for the proceeds paid to the Bank.

Upon default, the Bank shall have all the rights and remedies of a secured party under the Uniform Commercial Code of Iowa and under any other applicable laws. Any requirements of reasonable notice by either party to the other or to any guarantors or sureties of the Debtor shall be met if such notice is mailed, postage prepaid, to the address of the parties shown on the first page of this Assignment (or to such other mailing address as either party in writing later furnished to the other) at least ten calendar days (counting the day of sending) before the time of the event or contemplated action set forth in said notice. Debtor agrees to pay all expenses of retaking, holding, preparing for sale, and selling and attorney's fees and legal expenses as may be allowed by law and incurred by the Bank in enforcing its rights under this Assignment. All exemptions in and to any of the Collateral are hereby waived. The rights and remedies conferred upon the Bank shall be cumulative and not alternative and shall be in addition to and not in substitution of or in derogation of rights and remedies conferred by the Uniform Commercial Code of Iowa, and other applicable laws.

It is understood and agreed that until directed otherwise by the Bank the installment payments as they become due under the terms of the Contract may be paid to the Debtor to retain, use and enjoy the same.

NON-WAIVER, EXTENSIONS, ETC. Any extension of time for payment of any installment of any of the Debtor's Obligations or the acceptance of only a part of such installment, or the failure of the Bank to enforce the strict performance of any covenant, promise or condition herein contained (or in any other note, obligation or agreement) on the part of the Debtor to be performed, shall not operate as a waiver of the right of the Bank thereafter to require that the Debtor's Obligations and the terms herein be strictly performed according to the tenor thereof and hereof. No party to this Assignment shall be discharged from liability to the Bank by reason of the Bank's extending the time for payment of an installment or installments owing or due upon any such Obligation, or by reason of the Bank's waiver or modification of any terms of this Assignment. All parties hereto severally waive presentment for payment, notice of non-payment, protest, notice of protest and diligence in bringing suit against any party. The Debtor agrees that the Bank may, without thereby releasing the Debtor, substitute, release, alter or make any other disposition of any Collateral and further agree that the Bank is not required to first resort for payment to any such Collateral. Debtor grants Bank, as further security for the Obligations secured hereby a security interest and lien in any credit balance (and other money) now or hereafter owed the Debtor by the Bank or any assignee of the Bank and, in addition, agrees that the Bank may, without prior notice or demand, set off against any such credit balance (or other money) any amount owing upon the Obligations secured hereby. No waiver of any provision of this Assignment shall be effective unless in writing and signed by the Bank.

MORTGAGE. In the event Debtor shall acquire either through forfeiture, foreclosure, deed in lieu of foreclosure, or any other method or manner the interest of the Buyer in the real estate contract hereby assigned, Debtor hereby agrees that this document shall constitute a mortgage without the requirement of any further documentation or filing. Debtor further agrees that this Mortgage may be foreclosed pursuant to Chapter 654 of the Code of Iowa.

Mortgagor hereby agrees that in the event of judicial foreclosure of this Mortgage, the Mortgagee may, at its sole option, elect:

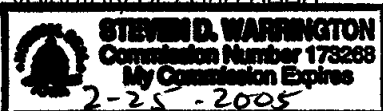
- a.) Pursuant to Iowa Code §628.26 to reduce the period of redemption after sale on foreclosure to six months, or
- b.) Pursuant to Iowa Code §628.27 to reduce the period of redemption after sale on foreclosure to sixty days, or
- c.) Pursuant to Iowa Code §628.28 or any other Iowa Code Section to reduce the period of redemption after sale on foreclosure to such time as may be then applicable and provided by law, or
- d.) Pursuant to Iowa Code §654.20 to foreclose without redemption.

It is further agreed that if this agreement is foreclosed pursuant to Chapter 654 of the Code of Iowa, the Bank shall be entitled to the appointment of a receiver as provided therein.

CONSTRUCTION. The Debtor hereby relinquishes all rights of dower, homestead and distributive shares in and to the Property. Words and phrases herein shall be construed as in the singular or plural number, and as masculine, feminine, or neuter gender according to the context. The paragraph headings of this Assignment are for convenience only and shall not limit the terms of this Assignment. The validity, construction and enforcement of this Assignment shall be determined and governed by the laws of Iowa. All terms not otherwise defined shall have the meaning assigned to them by the Uniform Commercial Code of Iowa. If any provision of this Assignment shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this Assignment shall be construed as if such invalid or unenforceable provision had never been contained herein.

STATE OF IOWA }
COUNTY OF Madison } SS:

On this 22nd day of July, XX2002, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Elizabeth A. Palmer and _____, to me personally known to be the identical person(s) named in and who executed the foregoing instrument, and acknowledged that he/she/they executed the same as his/her/their voluntary act and deed.



Steven D. Warrington

Notary Public in and for said County and State

EXHIBIT "A"

The Southwest Quarter of the Southeast Quarter (SW $\frac{1}{4}$ SE $\frac{1}{4}$) and the Southeast Quarter of the Southwest Quarter (SE $\frac{1}{4}$ SW $\frac{1}{4}$) of Section Fourteen (14), in Township Seventy-four (74) North, Range twenty-six (26) West of the 5th P.M., Madison County, Iowa, EXCEPT a tract of land in the Southeast Quarter of the Southwest Quarter (SE $\frac{1}{4}$ SW $\frac{1}{4}$) of said Section 14 described as follows: Beginning at the Southwest corner of the Southeast Quarter of the Southwest Quarter (SE $\frac{1}{4}$ SW $\frac{1}{4}$) of said Section 14; thence on an assumed bearing of North 00°00'00" East along the West line of said Southeast Quarter of the Southwest Quarter (SE $\frac{1}{4}$ SW $\frac{1}{4}$) 243.35 feet; thence North 88°38'10" East 589.08 feet; thence South 00°00'00" East 223.36 feet to the South line of said Southeast Quarter of the Southwest Quarter (SE $\frac{1}{4}$ SW $\frac{1}{4}$); thence South 86°41'40" West along said South line 589.89 feet to the Southwest corner of said Southeast Quarter of the Southwest Quarter (SE $\frac{1}{4}$ SW $\frac{1}{4}$) and the point of beginning. Said excepted tract contains 3.15 acres;

and

The Northeast Quarter of the Southwest Quarter (NE $\frac{1}{4}$ SW $\frac{1}{4}$), EXCEPT the following two tracts:

The South 14 Rods of the West 6 Rods thereof,

AND EXCEPT

Parcel "B" in the Northeast Quarter of the Southwest Quarter (NE $\frac{1}{4}$ SW $\frac{1}{4}$) of Section Fourteen (14), Township Seventy-four (74) North, Range Twenty-six (26) West of the 5th P.M., Madison County, Iowa, more particularly described as follows:

Commencing at the Southwest corner of the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 14, Township Seventy-four (74) North, Range Twenty-six (26) West of the 5th P.M., Madison County, Iowa, thence along the West line of said NE $\frac{1}{4}$ of the SW $\frac{1}{4}$, North 00°00'00" 231.00 feet to the point of beginning. Thence North 86°41'40" East, 100.00 feet; thence North 00°00'00", 100.00 feet; thence South 86°41'40" West, 100.00 feet; thence South 00°00'00", 100.00 feet to the point of beginning. Said Parcel "B" contains 0.229 Acres;

and also the South Five Acres of the Southwest Quarter of the Northeast Quarter (S 5A SW $\frac{1}{4}$ NE $\frac{1}{4}$) and the Northwest Quarter of the Southeast Quarter (NW $\frac{1}{4}$ SE $\frac{1}{4}$);

all of the above being in Section Fourteen (14), Township Seventy-four (74) North, Range Twenty-six (26) West of the 5th P.M., Madison County, Iowa.