

RETURN TO
PREPARER:

Farm Credit Services
P.O. Box 673
Chariton, IA 50049-0000
(515)774-8476

REC \$ 15.00
AUD \$ _____
R.M.F. \$ 1.00

FCSM 5014 (8-84)

FILED NO. 2457

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95 MAR 28 PM 4: 26

COMPUTER
RECORDED
COMPARED

MICHELLE UTSLER
RECORDER
MADISON COUNTY, IOWA

List associated loan nos. sideways in upper right corner. Otherwise, do not write/type above this line. For filing purposes only.

Farm Credit Services

REAL ESTATE MORTGAGE

For the State of Iowa

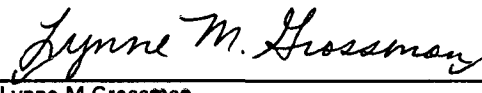
Open-End To Secure Present and Future Obligations and Advances

HOMESTEAD EXEMPTION WAIVER

I understand that homestead property is in many cases protected from the claims of creditors and exempt from judicial sale; and that by signing this mortgage, I voluntarily give up my right to this protection for this property with respect to claims based on this mortgage.

DATE 3-28-95

Mark C Grossman

DATE 3-28-95

Lynne M Grossman

Date: February 23, 1995

Mortgagor(s):
Mark C Grossman and Lynne M Grossman, husband and wife

Mailing Address:
10271 Lincoln
Des Moines IA 50322-0000

The above named Mortgagor(s) in consideration of the advance by Mortgagee to Mortgagor(s) of the principal sum specified below, the receipt of which is hereby acknowledged, and any future, additional or protective advances made to or on behalf of Mortgagor(s) at Mortgagee's option, hereby sell, convey, and mortgage to Farm Credit Services of the Midlands, FLCA, 206 S 19th Street, Omaha, NE 68102-1745, Mortgagee, its successors and assigns, from the date hereof until all obligations secured hereby are paid in full, the following-described real estate in Madison County(ies), Iowa, to wit:

See attached Exhibit A

together with all Mortgagor's right, title, and interest in the property, now or hereafter acquired, including: all buildings, fixtures, crops, and improvements now on or hereafter placed upon the property; all appurtenances, water, irrigation, and drainage rights; all rents, issues, uses, income, profits, and rights to possession; all oil, gas, gravel, rock, or other minerals of whatever nature, including geothermal resources; all personal property that may integrally belong to or hereafter become an integral part of the real estate whether attached or detached, including any appurtenances and accoutrements of any structure or residence secured hereby; all above and below ground irrigation equipment and accessories; and all leases, permits, licenses, or privileges, appurtenant or nonappurtenant to the property, now or hereafter issued, extended, or renewed by Mortgagor(s), any State, the United States, or any department, bureau, instrumentality, or agency thereof. The foregoing is collectively referred to in this document as the "property."

It is understood and agreed between Mortgagor(s) and Mortgagee that this mortgage is given to secure:
(a) Promissory note(s) executed by Mortgagor(s) to Mortgagee described as follows:

Date of Note	Principal Amount
02/23/95	179,000.00

payable according to the terms of the note(s) and any addenda to, reamortization or restructuring of the note(s).
(b) The repayment in full by Mortgagor(s) of any and all future and additional loans or advances which may be made by Mortgagee, at its option, at the request of, and to or for the account of Mortgagor(s), or any of them, for any purpose, plus interest on all loans or advances, under any note(s) or other instrument(s) modifying, refinancing, extending, renewing, reamortizing, or restructuring, new, existing, or additional indebtedness or any part thereof, all payable according to the terms of the note(s) or other instrument(s); provided, however, that the total principal indebtedness outstanding and secured hereby at any one time will not exceed the sum of:
ONE HUNDRED SEVENTY-NINE THOUSAND DOLLARS

(\$ 179,000.00), exclusive of interest and protective advances authorized herein or in the loan agreement(s); provided further, that THIS PARAGRAPH SHALL NOT CONSTITUTE A COMMITMENT TO MAKE FURTHER OR ADDITIONAL ADVANCES IN ANY AMOUNT AT ANY TIME, WHETHER OR NOT THE TOTAL PRINCIPAL INDEBTEDNESS ABOVE HAS BEEN ADVANCED.

(c) The repayment in full by Mortgagor(s) of all amounts advanced by Mortgagee at its option, to or on behalf of Mortgagor(s) as protective advances authorized herein, in the loan agreement(s), or in other instrument(s) which evidence such advances, plus interest on all such advances, payable as provided in the note(s), loan agreement(s), or other instrument(s).

(d) The payment in full of any and all other past, present, or future, direct or contingent, debts and liabilities of Mortgagor(s) to Mortgagee of any nature whatsoever.

*NOTICE: This mortgage secures credit in the amount of \$ 179,000.00. Loans and advances up to this amount, together with interest, are senior to indebtedness to other creditors under subsequently recorded or filed mortgages and liens.

This mortgage will be due January 01, 2010, or upon the payment in full of all sums secured hereby.

Mortgagor(s) hereby warrants that Mortgagor(s) holds fee simple title to the above described property, that Mortgagor(s) has good and lawful authority to mortgage the same, that the property is free and clear of all liens and encumbrances, except encumbrances of record, and that Mortgagor(s) will warrant and defend the property at Mortgagor's expense against all claimants whomsoever. Mortgagor(s) also hereby waives and relinquishes all rights of dower, homestead, distributive share, and exemption in and to the above described property.

Mortgagor(s) and each of them further covenant and agree with Mortgagee as follows:
1. To pay all liens, judgments, or other assessments against the property, and to pay when due all assessments, taxes, rents, fees, or charges

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upon the property or under any lease, permit, license, or privilege assigned to Mortgagee as additional security to this mortgage, including those in or on public domain.

2. To insure and keep insured buildings and other improvements, including fixtures and attachments now on or hereafter placed on the property to the satisfaction of Mortgagee. Such insurance will be approved by and deposited with Mortgagee, and endorsed with a mortgage clause with loss payable to Mortgagee. Any sums so received by Mortgagee may be applied in payment of any indebtedness matured or unmatured secured by this mortgage, or at the option of Mortgagee may be used to pay for reconstruction of the destroyed improvements.

3. To keep all buildings, fixtures, attachments, and other improvements now on or hereafter placed on the property occupied and in good repair, maintenance, and condition and to neither commit nor permit any acts of waste or any impairment of the value of the property. Mortgagee may enter upon the property to inspect the same or to perform any acts authorized herein or in the loan agreement(s).

4. In the event Mortgagor(s) fails to pay any liens, judgments, assessments, taxes, rents, fees, or charges or maintain any insurance on the property, buildings, fixtures, attachments, or improvements as provided herein or in the loan agreement(s), Mortgagee, at its option, may make such payments or provide insurance, maintenance, or repairs and any amounts paid therefor will become part of the principal indebtedness secured hereby, be immediately due and payable and bear interest at the default rate provided in the note(s) from the date of payment until paid. The advancement by Mortgagee of any such amounts will in no manner limit the right of Mortgagee to declare Mortgagor(s) in default or exercise any of Mortgagee's other rights and remedies.

5. In the event Mortgagee is a party to any litigation affecting the property or the lien of this mortgage, including any action by Mortgagee to enforce this mortgage or any suit in which Mortgagee is named a defendant (including condemnation and bankruptcy proceedings) Mortgagee may incur expenses and advance payments for abstract fees, attorneys fees (to the extent allowed by law), costs, expenses, appraisal fees, and other charges and any amounts so advanced will become part of the principal indebtedness secured hereby, be immediately due and payable and bear interest at the default rate provided in the note(s) from the date of advance until paid.

6. Any awards made to Mortgagor(s) or their successors by the exercise of eminent domain are hereby assigned to Mortgagee; and Mortgagee is hereby authorized to collect and apply the same in payment of any indebtedness, matured or unmatured, secured by this mortgage.

7. In the event Mortgagor(s) defaults in the payment when due of any sums secured hereby (principal, interest, advancements, or protective advances), or fails to perform or observe any covenants and conditions contained herein, in the note(s), loan agreement(s), or other instrument(s), or any proceeding is brought by or against Mortgagor(s) under any Bankruptcy laws, Mortgagee, at its option, may declare the entire indebtedness secured hereby to be immediately due and payable and the whole will bear interest at the default rate as provided in the note(s) and Mortgagee may immediately foreclose this mortgage or pursue any other remedy at law or equity, including foreclosure by advertisement with a power of sale in Mortgagee to the extent provided by applicable law. Delay by Mortgagee in exercising its rights upon default will not be construed as a waiver thereof and any act of Mortgagee waiving any specific default will not be construed as a waiver of any future default. If the proceeds under such sale or foreclosure are insufficient to pay the total indebtedness secured hereby, Mortgagor(s) does hereby agree to be personally bound to pay the unpaid balance, and Mortgagee will be entitled to a deficiency judgment.

8. Upon default, Mortgagee will at once become entitled to exclusive possession, use, and enjoyment of the property and to all rents, issues, crops, profits, and income thereof, from the time of such default and during the pendency of foreclosure proceedings and the period of redemption, the delivery of which may be enforced by Mortgagee by any appropriate suit, action, or proceeding. Mortgagee will be entitled to a Receiver for the property and all rents, issues, crops, profits, and income thereof, without regard to the value of the property, or the sufficiency thereof to discharge the mortgage debt and the foreclosure costs, fees, and expenses. Such Receiver may be appointed by any court of competent jurisdiction upon ex parte application, notice being hereby expressly waived. The Receiver will apply all rents, issues, crops, profits, and income of the property to keep the same in good repair and condition, pay all taxes, rents, fees, charges, and assessments, pay insurance premiums necessary to keep the property insured, pay the expense of the receivership and attorney fees incurred by the Receiver, and apply the net proceeds to the payment of the indebtedness secured hereby. Such Receiver will have all the other usual powers of receivers authorized by law and as the court may direct.

9. The integrity and responsibility of the Mortgagor(s) constitutes a part of the consideration for the obligations secured hereby. Should Mortgagor(s) sell, transfer, or convey the property described herein without prior written consent of Mortgagee, Mortgagee, at its option, may declare the entire indebtedness immediately due and payable and may proceed in the enforcement of its rights as on any other default.

10. Assignment of Rents including Proceeds of Mineral Leases. Mortgagor(s) hereby assigns, transfers, and conveys to Mortgagee all rents, royalties, bonuses, and delay moneys or other proceeds that may from time to time become due and payable under any real estate lease or under any oil, gas, gravel, rock, or other mineral lease of any kind including geothermal resources now existing or that may hereafter come into existence, covering the property or any part thereof. All such sums so received by Mortgagee will be applied to the indebtedness secured hereby; or Mortgagee, at its option, may turn over and deliver to Mortgagor(s) or their successors in interest, any or all of such sums without prejudice to any of Mortgagee's rights to take and retain future sums, and without prejudice to any of its other rights under this mortgage. This assignment will be construed to be a provision for the payment or reduction of the mortgage debt, subject to the Mortgagee's option as hereinbefore provided, independent of the mortgage lien on the property. Upon payment in full of the mortgage debt and the release of this mortgage of record, this assignment will become inoperative and of no further force and effect.

11. This Mortgage constitutes a Security Agreement with respect to all the property described herein.

12. The covenants contained in this mortgage will be deemed to be severable; in the event that any portion of this mortgage is determined to be void or unenforceable, that determination will not affect the validity of the remaining portions of the mortgage.

13. Redemption Period. If the property described herein is less than ten acres in size and if Mortgagee waives in any foreclosure proceeding any right to a deficiency judgment against Mortgagor(s), then the period of redemption from judicial sale will be reduced to six months. If the court finds that the property has been abandoned by Mortgagor(s) and if Mortgagee waives any right to a deficiency judgment against Mortgagor(s), then the period of redemption from judicial sale will be reduced to sixty days. In addition, if the property described herein is the residence of Mortgagor(s) at the time of foreclosure, but the court finds that after foreclosure the property has ceased to be the residence of Mortgagor(s), then the period of redemption will be reduced to thirty days from the date of a court order so stating. The provisions of this paragraph will be construed to conform to the provisions of Sections 628.26, 628.27, and 628.28 of the Code of Iowa.

Mark C Grossman
Mark C Grossman

Lynne M. Grossman
Lynne M Grossman

INDIVIDUAL BORROWER ACKNOWLEDGMENT

STATE OF Iowa)
COUNTY OF Madison) ss

On this 28 day of March, 1995, before me, a Notary Public, personally appeared MARK C LYNNE M GROSSMAN

to me known to be the person(s) named in and who executed the foregoing instrument, and acknowledged that they executed the same as THEIR voluntary act and deed.

(SEAL)

Donna L Swanson
DONNA L SWANSON
(Type name under signature)
Notary Public in and for said County and State

My commission expires 6-19-95

Exhibit A

LEGAL DESCRIPTION

Legal Description: The Northeast Fractional Quarter (1/4) of the Northwest Quarter (1/4) and all that part of the North Fractional Half (1/2) of the Northeast Quarter (1/4) lying and being North and West of the center of the channel of Middle River and the Southwest Quarter (1/4) of the Northeast Quarter (1/4) and the Southeast Quarter (1/4) of the Northwest Quarter (1/4) (except therefrom all that part of the Southwest Quarter (1/4) of the Northeast Quarter (1/4) lying and being South and East of the center of the channel of Middle River, and also except a tract commencing at the Southwest corner of the Southeast Quarter (1/4) of the Northwest Quarter (1/4) and running thence East on the South line thereof to the Southeast corner of the Southwest Quarter (1/4) of the Northeast Quarter (1/4), thence North 28 rods, thence West 75 rods, thence North, 2° East, 4 rods, thence North, 75° West, 5 rods, thence North, 88° West, 19.95 chains, thence South, 2° West, 8.84 chains to the place of beginning), of Section Four (4), in Township Seventy-five (75) North, Range Twenty-seven (27) West of the 5th P.M.; and the East Half (1/2) of the Southeast Quarter (1/4) and the Southwest Quarter (1/4) of the Southeast Quarter (1/4) and the East Half (1/2) of the Northwest Quarter (1/4) of the Southeast Quarter (1/4) of Section Thirty-three (33), and all that part of the West Three-fourths (3/4) of the Northwest Quarter (1/4) of the Southwest Quarter (1/4) and of the North 18 Acres of the Southwest Quarter (1/4) of the Southwest Quarter (1/4) lying North and West of the center of the channel of Middle River, in Section Thirty-four (34), in Township Seventy-six (76) North, Range Twenty-seven (27) West of the 5th P.M.; and a tract of real estate described as follows, to-wit: Commencing at the Northwest Corner of the East Half (1/2) of the Southeast Quarter (1/4) of Section Thirty-four (34), in Township Seventy-Six (76) North, Range Twenty-seven (27) West of the 5th P.M., thence due South 2 chains, thence West 11° South 11 chains, thence South 35° West 4.60 chains, thence West 7° North 7.60 chains, thence West 35° South 6 chains, thence West 1° South 4 chains, thence North 28° West 3.70 chains, thence West 3° South 12.30 chains to the West line of the East One-fourth (1/4) of the Northwest Quarter (1/4) of the Southwest Quarter (1/4) of said Section Thirty-four (34), thence South along said West line 7.50 chains to the center of the main channel of Middle River, thence following the center of the main channel of Middle River easterly to the point where the main channel of Middle River crosses the North line of the Northwest Quarter (1/4) of the Southwest Quarter (1/4) of Section Thirty-five (35), in Township Seventy-six (76) North, Range Twenty-seven (27) West of the 5th P.M., thence westerly along the half-section line of Sections Thirty-five (35) and Thirty-four (34) to the point of beginning, all in Madison County, Iowa, Except the following-described tract: That part of the Southwest Quarter (1/4) of the Northeast Quarter (1/4) of Section Four (4), in Township Seventy-five (75) North, Range Twenty-seven (27) West of the 5th P.M., Madison County, Iowa, lying South of a Madison County Highway centerline, exclusive of existing highway right of way and except that part of said Southwest Quarter (1/4) of the Northeast Quarter (1/4) lying South of the natural channel of Middle River. Said highway centerline is described as follows: Commencing at the Southwest corner of the Northeast Quarter (1/4) of said Section Four (4); thence on an assumed bearing of North 00°00'00" East 549.66 feet to the centerline of said highway; thence South 88°38'24" East along said centerline 328.75 feet; thence South 86°50'32" East 566.03 feet along said centerline to the beginning of a nontangential curve; thence southeasterly along said centerline and curve concave to the south 463.02 feet, chord bearing South 70°11'15" East, radius of 716.20 feet and central angle of 37°02'30" to the point of termination of said centerline. The South line of said Northeast Quarter (1/4) is assumed to bear North 90°00'00" East.

2) That it is necessary to sell said real estate to pay claims and facilitate the distribution of the estate.