

ASSIGNMENT OF LEASES AND RENTS

COMPUTER ✓  
RECORDED ✓  
COMPARED ✓

KNOW ALL MEN BY THESE PRESENTS, THAT ON THIS 5th day of March, 1993, the undersigned, Bro Oil Company, Inc., an Iowa Corporation hereinafter referred to as "Assignor" for and in consideration of the sum of \$1.00 and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged to Assignor in hand paid by Farmers Bank & Trust, hereinafter referred to as "Assignee", does hereby sell, transfer, and assign to the said Assignee, its successors and assigns, all of the right, title and interest of Assignor in and to that particular lease between Assignor as lessee and Mervin E. Bro as lessor dated May 1, 1989 covering the real estate herein described and any and all leases and other tenancies now or hereafter made on or with respect to the following described property or any portion thereof, hereinafter referred to as the "real estate herein described", located in the City of Winterset, and being in the County of Madison, State of Iowa, legally described as:

Lot Eight (8) and the East One-half (1/2) of Lot Seven (7) in Block Twenty-four (24) of the Original Town of Winterset, Madison County, Iowa.

Together with all rents, issues, profits, revenues, rights and benefits arising from any said leases and tenancies and any and all extensions, modifications and renewals thereof and replacements therefor, and together with all rents, issues, profits, revenues, rights and benefits from, or for the use and occupancy of the real estate herein described, and together with any and all guaranties of lessees' obligations under any said leases and any extensions and renewals thereof.

This Assignment is given as security for the payment of and the performance of all covenants and agreements of Assignor in that certain note (and any modifications of or replacements for said note) dated March 5, 1993, and made and delivered to Assignee, and all other indebtedness of Assignor due Assignee whether now existing or hereinafter incurred. The term of this Assignment shall be until all indebtedness of Assignor to Assignee is paid in full and satisfied, at which time this Assignment is to be fully satisfied, cancelled and released.

It is understood and agreed between Assignor and Assignee herein, that until the occurrence of any act or omission which is determined by Assignee in its sole discretion to constitute a default in the covenants, terms or conditions of the note or this Assignment, the rents, issues, profits, revenues, rights and benefits as they become due may be paid to Assignor to retain, use and enjoy the same. After the occurrence of a default as aforesaid, Assignee may enforce this Assignment by notifying Assignor by regular mail sent to the address hereinafter prescribed for sending notices. Whereupon, Assignee may direct any or all of the tenants of the real estate herein described to pay to Assignee, its agents or attorneys, such rents, issues, profits, revenues, rights and benefits as may now be due or shall hereinafter become due, and Assignee may collect the same. The affidavit or written statement of an officer, agent or attorney of Assignee stating that there has been a default shall constitute conclusive evidence thereof, and any tenant or other person is authorized and directed to rely thereon without liability for the determination of the actual existence of any default under the note or this Assignment and Assignor shall have no recourse against any tenant for rents paid to Assignee.

After mailing notice to Assignor as aforesaid, Assignee may, with or without entry upon the real estate herein described, at its option, take over and assume the management, operation and maintenance of the real estate herein described and perform all acts necessary and proper and expend such sums out of the amounts collected as may be needful in connection therewith, in the same manner and to the same extent as Assignor might do. Assignor hereby releases any and all claims which it has or might have against Assignee arising out of such collection, management, operation and maintenance, excepting the liability of

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Assignee to account for amounts collected and expended by it. Assignee may, in connection with any and all of the foregoing powers, and without limiting the same, effect new leases, cancel or surrender existing leases, alter and amend the terms of and renew existing leases, evict tenants, and make concession to tenants. Assignee may apply any rents and other amounts collected to delinquencies of interest and principal, advances and any other amounts evidenced by said note, or secured by this Assignment, and pay any and all charges, costs and expenses of management, operation and maintenance of the real estate herein described. Without limiting the generality of such payments, Assignee may pay for repairs and upkeep, and for the operation, protection and preservation of the real estate herein described, wages and payroll taxes, compensation of managing agent and other management costs and expenses, real estate taxes and assessments, water, sewer and similar charges, insurance and workmen's compensation premiums, ground rents; customary real estate commissions, and reasonable attorney's fees and court costs. Assignee may make the foregoing application and payments, or make some and omit others, and in any order as it sees fit.

From and after the date hereof, rents may not be reduced and any lease hereby assigned may not be altered, amended or cancelled, other than as specifically provided in said lease, without the written consent of Assignee. Any such attempt at cancellation, alteration or amendment of any lease without Assignee's consent shall be null and void, and any payment of rent more than one month in advance shall not discharge as against Assignee any tenant's obligation to pay rent as it comes due.

All of the foregoing powers herein granted Assignee shall be liberally construed. Assignee need not expend its own funds in the exercise of such powers, but if it does, such amounts shall be considered as advances for and on behalf of Assignor secured by this Assignment. Any amounts so advanced shall bear interest at the before-maturity rate prescribed in said note.

Assignor covenants with Assignee faithfully to observe and perform all of the obligations and agreements imposed upon Assignor as lessor or landlord in any leases or tenancies and Assignee will not be deemed in any manner to have assumed the same. Assignor agrees to indemnify and to hold Assignee harmless of and from any and all liability, loss or damage which it may or might incur by reason of any claims or demands against it based on its alleged assumption of Assignor's duty and obligation to perform and discharge the terms, covenants and agreements in said leases.

Nothing herein contained shall be construed as making Assignee a mortgagee in possession, or as constituting a waiver or suspension by Assignee of its right to enforce payment of the debt under the terms of the note.

Any and all rents payable by a lessee under the provisions of its lease shall be deemed to be rents for the use and occupancy of the real estate herein described, and none of said rents shall be ascribed to the lease or rental of any chattels.

Assignor will not execute any other assignment of leases and rents, and any such attempt, without Assignee's consent, shall be null and void, Assignor will perform all of its covenants and agreements as lessor under the leases and will not suffer or permit to occur any release of liability of any tenant or the accrual of any right in any tenant to withhold payment of rents. Assignor will give prompt notice to Assignee of any notice of Assignor's default received from any tenant or from any other person and furnish Assignee with complete copies of said notice. If requested by Assignee, Assignor will enforce the lease and all remedies available to Assignor against the tenant in case of default under said lease by tenant.

Assignee shall have the right to assign Assignor's right, title and interest in any lease to any subsequent holder of the above-referenced note and to any person acquiring title to the premises through foreclosure or otherwise.

Assignor agrees to execute and deliver to Assignee and hereby irrevocably appoints Assignee and its successors and assigns as its agent and attorney in fact to execute and deliver during the term of this Assignment such further instruments as Assignee may deem necessary to make this Assignment and any further assignment effective.

This Assignment and covenants and agreements herein shall be binding upon and shall inure to the benefit of Assignor and Assignee and their respective successors and assigns.

Notices shall be by registered mail, addressed as follows:

To Assignor: Bro Oil Company, Inc.  
4701 University  
Des Moines, IA 50311

To Assignee: Farmers Bank & Trust  
P.O. Box 370 - 635 First Street  
Webster City, Iowa 50595

or to such other address specified by the respective parties hereto.

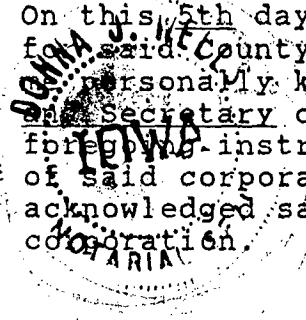
IN WITNESS WHEREOF, Assignor has caused this instrument to be executed the day and year first above written

Bro Oil Company, Inc.  
By [Signature]  
Kent D. Bro, President

By [Signature]  
Todd M. Bro, Secretary

STATE OF IOWA  
COUNTY OF Hamilton

On this 5th day of March, A.D., 1993, before me, a Notary within and for said County, personally appeared Kent D. Bro and Todd M. Bro. to personally known, who, being duly sworn say that they are President and Secretary of Bro Oil Company, Inc., the corporation named in the foregoing instrument, and that said instrument was signed in behalf of said corporation by authority of its Board of Directors acknowledged said instrument to be the free act and deed of said corporation.



[Signature]  
Donna J. Wells Commission Expires: 3/5/94  
Notary Public in and for the State of Iowa

Acceptance of Notice

The Undersigned, Mervin E. Bro, being the lessee in the lease referred to in the above and foregoing Assignment, acknowledge a receipt of a copy of this Assignment and consent to the terms and conditions thereof, Dated this 30 day of March, 1993.

BY: [Signature]  
Mervin E. Bro