ASSIGNMENT OF CONTRACT FOR DEED

(Buyer's Interest)

KNOW ALL MEN BY THESE PRESENTS that Larry M. Phillips (a/k/a Larry Phillips), single

~~husband and wife~~, Assignors, of Madison County, Iowa, for and in consideration of good, valuable and sufficient consideration (receipt whereof is hereby acknowledged), do hereby transfer and assign to South Central Iowa Production Credit Association of Creston, Iowa, Assignee, all of our right, title and interest in and to a certain Purchase Contract for Deed given by Loren A. Nalean, single, Steven K. Nalean, single, Susan R. Nalean, single, and John E. Nalean and Annette Nalean, husband and wife, to ~~the undersigned~~ Larry Phillips and Gary Phillips, bearing the date of April 4, 1978 and recorded in the Office of the Recorder of Madison County, Iowa, on the 24th day of April, 1978, in Book 107, Page 681, of the records of said office, in and to all rights, covenants and conditions therein contained, and in and to the property described therein, to-wit:

The Northeast Quarter (¼) of the Northeast Quarter (¼) and the South Half (½) of the Northeast Quarter (¼) of Section Twenty-five (25), in Township Seventy-four (74) North, Range Twenty-seven (27) West of the 5th P.M., Madison County, Iowa.

-crcd

IND. ✓
REC ✓
PAGE ✓

FILED NO. 2181
BOOK 118 PAGE 751

1985 JUN 10 AM 8:27

MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA

2pp Fee $10.00

Assignment
120 - 869
Rec Release of
Rec Release

Said Assignors hereby convenant with Assignee, or successor in interest, that said Assignors hold title in fee simple to said real estate; subject to due and timely performance of the contract for deed referred to above; that they have good and lawful authority to sell, convey and mortgage the same; that said premises are Free and Clear of all Liens and Encumbrances Whatsoever except as may be above stated; and said Assignees Covenant to Warrant and Defend the said premises against the lawful claims of all persons whomsoever, except as may be above stated.

Each of the undersigned hereby relinquishes all rights of dower, homestead and distributive share in and to the above described premises and waives all rights of exemption, as to any of said property.

CONDITIONED HOWEVER, That if said Assignors shall pay or cause to be paid to said Assignee, or its successors, or assigns, said sums of money which shall be legal tender in payment of all debts and dues, public and private, at time of payment, all at the time, place, and upon the terms provided by the promissory note or notes of Assignors to Assignee, of even date herewith, and as may be supplemented by loans under Paragraph I below, and shall perform the other provisions hereof, then these presents will be void, otherwise to remain in full force and effect.

1. OPEN-END FEATURE. This assignment shall stand as security for said note(s) and for any and all future and additional advances made to the Assignors by the holder of said note(s) in such amount or amounts so that THE TOTAL OF SUCH *FUTURE* ADDITIONAL ADVANCES OUTSTANDING AND UNPAID AT ANY ONE TIME SHALL NOT EXCEED $ 500,000.00 and Assignee is hereby given authority to make such future and additional advances to Assignors herein, upon their signed order or receipt, and secured as the original obligation herein. Such limitation upon future additional advances shall not be considered as limiting the amounts secured hereby if for accruing interest, Class B stock, or for any amount for any protective disbursement advanced, or that may be taxed as costs to protect the security for loan or loans made, in accordance with the terms and provisions contained in this assignment. THIS PARAGRAPH SHALL NOT CONSTITUTE A COMMITMENT TO MAKE ADDITIONAL LOANS IN ANY AMOUNT.

2. TAXES. Assignors shall pay or cause to be paid each installment of all taxes and special assessments of every kind, now or hereafter levied against said property, or any part thereof before same become delinquent, without notice or demand; and shall procure and deliver to said Assignee, on or before the fifteenth day of October of each year, duplicate receipts of the proper officers for the payment of all such taxes and assessments then due.

3. INSURANCE. Assignors shall keep in force or cause to be kept in force insurance, premiums therefor to be prepaid without notice or demand, against loss by fire, tornado and other hazards, casualties and contingencies as Assignee may require on personal property as herein referred to, and on all buildings and improvements, in companies to be approved by Assignee in an amount not less than the full insurable value of such personal property and improvements or not less than the unpaid balance herein, whichever amount is smaller, with such insurance payable to Assignors and Assignee, as their interests may appear. Assignors shall promptly deposit such policies with proper riders with the Assignee.

4. REPAIRS TO PROPERTY. Assignors shall keep the buildings and other improvements on said premises in as good repair and condition as same may now be or are hereafter placed, ordinary wear and tear only excepted; and shall not suffer or commit waste on or to said security.

5. ATTORNEY'S FEES. In such cases and to the extent permitted by law, Assignors agree that in case of any action, or in any proceeding in any court, to collect any sums payable under or secured by this assignment, or to protect the lien of title herein of the Assignee, or in any other case permitted by law in which attorney fees may be collected from Assignors, or charged upon the above described property, to pay Assignee's reasonable attorney fees.

6. CONTINUATION OF ABSTRACT. In event of any default herein by Assignors, Assignee may, at the expense of Assignors procure an abstract of title, or continuation thereof, for said premises, and charge and add to the debt the cost of such abstract or continuation with interest upon such expense at the highest legal rate applicable to a natural person; or if the Assignor is a corporation, then at the default rate provided in the note secured hereby.

7. ADVANCES OPTIONAL WITH ASSIGNMENT. It is expressly understood and agreed that if the insurance above provided for is not promptly effected, or if the taxes or special assessments assessed against said property shall become delinquent, Assignee (whether electing to declare the whole assignment due and collectible or not), may (but need not) effect the insurance above provided for, and need not, but may and is hereby authorized to pay said taxes and special assessments (irregularities in the levy or assessment of said taxes being expressly waived), and all such payments with interest thereon at the highest legal rate applicable to a natural person (or if the Assignor is a corporation, then at the default rate provided in the note secured hereby) from time of payment shall be a lien against said premises.

8.1. ACCELERATION OF MATURITY AND RECEIVERSHIP. It is agreed that if default shall be made in the payment of said note, or any part of the interest thereon, or any other advance or obligation which may be secured hereby or any agreed protective disbursement, such as taxes, special assessments, insurance and repairs, or if Assignors shall suffer or commit waste on or to said security, or if there shall be a failure to comply with any and every condition of this assignment then, at the option of the Assignee, said note and the whole of the indebtedness secured by this assignment, including all payments for taxes, assessments or insurance premiums, shall become due and shall become collectible at once by foreclosure or otherwise after such default or failure, and without notice of broken conditions; and at any time after the commencement of an action in foreclosure or during the period of redemption, the court having jurisdiction of the case shall, at the request of the Assignee, appoint a receiver to take immediate possession of said property, and of the rents and profits accruing therefrom, and to rent or cultivate the same as he may deem best for the interest of all parties concerned, and shall be liable to account to said Assignors only for the net profits, after application of rents, issues and profits upon the costs and expenses of the receivership and foreclosure and the indebtedness, charges and expenses hereby secured and herein mentioned. And it is hereby agreed, that after any default in the payment of either principal or interest, such sums in default secured by this assignment shall draw interest at the highest legal rate applicable to a natural person; or if the Assignor is a corporation, then at the default rate provided in the note secured hereby.

8.2. SIX MONTHS' AND 60 DAY PERIOD FOR REDEMPTION. It is further agreed that if this assignment covers less than 10 acres of land, and in the event of the foreclosure of this assignment 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 6 months provided the Assignee in such action files an election to waive any deficiency judgment against the Assignors which may arise out of the foreclosure proceedings; all to be consistent with the provision of Chapter 628, Code of Iowa. It is further agreed that the period of redemption after a foreclosure of this mortgage shall be reduced to 60 days if all of the three following contingencies develop: (1) the real estate secured hereby is less than 10 acres in size; (2) the Court finds affirmatively that said real estate has been abandoned by the owners AND those persons personally liable under this assignment at the time of such foreclosure; and (3) the Assignee in such action files an election to waive any deficiency judgment against the Assignors or their successor in interest in such action. If the redemption period is so reduced, the Assignors or their successors in interest or the owner shall have the exclusive right to redeem for the first 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 Code shall be reduced to 40 days. Entry of appearence by pleading or docket entry by or on behalf of the Assignors shall be a presumption that the property is not abandoned. Any such short redemptive period shall be consistent with all of the provisions of Chapter 408, 62nd G.A., amending Chapter 628, Code of Iowa.

9. TRANSFER OF PROPERTY: ASSUMPTION. If all or any part of the Real Estate or an interest therein is sold or transferred by Assignors without Assignee's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this assignment, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Assignee may, at Assignee's option, declare all sums secured by this assignment to be immediately due and payable. Assignee shall have waived such option to accelerate if, prior to the sale or transfer, Assignee and the person to whom the Real Estate is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Assignee and that the interest payable on the sums secured by this assignment shall be at such rate as Assignee shall request. If Assignee has waived the option to accelerate provided in this paragraph, and if successor in interest has executed a written assumption agreement accepted in writing by Assignee, Assignee shall release Assignors from all obligations under this assignment and all notes secured by it.

If Assignee exercises such option to accelerate, Assignee shall mail Assignors notice of acceleration in accordance with paragraph 8.1 hereof. Such notice shall provide a period of not less than 30 days from date the notice is mailed within which Assignors may pay the sums declared due. If Assignors fail to pay such sums prior to the expiration of such period, Assignee may, without further notice or demand on Assignors, invoke any remedies permitted by paragraph 8.1 hereof.

10. DEFINITION OF TERMS. Unless otherwise expressly stated, the word "Assignors", as used here, includes successors in interest of such "Assignors"; the "Assignee", as used herein, unless otherwise expressly stated, includes the successors in interest of such "Assignee". All words referring to "Assignors" or "Assignee" shall be construed to be of the appropriate gender and number, according to the context. This construction shall include the acknowledgement hereof.

11. THE ADDRESS OF THE ASSIGNEE IS (Street and Number) Highway 34 and Airport Road,

City Creston State Iowa Zip Code 50801

12. ADDITIONAL PROVISIONS. The following additional provisions are hereby incorporated herein: (Insert date of final payment if desired.) The date of the final payment of the principal obligation herein, the one promissory note above referred to is .....
(Date)

IN WITNESS WHEREOF, said Assignors have hereunto set their hands the day and year first above written.

Larry Phillips
(Larry Phillips)

ASSIGNORS

STATE OF IOWA, Clarke COUNTY, ss:

On this 30th day of May, A. D. 19 85, before me, the undersigned, a Notary Public in and for the State of Iowa personally appeared Larry Phillips

to me known to be the identical persons named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

John T. Russell
Notary Public in and for State of Iowa
(John T. Russell)

JOHN T. RUSSELL Iowa NOTARIAL SEAL

Rel'd