For Release of Assignment see Deed Rec 117-383

COLLATERAL ASSIGNMENT OF CONTRACT INTEREST AND MORTGAGE

THIS COLLATERAL ASSIGNMENT OF CONTRACT INTEREST AND MORTGAGE, made this 13th day of June, 1980

WITNESSETH That DONALD H. ZARLEY and MARILYN J. ZARLEY (collectively "Mortgagor"), of the County of Polk, and State of Iowa, in consideration of the sum of ONE MILLION FOUR HUNDRED TWELVE THOUSAND DOLLARS ($1,412,000) in hand paid by BANKERS TRUST COMPANY, a state bank having its principal place of business in the City of Des Moines, Polk County, Iowa, ("Mortgagee") does by these presents sell, assign, convey and mortgage unto Mortgagee the following described real estate situated in the County of Madison and State of Iowa:

The Southeast Quarter and the Southwest Quarter; the Southwest Quarter of the Northwest Quarter, and all that part of the East Three-Fourths of the Northwest Quarter of the Northwest Quarter lying and being South of the main channel of Middle River; all in Section Sixteen, in Township Seventy-Five North, Range Twenty-nine West of the Fifth P.M., Madison County, Iowa; and

The Northeast Quarter of Section Twenty, and the West Half and the Northwest Quarter of the Southeast Quarter, and the West 67 acres of the Northeast Quarter, except Railroad right-of-way of Section Twenty-one in Township Seventy-five North, Range Twenty-nine West of the Fifth P.M, Madison County, Iowa.

together with all of the right, title and interest of Mortgagor in and to, and subject to the rights of Crawford C. Hubbell as contract seller under the terms and conditions of, that certain Real Estate Equipment and Livestock Contract dated June 4, 1979 by and between Crawford C. Hubbell, Seller, and Donald H. Zarley, Buyer, covering the above-described real estate. The said Real Estate Equipment and Livestock Contract being recorded on June 4, 1979 in Book 109, Page 48 and bearing Intrument No. 2372 in the Office of the Madison County, Iowa Recorder. The above-described real estate shall include and this Mortgage shall be deemed to cover all and singular the buildings, improvements, and appurtenances thereunto belonging or in any wise pertaining, including, so far as they now are or may hereafter belong to or be used with said real estate or buildings thereon and whether attached or detached, all elevators, all gas, steam, electric or other heating, air conditioning, lighting, plumbing, ventilating, sprinkling,

STATE OF IOWA, MADISON COUNTY, ss. Inst. No. 2070 Filed for Record this 17 day of June 19 80 at 10:58 A.M.
Book 114 Page 140 Recording Fee 21.00 Mary E. Welty, Recorder, By _____ Deputy

M Welty

Compared

irrigating, water and power systems, appliances, fixtures and apparatus; all storm and screen windows and doors, and all other fixtures (as to any such personal property, or fixtures, or both, a Security Interest is hereby created, as provided by the Uniform Commercial Code), and the rents, issues and profits thereof ("the mortgaged premises"). Mortgagor for himself and his heirs, executors, administrators, and assigns does covenant with Mortgagee, its successors and assigns, that Mortgagor is lawfully seized of the mortgaged premises in fee simple and has good and lawful authority to sell, convey and mortgage the same and that the mortgaged premises are free from all liens, charges, encumbrances, easements and restrictions whatsoever not herein specifically mentioned; that Mortgagee, its successors and assigns shall quietly enjoy and possess the mortgaged premises and Mortgagor will warrant and defend the title to the same unto Mortgagee, it successors and assigns, against the lawful claim of all persons whomsoever;

PROVIDED, ALWAYS, and these presents are on the express condition that if Mortgagor, his heirs, executors, administrators, or assigns, shall pay or cause to be paid to Mortgagee, its successors or assigns, the sum of ONE MILLION FOUR HUNDRED TWELVE THOUSAND DOLLARS ($1,412,000) as evidenced by the Promissory Notes dated June 13, 1980 ("Promissory Notes") described in that certain Loan Agreement executed June 13, 1980 by and between Donald H. Zarley, Borrower, and Mortgagee, ("Loan Agreement"), together with accrued interest thereon and shall fully pay all other sums becoming due to Mortgagee as provided herein, and provided in any loan agreement, security agreement or other document or instrument evidencing the obligations of Mortgagor to Mortgagee secured hereby including without limitation the Loan Agreement described herein (herein collectively the "Debt"), and shall as well fully and in all respect perform and keep all the covenants, conditions, stipulations, and agreements to be performed and kept by Mortgagor as provided herein, then these presents will be void; otherwise to remain in full force and effect.

Mortgagor hereby expressly covenants and agrees as follows:

1. Mortgagor shall pay all sums secured hereby when due.

2. Until all sums secured hereby are fully paid, Mortgagor shall keep the mortgaged premises insured against loss or damage by fire, windstorm and such other hazards as may be required by Mortgagee, in form and amounts satisfactory to, and in insurance companies approved by Mortgagee, the policies for which insurance shall be payable to Mortgagee. Mortgagor

shall pay all premiums on such insurance on or before the date of such premiums become due and forthwith furnish to Mortgagee evidence of such payments. Full power is hereby conferred on the Mortgagee to settle or compromise claims under all policies and to demand, receive, and receipt for all moneys becoming payable thereunder, and to assign all policies to any endorsee of said note or to the purchaser of the mortgaged premises at any foreclosure or execution sale. In case of loss any insurance money paid shall be applied either on the Debt or other sums payable hereunder or in rebuilding or restoring the damaged buildings or improvements as the Mortgagee may elect. Such policies, and abstracts and other title evidence, shall be delivered to and held by Mortgagee without liability. Upon foreclosure of this Mortgage or other acquisition of the mortgaged premises or any part thereof by Mortgagee said policies, abstracts and title evidence shall become the absolute property of Mortgagee.

3. Mortgagor shall pay, when due, all taxes and assessments of every type or nature levied or assessed against the mortgaged premises or upon Mortgagee's interest therein, and any claim, lien or encumbrance against the mortgaged premises which may be or become prior to this mortgage, and to furnish to Mortgagee, prior to the date when they would become delinquent, certificates or receipts of the proper office showing full payment of all such taxes and assessments.

4. If now or hereafter demanded, Mortgagor agrees to pay to Mortgagor additional monthly installments equal to one-twelfth of such an amount as Mortgagee shall estimate to be required annually, for the purpose of accumulating a fund with which to pay, when due, taxes, assessments and premises on insurance policies covering the mortgaged premises.

5. Upon failure of Mortgagor to maintain insurance, pay taxes and assessments, or furnish certificates or receipts as hereinbefore provided, Mortgagee may, at its option, procure such insurance, pay such taxes and assessments, redeem the mortgaged premises from any tax sale and procure such certificates or receipts, and Mortgagor shall within ten (10) days pay to Mortgagee all sums which it may have so paid or become obligated for, together with interest on all such sums from the date the same were paid at a rate equal to nineteen percent (19%) per annum above the original interest rate provided for in the promissory note secured hereby, but not in excess of the maximum lawful rate in effect at the time such sums were paid. For payment of such sums and interest this Mortgage shall stand as security in like manner and effect as for payment of the Debt. In the event Mortgagee elects to advance insurance premiums, taxes or assessments, or redeem from tax sale, the receipt of

an official of the insurance company in which such insurance is placed shall as to insurance premiums be conclusive evidence of the amount and the fact of payment thereof, and the receipt of the proper public official shall as to taxes or assessments be conclusive evidence of the amount and validity and the fact of payment thereof.

6. Mortgagor agrees to pay to Mortgagee within ten (10) days all sums, including costs, expenses and reasonable agent's and attorney's fees which Mortgagor may expend or become obligated for in any proceedings, legal or otherwise, to establish or sustain the lien of this mortgage or its priority; or in defending against liens, claims, rights, estates, easements, or restrictions of any person or persons asserting priority thereto, except the rights of the contract seller under the terms and conditions of the above-described real estate contract; or in payment, settlement, discharge or release of any asserted lien, claim, right, estate, easement or restriction when counsel advises Mortgagee that the same is superior to the lien of this mortgage; or for an abstract or an extension of abstract of title of the mortgaged premises. In connection with any suit to enforce or to foreclose this mortgage or to recover any sums hereby secured, Mortgagor shall pay all costs, expenses, and attorneys' fees, together with interest on all such sums from the date the same were paid, at a rate equal to nineteen percent (19%) per annum above the original interest rate provided for in the Promissory Notes secured hereby, but not in excess of the maximum lawful rate in effect at the time such sums were paid; and for payment of said sums and interest this mortgage shall stand as security in like manner and effect as for payment of the Debt.

7. If default is made in payment at the time and in the manner provided of all or any part of the Debt or interest thereon or of any other sums hereby secured; upon default by Mortgagee in the performance of any other covenant or provision hereof or of any other instrument or agreement evidencing the Debt or other obligation of Mortgagor to Mortgagee; or if waste shall be suffered or committed on the mortgaged premises; or if any mechanic's or other liens arising either by contract or law which might be prior in lien to the lien of this mortgage be created upon all or any part of the mortgaged premises for ten (10) days without the same being paid or released and discharged; or in case there shall exist upon the mortgaged premises any claim, lien, encumbrance, easement or restriction prior to this mortgage; OR IF THE MORTGAGOR SHALL CONVEY THE MORTGAGED PREMISES OR ANY PART THEREOF OR IF THE TITLE THERETO SHALL BECOME VESTED IN ANY PERSON OR PERSONS OTHER THAN MORTGAGOR OR THE CONTRACT SELLER UNDER THE TERMS AND CONDITIONS OF THE ABOVE-DESCRIBED REAL ESTATE CONTRACT IN ANY MANNER WHATSOEVER, then: (a) The whole principal sum secured by this mortgage with all interest

thereon and all other amounts hereby secured shall, at the option of Mortgagee be and become immediately due and payable, and may forthwith or at any time thereafter be collected by suit at law, foreclosure of or other proceeding upon this mortgage or by any other proper legal or equitable procedure without declaration of such option and without notice; (b) Mortgagee shall have the right to forthwith whether before or after commencement of legal proceedings, enter into and upon the mortgaged premises and take possession thereof or and to appoint an agent for or act directly to collect the rents, issues and profits thereof. The written statement of an officer, agent or attorney of Mortgagee 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 such default and Mortgagor shall have no recourse against any tenant or other person for such rents, issues, profits or revenues paid to Mortgagee; (c) The net income after allowing a reasonable fee for the collection thereof and management of the mortgaged premises, may be applied toward payment of taxes, insurance premiums and other charges against the mortgaged premises, or in reduction of the Debt or other sums hereby secured, in such manner and proportion as Mortgagee may elect and the rents, issues and profits of all and every part of the mortgaged premises are hereby specifically pledged to the payment of the Debt hereby secured and of all other sums payable hereunder.

8. If this mortgage covers less than ten (10) acres of land, and in the event of the foreclosure of this mortgage and the sale of the mortgaged premises by sheriff's sale in such foreclosure proceedings, the time of one (1) year for redemption from said sale provided by the statutes of the State of Iowa shall be reduced to six (6) months provided Mortgagee in such action files an election to waive any deficiency judgment against Mortgagor which may arise out of the foreclosure proceedings. 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 mortgaged premises herein are less than ten (10) acres is size; (2) the Court finds affirmatively that said mortgaged premises have been abandoned by the owners and those persons personally liable under this mortgage at the time of such foreclosure; and (3) Mortgagee in such action files an election to waive any deficiency judgment against Mortgagor or its successor in interest in such action.

9. Failure of Mortgagee to exercise any option to declare maturity of the Debt by reason of any default under any of the covenants or provisions hereof, or procurement of insurance or payment of taxes or other obligations of Mortgagor as herein provided, shall not be taken or deemed a waiver or right to exercise such option or declare such maturity as to such past default or any subsequent default of any of said covenants or provisions.

10. Mortgagor shall, upon request of Mortgagee, furnish to Mortgagee a complete list as of the date of the request of any and all leases and other tenancies of the real estate herein described in such reasonable detail as may be requested by Mortgagee and/or executed or certified copies of all leases and other written agreements and memoranda between Mortgagor and lessees and other tenants setting forth the contractual arrangements between them.

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

12. Mortgagor covenants and agrees faithfully to observe and perform all of the obligations and agreements imposed upon Mortgagor as contract purchaser under the above-described real estate contract and as landlord, under any leases or tenancies, and Mortgagee will not be deemed in any manner to have assumed the same. Mortgagor agrees immediately upon receipt to provide Mortgagee with a true copy of any notice, whether judicial or otherwise, relating to the above-described real estate contract including without limitation any notice of forfeiture. Mortgagee may, but need not, advance such funds as may be required to remedy any default or cure any breach by Mortgagor as buyer under the terms and conditions of the above-described real estate contract. All such sums advanced shall be considered part of the debt, shall bear interest at a rate of two percent (2%) per annum above the Prime Rate charged by the Mortgagee from time to time on unsecured short term loans to large responsible borrowers and shall be secured by this Mortgage.

13. Mortgagor agrees to indemnify and to hold Mortgagee harmless from any and all liability, loss or damage which it may incur by reason of any alleged assumption of Mortgagor's duty and obligation to perform and discharge the terms, covenants and agreements in said contract or leases.

14. The several rights, powers, options, elections, appointments, and remedies in this mortgage contained, provided, declared or authorized shall be construed and deemed as cumulative, and no one or more of them as exclusive of the other or any of the others or of any rights or remedies which are now or may be hereafter given or allowed by law. The granting of an extension or extensions of time of payment of said note either to the make

or to any other person, or taking of other or additional security for payment thereof, or waiver of or failure to exercise any right to mature the whole Debt under any covenant or stipulation herein contained shall not in anywise affect this mortgage nor the rights of Mortgagee hereunder nor operate as a release from any personal liability upon said Promissory Notes nor under any covenant or stipulation herein contained.

15. All covenants and stipulations in these presents contained shall bind the heirs, executors, administrators and assigns of Mortgagor and shall inure to the benefit of and be available to the successors and assigns of the Mortgagee.

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

Donald H. Zarley

Marilyn J. Zarley

"MORTGAGOR"

State of Iowa)
) ss:
County of Polk)

On this 13th day of June, 1980, before me, a Notary Public in and for the State of Iowa, personally appeared DONALD H. ZARLEY and MARILYN J. ZARLEY, husband and wife, to me known to be the persons named in and who executed the foregoing mortgage, and acknowledged that they executed the same as their voluntary act and deed.

Notary Public in and for the State of Iowa

NOTARIAL SEAL IOWA
LEONA P. SUTTON
MY COMMISSION EXPIRES