Form FmHA-Iowa 427-.
(Rev. 3-13-81)

NOTICE AGREEMENT

Date August 21, 1985

In consideration of a loan to be made or insured by the United States of America, acting by and through the Administrator of the Farmers Home Administration (hereinafter referred to as the "Government"), pursuant to the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1921), or Title V of the Housing Act of 1949 (42 U.S.C. 1471), to Phillips Brothers-Gary R. Phillips and Larry M. Phillips (hereinafter referred to as the "Borrower(s)"), which loan is to be secured wholly or partly by a real estate mortgage granted by the borrower to the Government on the following described real estate in the County of Madison, State of Iowa, to wit:

The East One-half of the Northeast Quarter (E½ NE¼) and the Southwest Quarter of the Northeast Quarter (SW¼ NE¼) of Section Twenty-five (25), Township Seventy-four (74) North, Range Twenty-seven (27) West of the 5th P.M., Madison County, Iowa.

Compared

STATE OF IOWA, MADISON COUNTY, ss.

Inst. No. 735 Filed for Record this 11 day of October 19 85 at 3:31 PM
Book 35 Page 616 Recording Fee $5.00 Mary E. Welty, Recorder, By Shirley R. Henry Deputy

The undersigned for themselves, their heirs, executors, administrators, and assigns, hereby agree that in the event the borrower shall make a default under his contract with the undersigned for the purchase of the above described real estate, dated May 20, 1985, and recorded on May 20, 1985 in Book No. 143, Page 152, of the Misc. Records, Madison County, Iowa, the undersigned shall, at least 90 days prior to the exercise of their right of cancellation of said contract, give written notice by certified mail, to the Government, at the Office of the Iowa State Director of the Farmers Home Administration, Des Moines, Iowa, informing the Government of said default and of their intention to cancel said contract not less than 90 days thereafter, unless said default is removed prior to said date. It is also hereby agreed that in this event or in the event the Government exercises its right of foreclosure, the Government may pay in full the amount still due on said contract.

Signed Richard E. Phillips (SEAL)
Richard E. Phillips
Alice L. Phillips (SEAL)
Alice L. Phillips

ACKNOWLEDGMENT

STATE OF IOWA)
COUNTY OF Madison)

On this 21 day of August, 19 85, before me James L. Lane, a Notary Public in and for said county, personally appeared Richard E. Phillips and Alice L. Phillips, to me known to be the person(s) named in and who executed the foregoing instrument, and acknowledged that THEY (he, they) executed the same as THEIR (his, their) voluntary act and deed.

(SEAL) JAMES L. LANE, JR. MY COMMISSION EXPIRES

James L. Lane Madison
Notary Public in and for said County

My commission expires: 5/18/86

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