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COLLATERAL ASSIGNMENT OF LEASES AND RENTS

(RENTAL PAYMENTS DIRECT TO ASSIGNEE)

KNOW ALL MEN BY THESE PRESENTS, that on the 9th day of June, 1982, the undersigned, Richard Lattig, a/k/a Richard B. Lattig, and Karol K. Lattig, husband and wife, hereinafter referred to as "Assignor" for and in consideration of the sum of One and 00/100 Dollars ($1.00) and other good and valuable consideration to Assignor in hand paid by Thorp Credit, Inc., a corporation, whose principal place of business is 3605 S.E. 14th Street, Des Moines, Iowa, 50315, 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 any and all leases and other tenancies now or hereafter made on or with respect to the following described property or any portion thereof, (including, but not limited to one certain farm lease dated March 27, 1982, between Richard Lattig, Landlord, and Charles Huddleson, tenant) hereinafter referred to as the "real estate herein described", located in or near the town of Macksburg, and being in the County of Madison, State of Iowa:

The East 1/2 of the NW 1/4 and the W 1/2 of the NE 1/4, and the NE 1/4 of the NE 1/4 of Section 20, in Township 74 North, Range 29 West of the 5th P.M., 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 therefore, 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 tenants' obligations under any said leases and any extensions, modifications and renewals.

This Assignment is given as security for the payment of and the performance of all covenants and agreements of Assignor in those certain Note and loan instruments (and any modifications of or replacements for said Note and loan instruments) of even date hereof made and delivered to Assignee for the sum of Sixty-Three Thousand, Hundred and 00/100 Dollars ($63,000.00) plus interest. The term of this Assignment shall be until said Note and loan instrument shall have been fully paid and satisfied, at which time this Assignment is to be fully satisfied, cancelled and released and the releasing of said loan instruments shall constitute a release hereof. This Assignment is also given, and shall serve as, security for the payment of and performance of any and all future advances made by the Assignee to the Assignor under the terms of those certain Note and loan instruments of even date hereof made and delivered to the Assignee in accordance with the terms and conditions thereof. In the event the Assignee makes any such additional advances to the Assignor under the terms of the aforesaid Note and loan instruments, or any modificiations or replacements for said Note and loan instruments, then the term of this Assignment shall, by express agreement of the parties, be automatically extended until such time as the said Note and loan instrument shall have been fully paid and satisfied, including all such future advances, at which time this Assignment is to be fully satisfied, cancelled and released, and the releasing of the said loan instrument shall constitute a release hereof.

It is understood and agreed between Assignor and Assignee herein that this Assignment shall not transfer any of the obligations of Assignor as landlord or tenant or otherwise to Assignee. All of the tenants and subtenants of the real estate herein described shall pay to Assignee, its agents or attorneys, the rents, issues, profits, revenues,

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1982 JUN 10 PM 2:56

MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA
Fee $24.00

FOR RELEASE OF COLLATERAL ASSIGN SEE MISC RECORD 38 PAGE 852

rights and benefits as may now be due or shall hereinafter become due, and Assignee shall refund to Assignor that portion, if any, of the payment received in excess of the current installment due Assignee under the note hereinabove referred to. Assignor shall have no recourse against any tenant for rents paid to Assignee.

Assignor shall, upon request of Assignee, furnish it a complete list as of the date of the request of all leases and other tenancies of the real estate herein described in such reasonable detail as may be requested by Assignee. Further, if requested, Assignor shall deliver to Assignee executed or certified copies of all leases and other written agreements, correspondence, and memoranda between Assignor and all tenants setting forth the contractual arrangements between them. Such requests may be made at any reasonable time. Annual requests, or more frequent requests if made after default under this Assignment, the Note secured hereby or the loan instruments securing said Note, shall be deemed to be made at a reasonable time.

Default by Assignor under any covenants, terms or conditions of the Note or loan instruments shall be determined by Assignee at its sole discretion. After mailing notice consisting of an Affidavit or written statement of an officer, agent or attorney of Assignee stating that there has been a default, which shall constitute conclusive evidence thereof, 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 collections, management, operation and maintenance, except the liability of Assignee to account for sums 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 concessions 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 sercured by said loan instruments, 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 or paid by any tenant in advance, 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 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 and also secured by said loan instruments. Any amounts so advanced shall bear interest at the before-maturity rate prescribed in said Note, unless a different rate is prescribed in said loan instruments for advances in which event such rate shall apply.

Assignor covenants with Assignee faithfully to observe and perform all of the obligations and agreements imposed upon Assignor as 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 and loan instruments.

This assignment may be enforced from time to time by Assignee at its discretion, with or without order of any court and with or without appointment of a receiver, as Assignee shall determine. Assignee may also at any time cease to enforce this Assignment, and may direct the tenants of the real estate herein described to resume rental payments to Assignor. Any failure on the part of Assignee promptly to exercise any option hereby given or reserved shall not prevent the exercise of any such option at any time thereafter. Assignee may pursue and enforce any remedy or remedies accorded it herein, independently of, in conjunction or concurrently with, or subsequent to its pursuit and enforcement of any remedy or remedies which it may have under the said Note or loan instruments.

This acquisition by a lessee in any said leases in any manner whatsoever of the real estate herein described, or any interest therein, shall not cause, or operate as, a merger of the leasehold estate or the demised term with the fee simple title.

Any and all rents payable by a tenant 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 Collateral 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 landlord 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 loan instruments and to any person acquiring title to the mortgaged premises through foreclosure or otherwise. After Assignor shall have been barred and foreclosed of all right, title, interest and equity of redemption in said premises, no assignee of Assignor's interest in said lease shall be liable to account to Assignor for the rents,income and profits thereafter accruing.

When the context so requires, the singular number shall include the plural and conversely, the use of any gender shall include all genders. The term "Note" shall be construed to include a bond, and the term "loan instruments" include a mortgage, deed of trust, trust deed, secrutiy deed or similar security instruments. The obligations of each Assignor, if there be more than one, shall be joint and several.

This assignment and covenants and agreements herein shall be binding upon and shall incur to the benefit of Assignor and Assignee and their respective heirs, legatees, devisees, executors, administrators, successors and assigns.

Karol K. Lattig, wife of Richard Lattig, also known as Richard B. Lattig, executes this Assignment for the purpose of releasing dower and distributive share under this Collateral Assignment and under the Farm Lease attached hereto as Exhibit "A" and by this reference made a part hereof and hereby agrees to perform any provisions of this Collateral Assignment or of the Farm Lease that may require performance by her.

Notices shall be sent by certified mail, postage prepaid, addressed as follows:

To Assignor-

Richard Lattig
8210 Plaza Lane
Des Moines, Iowa 50315

To Assignee-

Thorp Credit, Inc.
3605 S.E. 14th Street
Des Moines, IA 50315

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

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

ASSIGNOR

Richard Lattig
RICHARD LATTIG a/k/a
RICHARD B. LATTIG

Karol K. Lattig
KAROL K. LATTIG

ACCEPTANCE AND ESTOPPEL CERTIFICATE BY TENANT

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, tenant under the Farm Lease, attached hereto as Exhibit "A", certifies to Assignee, holder or proposed holder of the note secured or to be secured by a mortgage upon the above-described property, and to its successors and assigns and any participant with Assignee in the above referenced loan, that: The lease is presently in full force and effect and unmodified, the term thereof has commenced and the full rental is now accruing thereunder, tenant has accepted possession of the premises, is currently operating its farm business therein, and any improvements required by the terms of the Lease to be made by landlord have been completed to the satisfaction of tenant; no rent under the lease has been paid in advance of its due date; the address for notices to be sent to tenant is Macksburg, Iowa 50155; and tenant, as of this date, has no charge, lien, or claim of offset under the lease, or otherwise, against rents or other charges due or to become due thereunder.

Tenant agrees that, from and after the date hereof; (i) tenant will not pay any rent under the lease in advance of its due date; (ii) so long as there shall be any assignment of landlord's interest in the lease to Assignee, or any successor mortgagee, tenant will not: Surrender or consent to modification of any of the terms of the lease, nor to the termination thereof by landlord; nor seek to terminate the lease by reason of any act or omission of landlord until tenant shall have given landlord's interest in the lease to Assignee, or any successor mortgageee, tenant will not: Surrender or consent to the modification of any of the terms of the

lease nor to the termination thereof by landlord; nor seek to terminate the lease by reason of any act or omission of landlord until tenant shall have given written notice of such act or omission to the holder of such note and mortgage (at such holder's last address furnished tenant) and until a reasonable period of time shall have elapsed following the giving of such notice, during which period such holder shall have the right, but shall not be obligated, to remedy such act or omission; and (iii) tenant shall make rental payments in accordance with the terms of this Collateral Assignment and agrees to perform all other obligations required by tenant under this Collateral Agreement.

If the interests of landlord under the lease shall be transferred by reason of foreclosure or other proceedings for enforecement of the mortgage, tenant shall be bound to the purchaser under all of the terms, covenants and conditions of the lease, including, but not limited to the payment of the rental fixed by the lease for the balance of the term thereof remaining and any extensions,modifications or renewals thereof which may be effected with the same force and effect as if the purchaser were the landlord under the lease, and the undersigned does hereby attorn to the purchaser, including the Assignee if it be the purchaser, as its landlord, said attornment to be effective and self-operative without the execution of any further instruments upon the purchaser succeeding to the interest of the landlord under the lease. The respective rights and obligations of the undersigned as tenant and the purchaser upon such attornment, to the extent of the then remaining renewals, modifications and extensions shall be and are the same as now set forth therein except as herein otherwise expressly provided and except that the Assignee if it be the purchaser shall not be required to perform any obligations which it shall be unable to perform.

TENANT HEREBY EXPRESSLY AGREES TO AND DOES SUBORDINATE ANY AND ALL INTEREST WHICH HE MAY HAVE IN THE ABOVE-DESCRIBED REAL ESTATE, WHETHER BY REASON OF THE LEASE WHICH IS ATTACHED HERETO AS EXHIBIT "A", OR OTHERWISE, TO THE MORTGAGE GIVEN BY THE ASSIGNOR AND LANDLORD TO THORP CREDIT, INC., THE ASSIGNEE HEREIN, DATED THE 9th DAY OF JUNE, 1982 AND FILED FOR RECORD IN THE OFFICE OF THE MADISON COUNTY RECORDER ON THE 9th DAY OF JUNE, 1982 IN BOOK 136, PAGES 126 TO 127. IT IS THE INTENTION OF THE TENANT HEREIN TO SUBORDINATE ALL OF HIS RIGHT, TITLE, INTEREST AND CLAIM IN AND TO THE ABOVE-DESCRIBED REAL ESTATE TO THE MORTGAGE OF THORP CREDIT, INC. ON THE ABOVE-DESCRIBED REAL ESTATE WITHOUT ANY RESERVATIONS OR EXCEPTIONS. SUCH SUBORDINATION SHALL INCLUDE ANY AND ALL EXTENSIONS, modifications OR RENEWALS OF THE TENANT'S LEASE WITH THE LANDLORD.

IN WITNESS WHEREOF, tenant has caused this instrument to be duly executed this 7 day of June, 1982.

TENANT

Charles Huddleson

CHARLES HUDDLESON
Macksburg, Iowa

STATE OF IOWA)
)SS
COUNTY OF POLK)

NOTARIAL SEAL IOWA
GARY M. WILSON
MY COMMISSION EXPIRES
September 30, 1984

On this 9 day of June, 1982, before me, the undersigned, personally appeared Richard Lattig, a/k/a Richard B. Lattig and Karol K. Lattig, husband and wife, to me personally known to be the identical persons named in and who executed the within and foregoing instrument, and acknowledge that they executed the same as their voluntary act and deed.

NOTARY PUBLIC IN AND FOR THE
STATE OF IOWA

STATE OF IOWA)
)SS
COUNTY OF POLK)



On this 7 day of June, 1982, personally appeared Charles Huddleson, to me personally known to be the identical person named in and who executed the within and foregoing instrument, and acknowledge that he executed the same as his voluntary act and deed.

NOTARY PUBLIC IN AND FOR THE
STATE OF IOWA

FARM LEASE–CASH

THIS LEASE, made and entered into this 17 day of April, A. D. 19 82
by and between Richard Lattig hereinafter referred to as
Landlord, and Charles Huddleson hereinafter referred to as
Tenant,

WITNESSETH: That Landlord, in consideration of the agreements hereinafter mentioned to be kept and performed by Tenant, does by these presents lease to Tenant the following described land, situated in Madison County, Iowa, to-wit:

North Half of Northeast Quart er (N½NE¼) and Southeast Quarter (SE¼) of the Northeast Quarter (NE¼), East Half (E½) of the Northwest Quarter (NW¼), All in Section Twenty (20), Township Seventy-four (74) North, Range Twenty-nine (29) West of the 5th P.M., as directed by landlord

and containing 200 acres, more or less, to have and to hold the same to Tenant from the 1st day of March, 1982, to the 1st day of March, 1985. And Tenant, in consideration of the leasing of the premises as above set forth, and in consideration of the promises and performances herein undertaken by the Landlord, agrees with Landlord:

1. To pay as rent for the same to the Landlord at his residence in Des Moines-8210 Plaza Lane Warren County, Iowa, or at such other place as he may from time to time direct, as follows: 50315

$15,400.00 Due Dec 1st 1982
15,400.00 " " " 1983
15,400.00 " " " 1984

2. To prepare such ground and to plant such crops as may be designated and directed by Landlord : unless otherwise agreed, in writing

3. Restrictions, if any, as to crops which may be grown upon said land, are as follows: None

4. This being a cash rent lease, all crops grown on said lands shall become the property of the Tenant, subject, however, to such liens or restrictions as are herein provided, or as may be provided by law.

5. **TERMINATION OF LEASE.** This lease shall be continued for the lease term herein provided, except as it may be terminated by default of Tenant. Further, such lease shall continue after such agreed term from year to year, upon the same terms and conditions, unless either party gives due timely and legal written notice to the other of election to cancel or terminate any such extended lease period whereupon the tenancy shall terminate March 1, following; provided further such tenancy shall not continue because of absence of notice in case there be default in the performance of the existing rental agreement. Due, timely and legal written notice shall be given on or before **September 1**, as provided by law (Section 562.7 I.C.A. as amended), unless by express agreement, the parties provide the same notice at an earlier time, as follows:

6. **POSSESSION AND CONDITION AT END OF TERM.** At the expiration of the term of this lease, Tenant will yield up the possession of said premises to Landlord, and failing thus to deliver up said premises, Tenant agrees to pay Landlord $ $25.00 per day, as liquidated damages for any holding over period. Said premises at the time of such delivery of possession shall be in as good order and condition as when the same were entered upon by Tenant excepting or insurable loss by fire, inevitable accidents and ordinary wear excepted.

7. Proper Husbandry. Tenant covenants to farm said premises in a good and husbandman like manner, and to use accepted farming practices which will maintain proper care of the soil and the premises.

8. Tenant shall pay all costs of growing and harvesting crops on said premises, and shall not permit any cost or expense of farming incurred by him to become a lien upon said premises or the crops grown thereon.

9. Buildings and Grain Storage Facilities. Tenant is afforded the use of the following buildings and grain storage facilities, and no other: Tenant may use Grain Bin unless Sold by landlord

10. **CARE OF TREES, SHRUBS AND GRASS.** Tenant shall preserve and keep the fruit and ornamental trees, vines and shrubbery, that are now or may be planted upon the premises, from injury by plowing or from cattle or other stock.

11. **WEED CONTROL.** All noxious weeds shall be sprayed or otherwise timely destroyed by tenant. Weeds in fence rows shall by him be timely cut with a mower or scythe or sprayed with herbicide.

12. **LANDLORD'S RIGHT OF ENTRY.** Landlord reserves the right to plow the ground after Tenant has harvested the crops if notice of the termination of this lease has been properly served. Landlord, or his legal representatives, may enter upon said premises for the purpose of viewing or seeding and making repairs, or other reasonable and ordinary purpose as Landlord.

13. **NO REMOVAL OF GRAIN OR PRODUCE UNTIL PAYMENT OF RENT.** Tenant further covenants except as arranged with, or agreed by Landlord, not to remove any of the grain or produce raised on said premises, during the term of said lease, until the rent herein specified shall be fully paid nor to sell the same or any part thereof. And if any grain or produce raised on said premises during said term shall be removed or attempted to be removed by any person or persons before the payment of said rent, or if Tenant should sell or attempt to sell said grain or produce, or any part thereof, except as aforesaid, or if the same or any part thereof shall be claimed or attached or levied upon by execution or claimed by any other person or persons upon any pretense whatever before said rent shall be fully paid, then upon the happening of any such contingencies said rent shall immediately become due and payable and Landlord, or his legal representative, shall have the right to enter into said premises and take possession of said grain, wherever the same may be found, and to remove the same and sell the same or any part thereof, or if the same shall not be sufficiently matured for harvesting or gathering, to cultivate the same and to preserve or protect the same until it shall be fit, and then harvest and gather or sell the same, or any part thereof, at private or public sale, and apply the proceeds thereof to the payment of the expenses and costs of carrying out the provisions of this lease and the payment of said rent hereby reserved.

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16. **VIOLATION OF TERMS OF LEASE.** If Tenant shall fail to cultivate said premises as herein agreed, or shall fail to keep any of the covenants contained in this lease; or shall assign this lease or underlet said premises or any part thereof without the written consent of the Landlord, or if this lease shall, at the election of the Landlord, be null and void, and the Landlord, or his legal representatives, shall have the right to take possession of said premises, using force as may be necessary with or without process of law, and all damages growing out of the failure to perform any of the covenants of this lease shall be added to and become part of the rent, recoverable as rent. Without limiting the generality of the foregoing, any failure to pay rent when due shall entitle the Landlord to immediate possession, and any violation of the terms of this lease, or failure to pay any cash rent when due, shall cause all unpaid cash rent to become due and collectible at once, and without notice to, or demand upon, Tenant.

17. **LANDLORD'S LIEN AND SECURITY INTEREST. TENANTS' WAIVER.** Tenant as to any of his personal property on said premises hereby waives and relinquishes all rights of exemption from sale or seizure under distress or execution, that he now has or may hereafter have by virtue of any law of the state exempting personal property from seizure and sale to the extent necessary to protect Landlord in the enforcement of his liens herein and in the payment of all rental as agreed. Said Landlord shall have in addition to the lien given by law, a security interest as provided in the Uniform Commercial Code of Iowa, upon all personal property owned, kept and used on said premises by Tenant, during the term hereby agreed to be paid. Landlord may proceed at law or in equity with any remedy by law for the recovery of rent, or from the termination of this lease, because of Tenant's default in its performance.

18. **REPAIRS.** Tenant shall keep said premises, including the bridges and fences, in proper repair, provided that Landlord shall furnish necessary material, that he or his agent consider needful to repair said premises within reasonable time after being notified, and Tenant shall haul said material to said premises without charge.

19. **NEW IMPROVEMENTS.** All buildings, fences and improvements of every kind and nature that may be erected on the above described land during the term of this lease by Tenant shall be deemed as additional rent and shall inure to the premises and become the property of the Landlord, unless permission to erect and remove same shall be obtained in writing and made a part of this lease.

20. **EXPENSES INCURRED WITHOUT CONSENT OF LANDLORD.** No expense shall be incurred for or on account of Landlord without first obtaining his written order. As to this paragraph and as to paragraphs 16 and 17 no mechanics' liens shall be imposed upon or foreclosed against the real estate described herein.

21. **ATTORNEY FEES AND COURT COSTS.** Tenant also agrees to pay and discharge all costs and attorney fees of any expense that shall arise from enforcing any of the covenants of this lease by Landlord and all crops growing, or in cribs or granary on said premises shall be security for all sums due or to become due from Tenant to Landlord as evidenced by book account or note held by and originally payable to Landlord (or either, if more than one).

22. **CHANGES IN LEASE TERMS.** No act of either party, or both parties, shall be construed as an extension of this lease, or any change in the terms and provisions, unless changes are reduced to writing and signed by both parties.

23. Words and phrases herein, including acknowledgment hereof, shall be construed as in the singular or plural number, and as the appropriate case according to the context.

24. **ADDITIONAL PROVISIONS.** By express agreement, the following special provisions are made a part of this lease:

23. Landlord shall have the right to test for all minerals on the said premises but shall pay all damages to tenant.

IN WITNESS WHEREOF, we have hereunto set our hands and seals the day and year first above written.

Charles Huddleson

Richard Tabb

TENANT

Mailing address of Tenant; also sometimes referred to as Debtor in the Uniform Commercial Code, Section 554.9102:

LANDLORD

Address of Landlord; also sometimes referred to as the Secured Party in the Uniform Commercial Code, Section 554.9402:

STATE OF IOWA, _____ County, ss:

On this _____ day of _____, 19____, before me, the undersigned, a Notary Public in and for said State, personally appeared _____

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

_____
Notary Public in and for said State