ASSIGNMENT OF LEASE

This Assignment of Lease, made and entered into by and between BOUGHTON APPALOOSA RANCH, INC., (hereinafter referred to as "Lessee"), Loren H. Boughton and Garnetta M. Boughton (hereinafter referred to as "Lessor"), and BRENTON NATIONAL BANK OF DES MOINES, (hereinafter referred to as "Assignee").

W I T N E S S E T H :

WHEREAS, Lessee heretofore leased from Loren H. Boughton and Garnetta M. Boughton, certain real property by a Lease dated the 26th day of August, 19 81, which was assigned to Brenton National Bank of Des Moines for a term of 7 years, a true and correct copy of which Lease is attached hereto and by this reference made a part hereof, and

WHEREAS, Lessee is borrowing the sum of Thirty Thousand and No/100 ----------Dollars ($30,000) from the Assignee, evidenced by a Promissory Note dated the 28th day of August, 19 81, (hereinafter referred to as "the loan"), and

WHEREAS, the Lessee is willing to assign and hypothecate its interest in the Lease for the purpose of securing the loan.

NOW, THEREFORE, for and in consideration of the premises and the loan, the Lessee, does hereby sell, transfer and assign unto the Assignee all of the right, title and interest of the Lessee, in and to the above-described Lease and all rights contained therein.

This Assignment is given as additional security for the payment of and the performance of all covenants and agreements of Lessee given pursuant to the loan. The term of this Assignment shall be until the said loan shall have been fully paid and satisfied, at which time this Assignment is to be fully satisfied, cancelled and released and the cancelling of said note shall constitute a release hereof.

It is understood and agreed between Lessor, Lessee and Assignee herein, that this Assignment shall not transfer any of the obligations of Lessee, as Lessee or otherwise, and that until occurrence of any act of omission, which is determined by Assignee, in its sole discretion, to constitute a default in the covenants, terms or conditions of the loan as evidenced by the note, the rents, issues, profits, revenues, rights and benefits as they become due shall be paid to the Lessee to retain, use and enjoy the same. After the occurrence of a default as aforesaid, the Assignee may enforce this Assignment by notifying the Lessee by regular mail sent to the address hereinafter prescribed for sending notices. Whereupon, Assignee may, at its option, without further notice, using such force as may be necessary, enter the leased premises and do any one or more of the following:

A. Exercise any options contained in the Lease.

B. Transfer and assign the Lease and Lessee's rights therein to parties satisfactory to Lessor and Assignee, and upon assignment, the obligations of said Lease shall be binding upon said transferee.

C. Retain the possession of and operate the business on the leased premises.

D. Remove all property of Lessee that is pledged as collateral for the loan.

Compared

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BOOK 33 PAGE 715

1981 SEP 22 AM 9:15

MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA
Fee $18.00

IND.
REC.
PAGE

Release of assignment of lease rec'd Mar Rec 3-7-670

In the event the Assignee shall take possession of the property, it shall have no obligation other than payment of rent accruing during the period of its possession of the premises. Lessee hereby covenants and agrees as follows:

1. That it is not in default in the performance of the Lease and that it will perform each of the covenants and conditions required of it by said Lease for the term of said Lease and any extensions and renewals thereof.

2. It will not alone or by agreement between it and any other party modify or terminate the said Lease without the consent of the Assignee.

3. In the event it receives any notices whether constituting default or otherwise from the Lessor, it shall immediately forward to the Assignee copies of such notices and will immediately cure any alleged defaults.

4. In the event there is any alleged default in the performance of the terms of the Lease as amended, the Assignee may immediately take such steps as it deems necessary to cure any such defaults adding any sums so expended to the amount due pursuant to the loan.

LESSOR hereby covenants and agrees as follows:

1. In the event of default by Lessee, under the terms of said Lease, Lessor agrees to give to Assignee such notice as is required to be given to Lessee by the Lease and Assignee shall have the right, at its option, during such notice period to cure such default.

2. None of the property required to be hypothecated as collateral for the aforesaid loan constitutes fixtures or real property.

3. Lessor agrees to and does hereby subordinate any lien it may, now or hereafter, have on the property of Lessee, that is now or hereafter security for the aforesaid loan, to Assignee's lien or liens on said property and to Assignee's rights herein.

4. Lessor's title to said leased premises is held by it by virtue of a subordinated land lease and has full power and authority to enter into this agreement.

Notices shall be sent by registered mail, addressed as follows:

LESSOR: R.R. #1, Booneville, Iowa 50038

LESSEE: R. R. #1, Booneville, Iowa 50038

ASSIGNEE: Brenton National Bank of Des Moines
2840 Ingersoll Avenue
Des Moines, Iowa 50312

This Assignment and the covenants and agreements herein contained shall be binding upon and shall inure for the benefit of the Lessee, Assignee and Lessor and their respective heirs, legatees, devisees, executors, administrators, successors and assigns.

STATE OF IOWA)
)
COUNTY OF POLK) SS

On this _____ day of August, 1981, before me, the undersigned, a Notary Public in and for said County, in said State, personally appeared Carl R. Carlson and _____, to me personally known, who being by me duly sworn, did say that they are the Vice President and Chief Financial Officer and _____ respectively, of said corporation; that the seal affixed thereto is the seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and the said Carl R. Carlson and _____ as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it and by them voluntarily executed.

Mary J. Garbett
Notary Public in and for the State of Iowa
MARY J. GARBETT

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed on this 28th day of August, 1981.

BOUGHTON APPALOOSA RANCH, INC.

Jack L. Boughton, President

Judith Faye Boughton, Secretary

LESSORS

Loren H. Boughton

Garnetta M. Boughton

LESSEES

BRENTON NATIONAL BANK OF DES MOINES

Carl R. Carlson, Loan Officer

ASSIGNEE

STATE OF IOWA)
) SS.
COUNTY OF Polk)

On this ____ day of August, 1981, before me, the undersigned, a Notary Public in and for said County, in said State, personally appeared Jack L. Boughton and Judith Faye Boughton, to me personally known, who being by me duly sworn, did say that they are the President and Secretary respectively, of said corporation; that no seal has been procured by said corporation; that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and that the said Jack L. Boughton and Judith Faye Boughton as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it and by them voluntarily executed.

Mary J. Garbett
Notary Public in and for the State of Iowa
MARY J. GARBETT

STATE OF IOWA)
) SS.
COUNTY OF Polk)

On this ____ day of August, 1981, before me the undersigned a Notary Public in and for said County, in said State, personally appeared Loren H. Boughton and Garnetta M. Boughton 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.

Mary J. Garbett
Notary Public in and for the State of Iowa
MARY J. GARBETT

STATE OF IOWA)
)
COUNTY OF POLK) SS

On this _____ day of August, 1981, before me, the undersigned, a Notary Public in and for said County, in said State, personally appeared Carl R. Carlson and _____, to me personally known, who being by me duly sworn, did say that they are the Vice President and Secretary and _____ respectively, of said corporation; that the seal affixed thereto is the seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and the said Carl R. Carlson and _____ as such officers, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it and by them voluntarily executed.

Mary J. Garbett
Notary Public in and for the State of Iowa
MARY J. GARBETT

LEASE AND AGREEMENT

Made this 26th day of August, 1981, by and between Loren Boughton and Garnetta M. Boughton, husband and wife, of Madison County, Iowa, Lessor, and Boughton Appaloosa Ranch, Inc., Lessee, WITNESSETH:

That said Lessor has this day leased to said Lessee and its assigns, the following land, to-wit:

> Beginning at the Northwest Corner of the Northwest Quarter of Section 16, Township 77 North, Range 26 West of the 5th P.M., Madison County, Iowa, thence South 360 feet, thence East 360 feet, thence North 360 feet, thence West 360 feet to the point of beginning,

for a term of eight (8) years, commencing August 15, 1981, and ending August 14, 1989, on the following terms and conditions:

For rent of said premises, Lessee covenants and agrees to pay said Lessor the yearly rent of fifty dollars ($50.00) payable as follows: $50.00 on the 15th day of August, 1981, and $50.00 on each August 15th thereafter during the term of this lease, and in addition pay the tax on said premises each year during said term.

Lessee covenants that they will commit no waste and that they will allow no noxious weeds to go to seed on said premises, but destroy the same and keep the weeds and grass cut thereon.

Loren Boughton
Loren Boughton, Lessor

Garnetta M. Boughton
Garnetta M. Boughton, Lessor

BOUGHTON APPALOOSA RANCH, INC.

By Jack Boughton
Jack L. Boughton, President

By Judith F. Boughton
Judith Faye Boughton, Secretary

STATE OF IOWA)
)ss:
DALLAS COUNTY)

On this 26th day of August, 1981, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Loren Boughton and Garnetta M. Boughton to me known to be the identical persons named in and who executed the within and foregoing instrument and acknowledged that they executed the same as their voluntary act and deed.

James E Van Werden
Notary Public in and for the State of Iowa

JAMES E. VAN WERDEN

LEASE AND AGREEMENT PAGE TWO

STATE OF IOWA, POLK COUNTY, SS:

On this 28th day of August A.D., 1981, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Jack L. Boughton and Judith Faye Boughton, to me personally known, who, being by me duly sworn, did say that they are the President and Secretary respectively, of said corporation executing the foregoing LEASE AND AGREEMENT, that (no seal has been procured by the said) corporation; ~~(the seal affixed thereto is the seal of said)~~ that said instrument was signed ~~(and sealed)~~ on behalf of said corporation by authority of its Board of Directors; and that the said Jack L. Boughton and Judith Faye Boughton as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

Notary Public in and for the State of Iowa