KNOW ALL MEN BY THESE PRESENTS: That McKINNEY FARMS, INC., an Iowa corporation,

of the County of Adair , State of Iowa
hereinafter called "Grantor", whether one or more, does hereby grant, bargain, sell and convey to Phoenix Mutual Life Insurance Company, a Connecticut corporation, with its principal office in Hartford, Connecticut, hereinafter called "Phoenix", the following described real estate situated in Adair County and Madison County, State of Iowa, to wit:

FOR RELEASE OF ANNEXED MORTGAGE SEE MORTGAGE RECORD 127 PAGE 707

The Northeast Quarter of the Southeast Quarter (NE¼SE¼) of Section Twenty-four (24), Township Seventy-four (74) North, Range Thirty (30) West of the 5th P.M.; the Southwest Quarter (SW¼) of Section Twenty-five (25), Township Seventy-four (74) North, Range Thirty (30) West of the 5th P.M.; the East Half of the Southeast Quarter (E½SE¼) and the Southeast Quarter of the Northeast Quarter (SE¼NE¼) of Section Twenty-six (26), Township Seventy-four (74) North, Range Thirty (30) West of the 5th P.M.; and, the Northwest Quarter (NW¼) of Section Twenty-nine (29), Township Seventy-four (74) North, Range Thirty (30) West of the 5th P.M., all in Adair County, Iowa, and

The Northwest Fractional Quarter (NWFr¼) of the Southwest Quarter (SW¼) of Section Nineteen (19), Township Seventy-four (74) North, Range Twenty-nine (29) West of the 5th P.M., in Madison County, Iowa,

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MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA
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and also all the rents, issues, uses, profits, and income therefrom, and the crops raised thereon from the date of this instrument until the debt secured hereby, shall be paid in full; together with all the buildings, improvements and fixtures which are now on or hereafter may be erected on said land, and all the tenements, hereditaments, privileges and appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest, dower and right of dower, including all rights of homestead of the said Grantor, all of which said property is hereafter called "the premises";

TO HAVE AND TO HOLD the same unto Phoenix forever.

This conveyance is intended as a mortgage to secure the payment to Phoenix, at its principal office in Hartford, Connecticut, of the sum of One Hundred Sixty Thousand and no/100-- Dollars ($ 160,000.00) as follows:

The sum of $4,000.00 on the first day of October, 1976, and a like sum on the first day of each October thereafter, up to and including the first day of October, 1989, and the unpaid balance in full on the first day of October, 1990, with prepayment privilege as specified in the note, and

with interest from the date hereof on unpaid principal, all according to the terms of a promissory note bearing even date herewith and executed by Grantor.

Grantor covenants and agrees with Phoenix as follows:

1. That Grantor is lawfully seized and possessed of the premises and has good right to convey the same; that they are free from all liens and encumbrances; that Grantor will warrant and defend the title thereto against the lawful claims of all persons whomsoever.
2. That, until all sums secured hereby are paid in full, Grantor will keep all buildings above described insured against loss by fire and such other hazards as Phoenix may require. The policies of such insurance shall be deposited with Phoenix and shall be in forms and amounts and issued by companies satisfactory to Phoenix. Phoenix may collect the proceeds of any insurance which may become due and, at its option, after deducting the expenses of such collection, apply the balance to one or both of the following: (1) To a partial or total restoration of the buildings (2) to the payment of principal, whether then matured or not, in the inverse order of its maturity.
3. That Grantor will pay all taxes, assessments and charges which are or may be levied against the premises or any part thereof before same become delinquent and deliver to Phoenix satisfactory evidence of such payment.
4. That if Grantor shall fail to pay any insurance premium, taxes, assessments or charges aforesaid, Phoenix, at its discretion may pay the same. Any sum so advanced by Phoenix, with interest thereon from the date of such advance at the highest rate permitted by law, shall be due from Grantor on demand, and the payment thereof shall be secured by this instrument.
5. That Grantor will keep the premises in as good repair as they now are; will not commit or permit waste on the premises; will not cut, use, or remove or permit the cutting, use or removal of any trees or timber on the premises other than for ordinary farm purposes; will comply with all Federal, State and County laws, rules and regulations affecting the premises; will keep all tillable soil in an advanced state of cultivation in accordance with the practice of good husbandry; will permit the agents of Phoenix to pass through or over premises at all reasonable times for the purpose of inspecting them.
6. That Grantor if requested by Phoenix will immediately pay to Phoenix the proceeds from the sale of any easement or right of way across the premises and any damages awarded for the condemnation of any part of the premises for public use. Unless otherwise agreed, such proceeds shall be applied by Phoenix to the payment of principal, whether matured or not, in the inverse order of its maturity.
7. That Phoenix, without notice, may release any part of the security described herein or any person liable for any indebtedness secured hereby without in any way affecting the lien hereof upon any part of the security not expressly released and may agree with any party obligated on said indebtedness or having any interest in the security described herein to extend the time for payment of any part or all of the indebtedness secured hereby. Such agreement shall not in any way release or impair the lien hereof, but shall extend the lien hereof as against the title of all parties having any interest in said security which interest is subject to said lien.
8. That as additional security for the payment of the indebtedness herein described, Grantor hereby assigns to Phoenix all the rents, income and profits from the premises, including all the rents, royalties and income accruing under any oil, gas, mineral or other lease now on the premises or hereafter placed thereon, on condition, however, that so long as there is no default hereunder, Grantor may retain possession of the premises and receive all of said rents, income, profits and royalties. This assignment shall become null and void upon the release of this instrument.
9. That if Grantor defaults in making any payment due under said note, or violates or fails to perform any of the conditions, covenants or agreements of this mortgage, or in the event that after the date of this mortgage any law shall be passed in the state of Iowa which creates or increases any tax assessed to Phoenix on account of this mortgage or the indebtedness secured hereby, then, at the option of Phoenix, all unpaid indebtedness secured by this mortgage, including interest accrued thereon, shall become due at once without notice, and this mortgage may be foreclosed.
10. That in the event Phoenix employs an attorney to prove, establish or collect in any court any sum secured hereby, Grantor will pay a reasonable attorney's fee the payment of such fee to be secured hereby; that, in any action to foreclose this mortgage, Phoenix shall be entitled to have a receiver appointed immediately, regardless of the value of the premises or the solvency or insolvency of Grantor.

11. That the holder of the note hereby secured shall be subrogated for further security to the lien, though released of record, of any prior incumbrance or vendor's lien on said premises paid out of the proceeds of this loan.

It is provided, however, that if said indebtedness and interest thereon be paid when due, and if all the covenants and agreements herein be performed as herein specified, then this mortgage shall be void, and shall be released as provided by law.

The provisions hereof shall be binding upon Grantor and the heirs, personal representatives, successors and assigns of Grantor and shall inure to the benefit of Phoenix and its successors and assigns. Where more than one Grantor is named herein the obligations and liabilities of such Grantors shall be joint and several.

IN WITNESS WHEREOF this mortgage has been duly signed, sealed and delivered by Grantor,

this 28th day of October, 1975.

McKINNEY FARMS, INC. (Seal)

By: Gale W. McKinney, President (Seal)
Gale W. McKinney, President

And: Mary E. McKinney, Secretary (Seal)
Mary E. McKinney, Secretary

ACKNOWLEDGMENTS

STATE OF IOWA }
COUNTY OF ..... } ss.

On this ..... day of ..... A. D. 19....., before me, the undersigned, a Notary Public in and for said County and State, personally appeared .....

to me known to be the person(s) named in and who executed the foregoing instrument as grantor(s) and acknowledged the execution of the same to be ..... voluntary act and deed for the uses and purposes therein expressed.

In witness whereof I have hereunto set my hand and affixed my official seal on the day and date last above written.

.....
Notary Public in and for .....

STATE OF IOWA .....)
COUNTY OF Madison) ss:

On this 28th day of October, A.D. 1975, before me, the undersigned, a Notary Public in and for said County and State, personally appeared GALE W. McKINNEY and MARY E. McKINNEY, to me personally known, who being by me duly sworn, did say that they are the President and Secretary, respectively, of McKINNEY FARMS, INC., an Iowa corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said Gale W. McKinney and Mary E. McKinney acknowledged said instrument to be the free act and deed of said corporation.

In witness whereof, I have hereunto set my hand and affixed my official seal on the day and date last above written.

William I. Kimberley
William I. Kimberley
Notary Public, Adair County, Iowa

My commission expires .....