

NOTARY PUBLIC IN AND FOR MADISON COUNTY, STATE OF IOWA
H.G. & R.D. Breakenridge Admr's, et al #101 Filed for record the 9 day of
To Fee \$4.00 January A.D. 1937 at 9:40 o'clock
L.L. Blomgren, Trustee A.M.
Valda C. Bishop, Recorder

COMPOSITION DEED OF TRUST

THIS AGREEMENT, made this 28 day of December A.D. 1932 by and between H.G. Breakenridge and R.D. Breakenridge, administrators and heirs-at-law of the estate of James Breakenridge, deceased, hereinafter called the administrators and heirs, parties of the first part, and R.D. Breakenridge, hereinafter called the debtor, party of the second part, and L.L. Blomgren, hereinafter called the trustee, party of the third part, and the several persons, companies and firms whose names are signed hereto, being creditors of James Breakenridge, deceased, and now considered as claimants of the estate of James Breakenridge, deceased, hereinafter called the creditors, parties of the fourth part, WITNESSETH:

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J. H. WELCH PRtg. CO., DES MOINES 7116

THAT, WHEREAS, James Breakenridge died intestate, a resident of Madison County, Iowa, on the 17th day of March, 1932, and his estate was duly admitted to probate in and by the District Court of Madison County, Iowa, on the 31st day of March, 1932; and is of this date unsettled; and,

WHEREAS, H.G. Breakenridge and R.D. Breakenridge were appointed administrators of said estate and qualified according to law giving notice of their appointment as such administrators, the last publication thereof being on the 21st day of April, 1932, and who are still acting in such representative capacity; and

WHEREAS, the estate of James Breakenridge, deceased, as shown by the inventory of the administrators filed therein, consisted of personal property of the estimated value of \$7,991.40 and real property of the estimated value of \$14,769.86; and,

WHEREAS, in truth and in fact the said personal property as listed and estimated consisted of \$7,303.85 of indebtedness of the said H.G. Breakenridge and R.D. Breakenridge, due the estate upon notes, mortgages and accounts which are uncollectible, diminishing the estimated value of said personal property to the sum of \$687.55, of which amount there will be collectible by said estate the estimated sum of about \$400.00, of which has already been expended for the payment of the first half of the taxes on the real estate owned by said estate; and the real estate as listed being pledged as security upon a first mortgage to the Federal Land Bank of Omaha, Nebraska, in the sum of \$14,769.86 leaving a very small equity, if any, held by said estate in the real estate; and,

WHEREAS, the May 1932 installment of the interest in the sum of \$520.00 due the Federal Land Bank of Omaha on its mortgage is now due and delinquent and the November 1932 installment of \$520.00 will be due on the 24th day of October, 1932, and said administrators are unable to pay same; and,

WHEREAS, creditors of the said James Breakenridge, deceased, have filed claims in said estate amounting to over the sum of \$7000.00 and which cannot be paid out of the assets of said estate; and

WHEREAS, the said H.G. Breakenridge and R.D. Breakenridge are entitled as heirs-at-law of the said James Breakenridge, deceased, to the property of said estate upon the payment of the claims filed therein; and,

WHEREAS, the said H.G. Breakenridge and R.D. Breakenridge realize that if the claims filed in said estate are allowed to remain as charges therein that they will have no interest in said property to which they would have been lawfully entitled as heirs-at-law of James Breakenridge, deceased, had there been no claims filed; and,

WHEREAS, the said H.G. Breakenridge will not assume any personal liability for the payment of said claims filed in said estate but is willing that his brother, R.D. Breakenridge, assume said personal liability if he see fit; and,

WHEREAS, the said R.D. Breakenridge is willing and does by these presents consent to the assuming of personal liability of the claims filed in said estate providing said estate or the administrators thereof will cancel all right of action for any liability that said estate now holds or is entitled to against the said H.G. Breakenridge or R.D. Breakenridge as debtors of said estate; and,

WHEREAS, it is believed to be for the best interests of said estate and of the creditors involved therein that the said H.G. Breakenridge, and R.D. Breakenridge, as administrators and heirs-at-law of the estate of James Breakenridge, deceased, convey and they are willing and do by these presents relinquish and convey all of their rights, title and interest as heirs-at-law and administrators of the estate of James Breakenridge, deceased, in and to the

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personal and real property involved in said estate, except the personal property listed as assets due from the said H.G.Breakenridge and R.D.Breakenridge and that said conveyances shall be subject only to the approval of the District Court of Madison County, Iowa; and,

WHEREAS, it is believed to be for the best interests of all concerned that such conveyances be accepted by a trustee and to give R.D.Breakenridge, the debtor, an opportunity to pay and avoid the loss incident to a forced sale of the assets belonging to the estate of James Breakenridge, deceased, and so that said trustee may continue in possession and management of the real estate and upon the following terms and conditions and subject to the trust hereinafter set forth.

NOW, THEREFORE, in consideration of the sum of One Dollar in hand paid, the receipt whereof is hereby acknowledged, and under and by virtue of the terms of the mutual covenants of this indenture the said H.G.Breakenridge and R.D.Breakenridge, the heirs and administrators, parties of the first part, and Vera Breakenridge and Mardicie Breakenridge, their spouses, have assigned and transferred and do by these presents sell, assign, transfer and set over unto L.L.Blomgren trustee, for the uses and purposes herein expressed, the following described real estate situated in the County of Madison and State of Iowa, to-wit:

Southwest Quarter of Section 35, Township 76 North, Range 29 West
of the 5th P.M., Madison County, Iowa, containing 160 acres, more or less,

together with all rights appurtenant thereto belonging and all personal property listed as assets of the estate of James Breakenridge, deceased, except that already disposed of and except such notes, mortgages, accounts or other items of indebtedness which are owing to said estate from the said H.G.Breakenridge and R.D.Breakenridge.

1. To have and to hold, use, manage and control all the property herein conveyed, and to collect the rents, issues and profits therefrom, that is to say in trust, that the said trustee shall sell and dispose of, at public or private sale, for cash or on credit, as in the judgment of said trustee will be most expedient, all the goods and chattels designated as personal property and continue the farming enterprise which was heretofore conducted by the said James Breakenridge, deceased, and to lease and rent said real property and to receive the rents and profits therefrom and to do all things necessary and which said trustee deems necessary and advisable to be done in the successful carrying on of the said farming enterprise and from the receipts therefrom for the uses and purposes and subject to the conditions hereinafter set forth, to which the trustee, the party of the third part hereto, by the execution hereof, hereby consents.

2. The proceeds received from the sale of said personal property and the rents and profits received from the real estate to be applied as hereinafter provided, following:

First: To the payment of the necessary costs and expenses of the administration of said estate and the administration of the trust.

Second: To pay all public taxes on the property held in this trusteeship.

Third: To pay interest and principal on the mortgage indebtedness covering the real estate involved herein.

Fourth: To pay the necessary expenditures for repairs and upkeep of the premises.

Fifth: To pay pro rata the interest and principal on the amounts to the creditors who are herein preferred.

Sixth: To pay pro rata the interest and principal on the amounts to the creditors who are herein unpreferred.

Seventh: Subject to the trust aforesaid and upon the expiration thereof by the payment of all sums referred to in Sub-Paragraphs One, Two, Three, Four, Five, and Six, all the rest residue and remainder, including the real estate involved herein, shall be by the trustee

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transferred and conveyed in fee simple to the debtor, R.D.Breakenridge.

3. It is agreed that the claims of the preferred creditors, computed as of October 20, 1932, are in the following amounts:

Tidrick's Funeral Home	431.00
Dr. C.M.Wallace	130.00

4. It is agreed that the claims of the unpreferred creditors computed as of October 20, 1932, are in the following amounts:

Winterset Savings Bank-Now-Madison Co Sav Bk	1,930.00
George Myers	3,020.00
M.V.Vanderburg	514.00
Madison County State Bank-Now Madison Co Sav Bk	654.00

and that all the claims of creditors, whether same be preferred or unpreferred, shall bear interest at 6% per annum from and after the 20th day of October, 1932, and that all claims shall be payable in their principal sum on or before the 20th day of October, 1935, and that those creditors who sign this indenture or afterward accede thereto, each for himself, agree to accept upon the demand of the trustee, a promissory note of R.D.Breakenridge, the debtor, bearing a reference to this indenture and of even date thereof and in the principal sum above named and due on or before the 20th day of October, 1935, with interest at 6% from October 20, 1932, and agrees to accept said note in lieu of the evidence of indebtedness which each creditor now holds against the estate of James Breakenridge, deceased, and agrees to surrender the present evidence of indebtedness upon delivery thereof, and it is agreed that no creditor to whom such a note shall be delivered as aforesaid, shall be entitled to receive payment from the trustee of the amount secured by his note without the production, delivery and cancellation of his note and in the event that any creditor neglects or refuses to deliver his note upon the amount secured thereby being tendered to him, then the trustee shall stand possessed of the sum secured by the note, upon trust, to answer any demand which shall be made by any holder of the note; and it is agreed that the debtor will forthwith make and deliver to the trustee upon trust, to be delivered to the respective creditors, promissory notes of the debtor drawn in favor of each creditor for the respective amount payable to said creditor, such promissory note to be made payable as above provided, and to be delivered to the several creditors upon surrender of the evidence of indebtedness and withdrawal of the claims filed in the estate of James Breakenridge, deceased, by said credit^{ors.}

The trustee in his discretion, out of the moneys which shall come into his hands, under any by virtue of these presents, may pay to anyone who may hold any mortgage, charge, lien or other security upon any of the property hereby assigned and conveyed, which security is not hereby and herein effected, the full or any less amount as may be agreed by the trustee and such secured creditors for the purpose of obtaining absolute possession of the property comprised in or subject to such security, or the release of the lien upon such property; or may relinquish the rights of the debtor to the property pledged in consideration of the release and satisfaction of the liens and debts; provided, always, that the amount so paid shall not in the judgment of the trustee exceed the value of the property comprised in or subject to such security.

It is agreed that the administrators and heirs will execute any mortgage papers necessary to refinance, adjust or reduce any of the secured claims upon the premises conveyed herein, upon the request of the trustee.

Notice is hereby taken that H.G.Breakenridge and R.D.Breakenridge are the duly appointed, qualified and acting administrators of the estate of James Breakenridge, deceased, and that as such they have become entitled to a compensation as a matter of law, but that said administrators do by these presents waive, relinquish and renounce any and all fees or com-

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compensation for services rendered as administrators in said estate. ~~James Breakenridge~~

Notice is taken that Charles D. Van Werden is the acting attorney for the administrators in the James Breakenridge Estate, and that as such he has become entitled to compensation as a matter of law, and it is therefore agreed that the Judge of the District Court of Madison County, Iowa, be and he is hereby authorized to fix a fair compensation for services rendered by said attorney in said estate, and that said compensation will be paid by the trustee of this trust.

Notice is hereby taken that there will be certain court costs involved in the estate of James Breakenridge, deceased, payable to the Clerk of the District Court of Madison County Iowa, but it is agreed that when said estate is fully and completely settled, said trustee shall pay said costs out of the trust fund.

It is agreed that the trustee shall have the power to sell from time to time and for such prices as he deems advisable any of the personal property coming into his hands by virtue of these presents, and any of the rents, issues and profits arising out of the personal and real property above described.

It is agreed that the trustee shall have the right to sell any or all of the real property coming into his hands by virtue of these presents if he first shall have received the consent in writing of the debtor, R.D.Breakenridge, and has been authorized by the majority in amount of the creditors at a meeting called as herein provided, at which meeting the question of the sale of said real estate shall have been discussed and a majority in amount shall have decided that it is in the best interests of the trust estate that the parcel of real estate shall be sold at the price and on the terms recommended by the trustee, and the debtor, R.D.Breakenridge, agrees to join in any conveyance necessary to effectuate the sale so authorized, provided his consent is first thereto obtained.

It is understood that the trustee shall not act unless a majority of creditors shall be in agreement and that in the event they disagree with the method of procedure designated by the trustee, then such method of procedure shall be decided by a vote of the majority in amount of the creditors at a meeting called as herein provided.

It is agreed that the signatures of all parties hereto as affixed with the understanding that this indenture shall not become effectual unless and until all creditors listed as claimants of the Estate of James Breakenridge, deceased, have agreed to these presents, and it has been approved and ordered effectual by the District Court of Madison County, Iowa.

It is agreed that the terms of the trust may be extended by the consent of the debtor and a majority in amount of creditors acceding thereto, provided that the interest on the notes given to the creditors shall have been paid.

It is agreed that if the trustee shall resign or for any reason be incapacitated to act as trustee, that his successor shall be chosen by a majority in amount of the creditors at a meeting called in the manner herein provided and by nominations submitted by the debtor.

It is agreed that the trustee or his successor in interest, if any, shall give a fidelity bond guaranteeing the debtor and creditors of his integrity in the penal sum of \$.....

It is agreed that the trustee shall keep proper books of account, wherein a true and perfect entry shall be made daily of all receipts and payments, and of all other matters and transactions relating to the trust, as may be necessary to show the true state of affairs of the trust, and shall also preserve and keep copies of all letters written, sent or received to or from any person or persons whomsoever, concerning the said trust, and shall at regular intervals, not exceeding six months or oftener if required by a majority in amount of the creditors, make and deliver to the creditors a general account in writing of all the receipts and payments and of all other matters and transactions relating to the said trust.

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It is agreed that all moneys, bonds, bills, notes and securities arising from or be-
longing to the said trust estate, shall not be used except for the purposes herein mentioned.

It is agreed that the Madison County Savings Bank of Winterset, Iowa, shall be the
depository for all trust funds and that all drafts or checks and disbursements shall be
signed by the trustee.

It is agreed that the creditor's meeting provided for herein shall be called by the
trustee by giving ten days notice in writing by ordinary mail to the last known address of
each of the creditors.

It is agreed that if the debtor makes savings from his earnings or accumulates property
from any sources than through this indenture or by inheritance or gift, such property shall be
the sole and separate property of the debtor and uneffected hereby.

It is agreed that if on the 20 day of October 1935 the trustee shall not have on hand
sufficient money to pay the principal and interest of the claims of creditors, and if said
claims have not heretofore been paid, and the terms of the trust shall not have been extended
as above provided, the trustee shall, and he is authorized to sell all of the property. at
public sale after having given four weeks notice of the time and place by publication in
an official newspaper of Madison County, Iowa, and the creditors signing this instrument and
hereafter acceding hereto, agree to take their pro rata share of the proceeds of said sale
after the expenses have been paid and full settlement of their claims have been paid.

Judge - Fifth Judicial District.

R.D.Breakenridge
Administrator and Heir-at-law.

Vera Breakenridge
Spouse of Heir-at-law.
H.G.Breakenridge
Administrator and Heir-at-law.
Mardicie Breakenridge
Spouse of Heir-at-law.
L.L.Blomgren
Trustee

Tidrick's Funeral Home Neil W. Anderson
Preferred Creditor.
C.M.Wallace M.D.
Preferred Creditor
Winterset Sav. Bk-L L Blomgren-Cashier
Unpreferred Creditor.
Geo Myers.
Unpreferred Creditor
M.V.Vandenburg
Unpreferred Creditor.
Madison Co State Bank by Nels Bertholf
Unpreferred Creditor.
Madison County Savings Bank
L.L.Blomgren Cashier.

STATE OF IOWA)
Madison County)SS:

On this 28th day of December A.D.1932 before the undersigned,
Dorothy Gillespie, a Notary Public in and for Madison County, Iowa, came L.L.Blomgren and
Nels Bertholf, Neal W. Anderson, Dr. C.M.Wallace, George Myers, and M.V.Vandenburg, to me
personally known to be the identical persons whose names are subscribed to the foregoing
instrument and acknowledged the execution of same to be their voluntary act and deed.

(NOTARIAL SEAL)

Dorothy Gillespie
Notary Public, in and for Madison County, Iowa.

STATE OF IOWA :
MADISON COUNTY : SS.

BE IT REMEMBERED that on the 28th day of December, A.D.1932
before the undersigned , a Notary Public in and for said County, personally came R.D.
Breakenridge, Vera Breakenridge, H.G.Breakenridge and Mardicie Breakenridge, to me known to
be the identical persons whose names are affixed to the foregoing instrument as grantor and
acknowledged the same to be their voluntary act and deed.

WITNESS my hand and official seal the day and year last above written.



Charles D. Van Werden
Notary Public in and for Madison County, Iowa.

Mortgage See