

Recorded: 1/5/2017 at 9:10:04.267 AM
Fee Amount: \$47.00
Revenue Tax:
Polk County, Iowa
Julie M. Haggerty RECORDER
Number: 201600059418
BK: 16335 PG: 288

MORTGAGE

Preparer Information: Irving B. Epstein, Epstein & Epstein, 11516 Nicholas Street, #202,
Omaha, Nebraska, 68154 402/397-1515

Taxpayer Information: Housby Mack, Inc. 4755 NE 14th Street, Des Moines, Iowa 50313

Return document to: TitleCore National, LLC, 9140 West Dodge Road #380, Omaha,
Nebraska 68114

Borrower: Housby Mack, Inc.

Lender: Progressive Equipment, Inc.

Legal Description: The West 429 feet of the South 210 feet of the North 241 feet of Lot
1, in Kemper Estates, an Official Plat, in Polk County, Iowa (except that part conveyed to
the State of Iowa by Warranty Deed recorded in Book 3101 Page 393.

MORTGAGE

This mortgage ("security instrument") is given on this 30 day of December, 2016. The mortgagor is Housby Mack, Inc., an Iowa corporation, of 4755 NE 14th Street, Des Moines, Iowa ("borrower"). This security instrument is given to Progressive Equipment, Inc. a corporation organized under the laws of Nebraska, having its principal office at 1719 South 85th Avenue, Omaha, Nebraska 68114 ("lender").

Borrower owes lender the principal sum of \$1,600,000.00 (one million six hundred thousand and 00/100ths Dollars). This debt is evidenced by borrower's note dated the same date as this security instrument (the "note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on December 31, 2018. This security instrument secures to lender: (a) the repayment of the debt evidenced by the note, with interest, and all renewals, extensions, and modifications; (b) the payment of all other sums, with interest, advanced under SECTION VI to protect the security of this security instrument; and (c) the performance of borrower's covenants and agreements under this security instrument and the note. For this purpose, borrower does mortgage, grant, and convey to lender the following described property located in Polk County, Iowa: The West 429 feet of the South 210 feet of the North 241 feet of Lot 1 in KEMPER ESTATES, an Official Plat, in Polk County, Iowa (except that part conveyed to the State of Iowa by Warranty Deed recorded in Book 3101, Page 393), situated in Polk County, Iowa, which has the address of 4755 NE 14th Street, Des Moines, Iowa 50313 (the "property address");

Together with all the improvements now or to be erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or to be a part of the property. All replacements and additions shall also be covered by this security instrument. All of the foregoing is referred to in this security instrument as the "property."

Borrower covenants that borrower is lawfully seised of the estate conveyed by this security instrument and has the right to mortgage, grant, and convey the property and that the property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the property against all claims and demands, subject to any encumbrances of record.

Borrower and lender agree as follows:

SECTION I. PAYMENT OF PRINCIPAL AND INTEREST; PREPAYMENT AND LATE CHARGES

Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the note and any prepayment and late charges due under the note.

**SECTION II.
APPLICATION OF PAYMENTS**

Unless applicable law provides otherwise, all payments received by lender under SECTION I and II shall be applied: first, to late charges due under the note; second, to prepayment charges due under the note; and to interest due; and last, to principal due.

**SECTION III.
CHARGES; LIENS**

Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the property that may attain priority over this security instrument, and leasehold payments or ground rents, if any borrower shall pay these obligations in the manner provided in SECTION II; or if not paid in that manner, borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to lender all notices of amounts to be paid under this paragraph. If borrower makes these payments directly, borrower shall promptly furnish to lender receipts evidencing the payments.

Borrower shall promptly discharge any lien that has priority over this security instrument unless borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the property; or (c) secures from the holder of the lien an agreement satisfactory to lender subordinating the lien to this security instrument. If lender determines that any part of the property is subject to a lien that may attain priority over this security instrument, lender may give borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within [number of days] days of the giving of notice.

**SECTION IV.
HAZARD INSURANCE**

Borrower shall keep the improvements now existing or to be erected on the property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards for which lender requires insurance. This insurance shall be maintained in the amounts and for the periods that lender requires. The insurance carrier providing the insurance shall be chosen by borrower subject to lender's approval which shall not be withheld unreasonably.

All insurance policies and renewals shall be acceptable to lender and shall include a standard mortgage clause. Lender shall have the right to bold the policies and renewals. If lender requires, borrower shall promptly give to lender all receipts of paid premiums and renewal notices. In the event of loss, borrower shall give prompt notice to the insurance carrier and lender. Lender may make proof of loss if not made promptly by borrower.

Unless lender and borrower otherwise agree in writing, insurance proceeds shall be applied to the restoration or repair of the property damaged, if the restoration or repair is economically feasible and lender's security is not lessened. If the restoration or repair is not economically feasible or lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this security instrument, whether or not then due, with any excess paid to borrower. If borrower abandons the property, or does not answer within seven (7) days a notice from lender that the insurance carrier has offered to settle a claim, then lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the property or to pay sums secured by this security instrument, whether or not then due. The seven-day period will begin when the notice is given.

Unless lender and borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in SECTION I; or change the amount of the payments. If under SECTION XVII, the property is acquired by lender, borrower's right to any insurance policies and proceeds resulting from damage to the property prior to the acquisition shall pass to lender to the extent of the sums secured by this security instrument immediately prior to the acquisition.

SECTION V. PRESERVATION AND MAINTENANCE OF PROPERTY; LEASEHOLDS

Borrower shall not destroy, damage, or substantially change the property, allow the property to deteriorate, or commit waste. If this security instrument is on a leasehold, borrower shall comply with the provisions of the lease, and if borrower acquires fee title to the property, the leasehold and fee title shall not merge unless lender agrees to the merger in writing.

SECTION VI. PROTECTION OF LENDER'S RIGHTS IN THE PROPERTY; MORTGAGE INSURANCE

If borrower fails to perform the covenants and agreements contained in this security instrument, or there is a legal proceeding that may significantly affect lender's rights in the property (such as a proceeding in bankruptcy, probate, for condemnation, or to enforce laws or regulations), then lender may do and pay for whatever is necessary to protect the value of the property and lender's rights in the property. Lender's actions may include paying any sums secured by a lien that has priority over this security instrument, appearing in court, paying reasonable attorney's fees, and entering on the property to make repairs. Although lender may take action under this paragraph, lender does not have to do so.

Any amounts disbursed by lender under this SECTION VI shall become additional debt of borrower secured by this security instrument. Unless borrower and lender agree to other terms of payment, these amounts shall bear interest from the date of

disbursement at the note rate and shall be payable, with interest, on notice from lender to borrower requesting payment.

If lender required mortgage insurance as a condition of making the loan secured by this security instrument, borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with borrower's and lender's written agreement or applicable law.

SECTION VII. INSPECTION

Lender or its agent may make reasonable entries on and inspections of the property. Lender shall give borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

SECTION VIII. CONDEMNATION

The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the property, or for a conveyance in lieu of condemnation, are now assigned and shall be paid to lender.

In the event of a total taking of the property, the proceeds shall be applied to the sums secured by this security instrument, whether or not then due, with any excess paid to borrower. In the event of a partial taking of the property, unless borrower and lender otherwise agree in writing, the sums secured by this security instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the property immediately before the taking. Any balance shall be paid to borrower.

If the property is abandoned by borrower, or if after notice by lender to borrower that the condemnor offers to make an award or settle a claim for damages, borrower fails to respond to lender within seven (7) days after the date the notice is given, lender is authorized to collect and apply the proceeds, at its option, either to the restoration or repair of the property or to the sums secured by this security instrument, whether or not then due.

Unless lender and borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in SECTIONS ONE and TWO or change the amount of such payments.

SECTION IX. BORROWER NOT RELEASED; FORBEARANCE BY LENDER NOT A WAIVER

An extension of the time for payment or a modification of amortization of the sums

secured by this security instrument granted by lender to any successor in interest of borrower shall not operate to release the liability of the original borrower or borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend the time for payment or otherwise modify amortization of the sums secured by this security instrument by reason of any demand made by the original borrower or borrower's successors in interest. Any forbearance by lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

**SECTION X.
BINDING EFFECT; JOINT AND SEVERAL LIABILITY; COSIGNERS**

The covenants and agreements of this security instrument shall bind and benefit the successors and assigns of lender and borrower, subject to the provisions of SECTION XV. Borrower's covenants and agreements shall be joint and several.

**SECTION XI.
LEGISLATION AFFECTING LENDER'S RIGHTS**

If the enactment or expiration of applicable laws has the effect of rendering any provision of the note or this security instrument unenforceable according to its terms, lender, at its option, may require immediate payment in full of all sums secured by this security instrument and may invoke any remedies permitted by SECTION XVII. If lender exercises this option, lender shall take the steps specified in the second paragraph of SECTION XV.

**SECTION XII.
NOTICES**

Any notice to borrower provided for in this security instrument shall be given by delivering it or by mailing it by first-class mail unless applicable law requires use of another method. The notice shall be directed to the property address or any other address borrower designates by notice to lender. Any notice to lender shall be given by first-class mail to lender's address stated in this security instrument or any other address lender designates by notice to borrower. Any notice provided for in this security instrument shall be deemed to have been given to borrower or lender when given as provided in this paragraph.

**SECTION XIII.
GOVERNING LAW; SEVERABILITY**

This security instrument shall be governed by federal law and the law of the jurisdiction in which the property is located. If any provision or clause of this security instrument or the note conflicts with applicable law, the conflict shall not affect other provisions of this security instrument or the note which can be given effect without the conflicting provision. To this end the provisions of this security instrument and the note are

declared to be severable.

**SECTION XIV.
BORROWER'S COPY**

Borrower shall be given one conformed copy of the note and of this security instrument.

**SECTION XV.
TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER**

If all or any part of the property or any interest in it is sold or transferred (or if a beneficial interest in borrower is sold or transferred and borrower is not a natural person) without lender's prior written consent, lender may, at its option, require immediate payment in full of all sums secured by this security instrument. However, this option shall not be exercised by lender if the exercise is prohibited by federal law as of the date of this security instrument.

If lender exercises this option, lender shall give borrower notice of acceleration. The notice shall provide a period of not less than seven (7) days from the date the notice is delivered or mailed within which borrower must pay all sums secured by this security instrument. If borrower fails to pay these sums prior to the expiration of this period, lender may invoke any remedies permitted by this security instrument without further notice or demand on borrower.

**SECTION XVI.
BORROWER'S RIGHT TO REINSTATE**

If borrower meets certain conditions, borrower shall have the right to have enforcement of this security instrument discontinued at any time prior to the earlier of: (a) thirty (30) days (or such other period as applicable law may specify for reinstatement) before the sale of the property pursuant to any power of sale contained in this security instrument; or (b) entry of a judgment enforcing this security instrument. Those conditions are that borrower: (a) pays lender all sums that then would be due under this security instrument and the note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this security instrument, including, but not limited to, reasonable attorney's fees; and (d) takes such action as lender may reasonably require to assure that the lien of this security instrument, lender's rights in the property, and borrower's obligation to pay the sums secured by this security instrument shall continue unchanged. On reinstatement by borrower, this security instrument and the obligations secured by this security instrument shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under SECTIONS XI and XVII.

**SECTION XVII.
ACCELERATION; REMEDIES**

Lender shall give notice to borrower prior to acceleration following borrower's breach of any covenant or agreement in this security instrument (but not prior to acceleration under SECTIONS XI and XV unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than seven (7) days from the date the notice is given to borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this security instrument, foreclosure by judicial proceeding, and sale of the property. The notice shall further inform borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, lender at its option may require immediate payment in full of all sums secured by this security instrument without further demand and may foreclose this security instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph, including, but not limited to, reasonable attorney's fees and the costs of title evidence.

**SECTION XVIII.
LENDER IN POSSESSION**

On acceleration under SECTION XVII, or abandonment of the property and at any time prior to the expiration of any period of redemption following judicial sale, lender (by judicially appointed receiver) shall be entitled to enter on, take possession of and manage the property and to collect the rents of the property including those past due. Any rents collected by lender or the receiver shall be applied first to the payment of the costs of management of the property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds, and reasonable attorney's fees, and then to the sums secured by this security instrument.

**SECTION XIX.
RELEASE**

On payment of all sums secured by this security instrument, lender shall release this security instrument without charge to borrower.

Borrower accepts and agrees to the terms and covenants contained in this security instrument.

Borrower has executed this mortgage at Des Moines, Iowa the day and year first set forth above.

Housby Mack, Inc., an Iowa corporation,

By: *K. Housby*
Kelly J. Housby, President

Iowa)
STATE OF NEBRASKA)
Polk)ss.
COUNTY OF DOUGLAS)

On this 28th day of December, 2016, before me Kelly Housby, the undersigned officer, personally appeared KELLY J. HOUSBY, who acknowledged to be the President of HOUSBY MACK, INC., an Iowa corporation and that he, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation as President.

In witness whereof, I hereunto set my hand and official seal.

R. Krabbe
Notary Public

