

Recorded: 3/23/2017 at 7:36:14.750 AM
Fee Amount: \$72.00
Revenue Tax:
Polk County, Iowa
Julie M. Haggerty RECORDER
Number: 201600078641
BK: 16414 PG: 344

RECORDATION REQUESTED BY:

Stacey L. Marney, 8920 SE California Ave., Wakarusa, KS 66546 (785) 640-1235

WHEN RECORDED MAIL TO:

Stacey L. Marney, PO Box 37, Berryton, KS 66409

FOR RECORDER'S USE ONLY

MORTGAGE

MAXIMUM LIEN. The lien of this Mortgage shall not exceed at any one time the principal amount of \$651,000.00.

THIS MORTGAGE, dated March 17th, 2017, is made and executed between Batis Development Company, 2933 SW Woodside Dr., Ste. 200, Topeka, Kansas 66614 ("Grantor"), and Stacey L. Marney, 8920 SE California Ave., Wakarusa, KS 66546 ("LENDER").

GRANT OF MORTGAGE. For valuable consideration, Grantor mortgages and warrants to LENDER the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Property") located in Polk County, State of Iowa:

Lot 3 in Parkview Boulevard Plat No. 1, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa.

Grantor presently assigns to LENDER all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. If permitted pursuant to Iowa statutes, LENDER may enforce its rights hereunder without Court action.

This Mortgage, including the assignment of rents, is given to secure payment of any amounts due under the Promissory Note and this Mortgage.

This Mortgage is given and accepted on the following terms:

1. PAYMENT AND PERFORMANCE. Except as otherwise provided in this Mortgage, Grantor shall pay all amounts secured by this Mortgage as they become due and shall strictly perform all of Grantor's obligations under this Mortgage.

2. POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

a. Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

b. Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

c. Compliance with Environmental Laws. Grantor represents and warrants to LENDER that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by LENDER in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by LENDER in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes LENDER and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as LENDER may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by LENDER shall be for LENDER's purposes only and shall not be construed to create any responsibility or liability on the part of LENDER to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against LENDER for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, end hold harmless LENDER against any and all claims, losses, liabilities, damages, penalties, and expenses which LENDER may directly or indirectly

sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify and defend, shall survive the payment of the Promissory Note and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by LENDER's acquisition of any interest in the Property, whether by foreclosure or otherwise.

d. Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without LENDER's prior written consent.

e. Lender's Right to Enter. LENDER and LENDER's agents and representatives may enter upon the Property at all reasonable times to attend to LENDER's interests and to inspect the Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

f. Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans with Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified LENDER in writing prior to doing so and so long as, in LENDER's sole opinion, LENDER's interests in the Property are not jeopardized. LENDER may require Grantor to post adequate security or a surety bond, reasonably satisfactory to LENDER, to protect LENDER's interest.

g. Duty to Protect. Grantor agrees neither to abandon nor leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

3. DUE ON SALE - CONSENT BY LENDER. LENDER may, at LENDER's option, declare immediately due and payable all amounts secured by this Mortgage upon the sale or transfer, without LENDER's prior written consent, of all or any part of the Property, or any interest in the Property. A "sale or transfer" means the conveyance of Property or any right, title or interest in the Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in, or to any land trust holding title to the Property, or by any other method of conveyance of an interest in the Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability

company interests, as the case may be, of such Grantor. However, this option shall not be exercised by LENDER if such exercise is prohibited by federal law or by Iowa law.

4. TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

a. Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of LENDER under this Mortgage, except for those liens specifically agreed to in writing by LENDER, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

b. Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as LENDER's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by LENDER, deposit with LENDER cash or a sufficient corporate surety bond or other security satisfactory to LENDER in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and LENDER and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name LENDER as an additional obligee under any surety bond furnished in the contest proceedings.

c. Evidence of Payment. Grantor shall upon demand furnish to LENDER satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to LENDER at any time a written statement of the taxes and assessments against the Property.

d. Notice of Construction. Grantor shall notify LENDER at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of LENDER furnish to LENDER advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

5. PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Mortgage:

a. Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of LENDER.

Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as LENDER may request with LENDER being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption and boiler insurance as LENDER may require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to LENDER, Grantor shall deliver to LENDER certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of thirty (30) days' prior written notice to LENDER and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of LENDER will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, for the full unpaid principal balance of the Promissory Note and any prior liens on the Property securing the Promissory Note, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by LENDER, and to maintain such insurance for the term of the Promissory Note.

b. Application of Proceeds. Grantor shall promptly notify LENDER of any loss or damage to the Property. LENDER may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not LENDER's security is impaired, LENDER may, at LENDER's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the amounts subject to the Promissory Note, payment of any lien affecting the Property, or the restoration and repair of the Property. If LENDER elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to LENDER. LENDER shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing under the Promissory Note. If LENDER holds any proceeds after payment in full of amounts owed under the Promissory Note, such proceeds shall be paid to Grantor as Grantor's interests may appear.

c. Grantor's Report on Insurance. Upon request of LENDER, however not more than once a year, Grantor shall furnish to LENDER a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration, date of the policy. Grantor shall, upon request of LENDER, have an independent appraiser satisfactory to LENDER determine the cash value replacement cost of the Property.

6. LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect LENDER's interest in the Property or if Grantor fails to comply with any provision of this Mortgage or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under

this Mortgage, LENDER on Grantor's behalf may (but shall not be obligated to) take any action that LENDER deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by LENDER for such purposes will then bear interest at the rate charged under the Promissory Note from the date incurred or paid by LENDER to the date of repayment by Grantor. All such expenses will become a part of the Promissory Note and, at LENDER's option, will (A) be payable on demand; (B) be added to the balance of the Promissory Note. The Mortgage also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which LENDER may be entitled upon Default.

7. WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Mortgage:

a. Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the real property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, LENDER in connection with the mortgage granted to LENDER by Grantor, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to LENDER.

b. Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of LENDER under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but LENDER shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of LENDER's own choice, and Grantor will deliver, or cause to be delivered, to LENDER such instruments as LENDER may request from time to time to permit such participation.

c. Compliance with Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

d. Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as the Promissory Note shall be paid in full.

8. CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Mortgage:

a. Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify LENDER in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding,

but LENDER shall be entitled to participate in the proceeding and to be represented In the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to LENDER such instruments and documentation as may be requested by LENDER from time to time to permit such participation.

b. Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, LENDER may at its election require that all or any portion of the net proceeds of the award be applied to the Promissory Note or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by LENDER in connection with the condemnation.

9. IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

a. Current Taxes, Fees and Charges. Upon request by LENDER, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by LENDER to perfect and continue LENDER's lien on the Property. Grantor shall reimburse LENDER for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

b. Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Promissory Note secured by this Mortgage; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the Promissory Note secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the LENDER or the assignee of the Promissory Note; and (4) a specific tax on all or any portion of the Promissory Note or on payments made by Grantor.

c. Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and LENDER may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with LENDER cash or a sufficient corporate surety bond or other security satisfactory to LENDER.

10. FURTHER ASSURANCES. At any time, and from time to time, upon request of LENDER, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to LENDER or to LENDER's designee, and when requested by LENDER, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as LENDER may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of LENDER, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Promissory

Note and this Mortgage, and (2) the liens and security interests created by this Mortgage as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or LENDER agrees to the contrary in writing, Grantor shall reimburse LENDER for all costs and expenses incurred in connection with the matters referred to in this paragraph.

11. FULL PERFORMANCE. If Grantor satisfies the terms of the Promissory Note, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, LENDER shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing LENDER's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by LENDER from time to time.

12. EVENTS OF DEFAULT. Each of the following, at LENDER's option, shall constitute an Event of Default under this Mortgage:

a. Payment Default. Grantor fails to make any payment when due under the Promissory Note.

b. Default on Other Payments. Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

c. Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between LENDER and Grantor.

d. Default in Favor of Third Parties. Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's ability to repay the Promissory Note or Grantor's ability to perform Grantor's obligations under this Mortgage.

e. False Statements. Any warranty, representation or statement made or furnished to LENDER by Grantor or on Grantor's behalf under this Mortgage is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

f. Defective Collateralization. This Mortgage ceases to be in full force and effect, including failure of any collateral document to create a valid and perfected security interest or lien, at any time and for any reason.

g. Insolvency. The dissolution or termination of Grantor's existence as a going business, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

h. Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the Promissory Note. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives LENDER written notice of the creditor or forfeiture proceeding and deposits with LENDER monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by LENDER, in its sole discretion, as being an adequate reserve or bond for the dispute.

i. Adverse Change. A material adverse change occurs in Grantor's financial condition, or LENDER believes the prospect of payment or performance of the Promissory Note is impaired.

j. Insecurity. LENDER in good faith believes itself insecure.

13. RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of an Event of Default and at any time thereafter, LENDER, at LENDER's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

a. Accelerate Promissory Note. LENDER shall have the right at its option without notice to Grantor to declare the entire Promissory Note immediately due and payable.

b. Collect Rents. LENDER shall have the right to collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above LENDER's costs, against the promissory note. In furtherance of this right, LENDER may require any tenant or other user of the Property to make payments of rent or use fees directly to LENDER. If the Rents are collected by LENDER, then Grantor irrevocably designates LENDER as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to LENDER in response to LENDER's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed, LENDER may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

c. Appoint Receiver. LENDER shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Promissory Note. The receiver may serve without bond if permitted by law. LENDER's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Promissory Note by a substantial amount. Employment by LENDER shall not disqualify a person from serving as a receiver.

d. Judicial Foreclosure. LENDER may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

e. Deficiency Judgment. If permitted by applicable law, LENDER may obtain a judgment for any deficiency remaining in the Promissory Note after application of all amounts received from the exercise of the rights provided in this section.

f. Other Remedies. LENDER shall have all other rights and remedies provided in this Mortgage or the Promissory Note or available at law or in equity.

g. Election of Remedies. Election by LENDER to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Mortgage, after Grantor's failure to perform, shall not affect LENDER's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to LENDER following an Event of Default, or in any way to limit or restrict the rights and ability of LENDER to proceed directly against Grantor and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly or indirectly securing the Promissory Note.

h. Attorneys' Fees; Expenses. If LENDER institutes any suit or action to enforce any of the terms of this Mortgage, LENDER shall be entitled to recover LENDER's reasonable expenses that LENDER incurs in realizing on the Property. Whether or not any court action is involved, all reasonable expenses LENDER incurs that in LENDER's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Promissory Note payable on demand and shall bear interest at the Promissory Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, LENDER's attorneys' fees and LENDER's legal expenses whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings, including efforts to modify or vacate any automatic stay or injunction, appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, and any court costs and collection agency fees, except that such costs of collection shall not include recovery of both attorneys' fees and collection agency fees.

14. NOTICES. Any notice required to be given under this Mortgage, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to LENDER's address, as shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep LENDER informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given

by LENDER to any Grantor is deemed to be notice given to all Grantors.

15. MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Mortgage:

a. Amendments. This Mortgage, together with the Promissory Note, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration of or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

b. Caption Headings. Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

c. Governing Law. This Mortgage will be governed by federal law applicable to LENDER and, to the extent not preempted by federal law, the laws of the State of Iowa without regard to its conflicts of law provisions. This Mortgage has been accepted by LENDER in the State of Iowa.

d. Choice of Venue. If there is a lawsuit, Grantor agrees upon LENDER's request to submit to the jurisdiction of the courts of Ward County, State of Iowa.

e. No Waiver by LENDER. LENDER shall not be deemed to have waived any rights under this Mortgage unless such waiver is given in writing and signed by LENDER. No delay or omission on the part of LENDER in exercising any right shall operate as a waiver of such right or any other right. A waiver by LENDER of a provision of this mortgage shall not prejudice or constitute a waiver of LENDER's right otherwise to demand strict compliance with that provision or any other provision of this Mortgage. No prior waiver by LENDER, nor any rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of LENDER is required under this Mortgage, the granting of such consent by LENDER in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of LENDER.

f. Severability. If a court of competent jurisdiction finds any provision of this Mortgage to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Mortgage. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Mortgage shall not affect the legality, validity or enforceability of any other provision of this Mortgage.

g. Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of LENDER in any capacity, without the written consent of LENDER.

h. Sale or Assignment of Mortgage. Grantor hereby waives any rights Grantor may have under Iowa law to be notified if LENDER sells or assigns this Mortgage.

i. Successors and Assigns. Subject to any limitations stated in this Mortgage on transfer of Grantor's interest, this Mortgage shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, LENDER, without notice to Grantor, may deal with Grantor's successors with reference to this Mortgage and the Promissory Note by way of forbearance or extension without releasing Grantor from the obligations of this Mortgage or liability under the Promissory Note.

j. Waive Jury Trial. All parties to this Mortgage hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

k. Waiver of Right of Redemption. Grantor hereby waives, to the extent permitted by Kansas law, any and all rights of redemption on Grantor's behalf and on behalf of any other persons permitted to redeem the Property.

16. DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Mortgage. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this mortgage shall have the meanings attributed to such terms in the Iowa Uniform Commercial Code:

a. Default. The word "Default" means the Default set forth in this Mortgage in the section titled "Default."

b. Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, at seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, at seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, at seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

c. Event of Default. The words "Event of Default" mean any of the events of default set forth in this Mortgage in the Events of Default section of this Mortgage.

d. Grantor. The word "Grantor" means Batis Development Company.

e. Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may

cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof, asbestos, mining waste, drilling fluids and other wastes associated with the exploration, development and production of crude oil, fly ash, bottom ash, slag and flue emissions, and cement kiln dust.

f. Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Property, facilities, additions, replacements and other construction on the Property.

g. LENDER. The word "LENDER" means Larry D. Marney, Trustee of the Larry D. Marney Trust, under agreement dated December 30, 2003; and Aurel L. Marney, Trustee of the Aurel L. Marney Trust, under agreement dated December 30, 2003; 1000 North US Hwy 1, Number 777, Jupiter, Florida 33477 and their successors and assigns.

h. Mortgage. The word "Mortgage" means this Mortgage between Grantor and LENDER.

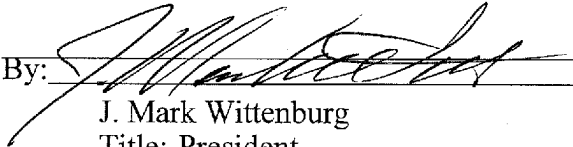
i. Promissory Note. The words "Promissory Note" mean the promissory note dated March/~~25~~²⁴, 2017, in the amount of \$651,000.00, executed by Grantor in favor of LENDER.

j. Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

[SIGNATURE AND NOTARY PAGE TO FOLLOW]

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR: Batis Development Company

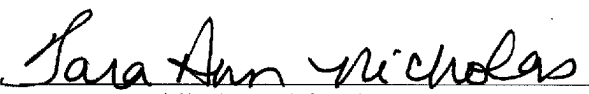
By: 
J. Mark Wittenburg
Title: President
Date: March 17th, 2017

CORPORATE
ACKNOWLEDGMENT
(Batis Development Company)


STATE OF KANSAS)
) SS
COUNTY OF SHAWNEE)

On this 17th of March, 2017, before me, the undersigned officer, personally Mark Wittenburg, President of Batis Development Company, who acknowledged himself to be an authorized agent of Batis Development Company, a Kansas corporation, and that he, as such agent, being authorized so to do, executed the foregoing Mortgage for the purposes therein contained, by signing the name of the corporation by himself as such agent.

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


Notary Public in and for the State of Kansas

My appointment expires 7/10/19

 Notary Public - State of Kansas
TARA ANN NICHOLAS
Commission Expires 7/10/19