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Received - DIANE L. BATTIATO
Register of Deeds, Douglas County, NE
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2014031742

Prepared by, and after recording
return to:
Moss & Barnett (EHK)
A Professional Association
4800 Wells Fargo Center
90 South Seventh Street
Minneapolis, MN 55402-4129

Freddie Mac Loan Number: 708105580
Property Name: The Highline Apartments

**SECURITY AGREEMENT AND ASSIGNMENT
OF LEASES AND RENTS – MASTER LEASE
(CME)**

(Revised 6-29-12)

THIS SECURITY AGREEMENT AND ASSIGNMENT OF LEASES AND RENTS –
MASTER LEASE (the “**Agreement**”) is made effective as of April 30, 2014, by and between
2223 Dodge Street Master Tenant, LLC, a Nebraska limited liability company, whose address is
514 Walker Street, Woodbine, IA 51579, as grantor (“**Grantor**”) and 2223 Dodge Street LLC, a
Nebraska limited liability company, whose address is c/o NuStyle Development Corporation,
514 Walker Street, Woodbine, IA 51579, (“**Secured Party**”).

RECITALS

- A. Secured Party is the owner of multifamily housing project containing 194 apartment units known as The Highline Apartments located on the land described in Exhibit A attached to this Agreement (collectively, the “**Land**”).
- B. The Premises (as hereinafter defined) have been leased to Grantor pursuant to a certain Lease dated April 19, 2012 (“**Master Lease**”).

- C. Secured Party obtained a loan from NorthMarq Capital, LLC, a Minnesota limited liability company (“**Lender**”), evidenced by a Multifamily Loan and Security Agreement by and between Secured Party and Lender (the “**Loan Agreement**”) and secured by a mortgage, deed of trust, deed to secure debt or other similar security instrument creating a lien on the Secured Party’s interest in the Premises (the “**Security Instrument**”). The rights and interests of Secured Party hereunder will be collaterally assigned to Lender as further security for such loan.
- D. As a condition to Secured Party’s continuing lease of the Premises to Grantor, Secured Party requires that Grantor execute this Agreement encumbering certain of Grantor’s interests in the Collateral Property (as hereinafter defined).

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each of the parties hereto, it is agreed as follows:

ARTICLE 1 DEFINITIONS

The following terms shall have the meaning set forth below in this Article. Any term used in this Agreement and not defined shall have the meaning given to that term in the Master Lease:

“**Accounts**” means all of Grantor’s inventory, accounts, accounts receivable, contract rights, general intangibles and all proceeds thereof in each case to the extent, but only to the extent, they are used in connection with or arise from the operation of the Collateral Property.

“**Awards**” means all awards, payments and other compensation made or to be made by any municipal, state or federal authority with respect to the Land, the Improvements, the Fixtures, the Personalty or any other part of the Collateral Property, including any awards or settlements resulting from condemnation proceedings or the total or partial taking of the Land, the Improvements, the Fixtures, the Personalty or any other part of the Collateral Property under the power of eminent domain or otherwise and including any conveyance in lieu thereof.

“**Collateral Property**” means all property in which a security interest is granted under this Agreement as further defined in Article 2.

“**Contracts**” means all contracts, options and other agreements related to Grantor’s interest in the Land, the Improvements, the Fixtures, the Personalty or any other part of the Collateral Property entered into by Grantor now or in the future, including cash or securities deposited to secure performance by parties of their obligations.

“**Event of Default**” is defined in Article 7.

“**Fixtures**” means all property owned by Grantor which is attached to the Land or the Improvements so as to constitute a fixture under applicable law, including: machinery,

equipment, engines, boilers, incinerators and installed building materials; systems and equipment for the purpose of supplying or distributing heating, cooling, electricity, gas, water, air or light; antennas, cable, wiring and conduits used in connection with radio, television, security, fire prevention or fire detection or otherwise used to carry electronic signals; telephone systems and equipment; elevators and related machinery and equipment; fire detection, prevention and extinguishing systems and apparatus; security and access control systems and apparatus; plumbing systems; water heaters, ranges, stoves, microwave ovens, refrigerators, dishwashers, garbage disposers, washers, dryers and other appliances; light fixtures, awnings, storm windows and storm doors; pictures, screens, blinds, shades, curtains and curtain rods; mirrors; cabinets, paneling, rugs and floor and wall coverings; fences, trees and plants; swimming pools; and exercise equipment.

“Governmental Authority” means any board, commission, department, agency or body of any municipal, county, state or federal governmental unit, or any subdivision of any of them, that has or acquires jurisdiction over the Mortgaged Property, or the use, operation or improvement of the Mortgaged Property, or over Grantor.

“Imposition Deposits” means all deposits held by Grantor or Lender or on its behalf to pay when due (1) any water and sewer charges which, if not paid, may result in a lien on all or any part of the Collateral Property, (2) the premiums for fire and other hazard insurance, rent loss insurance and such other insurance for the Collateral Property as Secured Party, Grantor or Lender may require, (3) taxes and/or payments under any PILOT agreement, assessments, vault rentals and other charges, if any, general, special or otherwise, including all assessments for schools, public betterments and general or local improvements, which are levied, assessed or imposed by any public authority or quasi-public authority, and which, if not paid, will become a lien, on the Land or the Improvements, and (4) amounts for other charges and expenses which Grantor or Lender at any time reasonably deems necessary to protect the Collateral Property, to prevent the imposition of liens on the Collateral Property, or otherwise to protect Secured Party, Grantor’s or Lender’s interests, all as reasonably estimated from time to time by Grantor or Lender.

“Impositions” means the obligations of Grantor for which the Imposition Deposits are required.

“Improvements” means the buildings and improvements now constructed or at any time in the future constructed or placed upon the Land, including any future alterations, replacements and additions.

“Insurance Proceeds” means all proceeds paid or to be paid by any insurer of the Land, the Improvements, the Fixtures, the Personalty or any other part of the Collateral Property (as defined below), whether or not Grantor obtained the insurance pursuant to Secured Party’s or Lender’s requirement.

“Land” means the land described in Exhibit A.

“Leases” means all present and future leases or agreements for use or occupancy of the Premises, including but not limited to the Master Lease, subleases, licenses, concessions or grants or other possessory interests now or hereafter in force, whether oral or written, covering or affecting the Collateral Property, or any portion of the Collateral Property (including proprietary leases or occupancy agreements if Grantor is a cooperative housing corporation), and all modifications, extensions or renewals. The term “Leases” shall also include any occupancy agreements pertaining to occupants of the Premises, including both residential and commercial agreements.

“Names” means all names under or by which any of the above Collateral Property may be operated or known, and all trademarks, trade names, and goodwill relating to any of the Collateral Property.

“Obligations” means the full and punctual payment, when due, of any and all present and future payment, liabilities and monetary obligations of every kind and nature of Grantor to Secured Party under the Master Lease and the due and punctual performance of all of the other covenants, terms and provisions of the Grantor under the Master Lease.

“Other Earnings” means all earnings, royalties, accounts receivable, issues and profits from the Land, the Improvements or any other part of the Collateral Property and, if Grantor is a cooperative housing corporation, maintenance charges or assessments payable by shareholders or residents.

“Other Rights” means all current and future rights, including air rights, development rights, zoning rights and other similar rights or interests, easements, tenements, rights of way, strips and gores of land, streets, alleys, roads, sewer rights, waters, watercourses, and appurtenances related to or benefiting the Land or the Improvements, or both, and all rights-of-way, streets, alleys and roads related to the Premises which may have been or may in the future be vacated.

“Permits” means to the extent assignable under applicable law, all permits, licenses and contracts, if any, relating to the operation and authority to operate the Premises as multi-family housing projects.

“Permitted Liens” means the Liens described in or permitted by the Loan Agreement.

“Personalty” means all of the following:

- (i) Accounts (including deposit accounts) of Grantor related to the Collateral Property.
- (ii) Equipment and inventory owned by Grantor, which are used now or in the future in connection with the ownership, management or operation of the Land or Improvements or are located on the Land or Improvements, including furniture, furnishings, machinery, building materials, goods,

supplies, tools, books, records (whether in written or electronic form) and computer equipment (hardware and software).

- (iii) Other tangible personal property owned by Grantor which is used now or in the future in connection with the ownership, management or operation of the Land or Improvements or is located on the Land or in the Improvements, including ranges, stoves, microwave ovens, refrigerators, dishwashers, garbage disposers, washers, dryers and other appliances (other than Fixtures).
- (iv) Any operating agreements relating to the Land or the Improvements.
- (v) Any surveys, plans and specifications and contracts for architectural, engineering and construction services relating to the Land or the Improvements.
- (vi) All other intangible property, general intangibles and rights relating to the operation of, or used in connection with, the Land or the Improvements, including all governmental permits relating to any activities on the Land and including subsidy or similar payments received from any sources, including a Governmental Authority.
- (vii) Intentionally omitted.

“Person” means any natural person, sole proprietorship, corporation, general partnership, limited partnership, limited liability company, limited liability partnership, limited liability limited partnership, joint venture, association, joint stock company, bank, trust, estate, unincorporated organization, any federal, state, county or municipal government (or any agency or political subdivision thereof), endowment fund or any other form of entity.

“Premises” means the Land and the Improvements.

“Proceeds” means all proceeds from the conversion, voluntary or involuntary, of any of the other Collateral Property into cash or liquidated claims, and the right to collect such proceeds.

“Property Jurisdiction” means the laws of the jurisdiction in which the Land is located.

“Refunds” means all refunds or rebates of Impositions with respect to the Collateral Property by any municipal, state or federal authority or insurance provider under a policy held by Grantor related to the Collateral Property (other than refunds applicable to periods before the real property tax year in which the Master Lease is dated).

“Rents” means all rents (whether from residential or non-residential space), revenues and other income of the Land or the Improvements, including entrance fees, application fees,

processing fees, community fees and any other amounts or fees deposited by any resident or tenant, subsidy payments received from any sources (including, but not limited to payments under any housing assistance payments contract), including parking fees, laundry and vending machine income and fees and charges for other services provided at the Premises, whether now due, past due, or to become due, and deposits forfeited by tenants, together with and including all proceeds from any private insurance for tenants to cover rental charges and charges for services at or in connection with the Premises, and the right to Third Party Payments.

“Secondary Market Transaction” means (i) any sale or assignment of the Loan Agreement, the Note and the other document securing or evidencing the Loan to one or more investors as a whole loan, (ii) a participation of the Loan to one or more investors, (iii) any deposit of the Loan Agreement, the Note and the other document securing or evidencing the Loan with a trust or other entity which may sell certificates or other instruments to investors evidencing an ownership interest in the assets of such trust or other entity, or (iv) any other sale, assignment or transfer of the Loan or any interest in the Loan to one or more investors.

“Tenant Security Deposits” means all tenant or occupant security deposits that have not been forfeited by any tenant or occupant under any Lease with respect to the Premises.

“Third Party Payments” means all rights to payments from utility deposits, unearned premiums, accrued, accruing or to accrue under insurance policies now or hereafter obtained by the Grantor for the Collateral Property and all proceeds of any conversion of the Collateral Property or any part thereof including, without limitation, proceeds of hazard and title insurance and all awards and compensation for the taking by eminent domain, condemnation or otherwise, of all or any part of the Collateral Property or any easement therein.

“UCC Collateral” means any of the Collateral Property which under applicable law, may be subjected to a security interest under the Uniform Commercial Code.

ARTICLE 2 UNIFORM COMMERCIAL CODE SECURITY AGREEMENT

2.1 As security for the Obligations, Grantor hereby grants to Secured Party a security interest in all of Grantor’s now owned or hereafter acquired or arising right, title and interest in and to the following Collateral Property provided that the Collateral Property is strictly limited in all cases (whether or not so specified below) to the extent, and only to the extent, it is a part of the Premises or attached to, used in connection with or arising from the operation of the Premises:

- (a) Improvements;
- (b) Fixtures;

- (c) Personalty;
- (d) Other Rights;
- (e) Insurance Proceeds;
- (f) Awards;
- (g) Contracts;
- (h) Proceeds;
- (i) Rents;
- (j) Leases;
- (k) Other Earnings;
- (l) Imposition Deposits;
- (m) Refunds;
- (n) Tenant Security Deposits;
- (o) Names;
- (p) Permits;
- (q) Third Party Payments;
- (r) Accounts; and
- (s) Products of all the foregoing.

2.2 This Agreement is also a security agreement under the Uniform Commercial Code for the UCC Collateral whether the UCC Collateral Property is owned now or acquired in the future, and all products and cash and non-cash proceeds thereof. Grantor hereby grants to Secured Party a security interest in the UCC Collateral. Grantor hereby authorizes Secured Party to prepare and file financing statements, continuation statements and financing statement amendments in such form as Secured Party may require to perfect or continue the perfection of this security interest and Grantor agrees, if Secured Party so requests, to execute and deliver to Secured Party such financing statements, continuation statements and amendments. Secured Party shall pay all filing costs and all costs and expenses of any record searches for financing statements and/or amendments that Secured Party may require. Without the prior written consent of Secured Party, Grantor

shall not create or permit to exist any other lien or security interest in any of the UCC Collateral.

ARTICLE 3
ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER;
SECURED PARTY IN POSSESSION

- 3.1 As part of the consideration for the Master Lease, Grantor absolutely and unconditionally assigns and transfers to Secured Party all Rents. It is the intention of Grantor to establish a present, absolute and irrevocable transfer and assignment to Secured Party of all Rents and to authorize and empower Secured Party to collect and receive all Rents without the necessity of further action on the part of Grantor. Promptly upon request by Secured Party, Grantor agrees to execute and deliver such further assignments as Secured Party may from time to time require. Grantor and Secured Party intend this assignment of Rents to be immediately effective and to constitute an absolute present assignment and not an assignment for additional security only. For purposes of giving effect to this absolute assignment of Rents, and for no other purpose, Rents shall not be deemed to be a part of the Collateral Property. However, if this present, absolute and unconditional assignment of Rents is not enforceable by its terms under the laws of the Property Jurisdiction, then the Rents shall be included as a part of the Collateral Property and it is the intention of the Grantor that in this circumstance this Agreement create and perfect a lien on Rents in favor of Secured Party, which lien shall be effective as of the date of this Agreement.
- 3.2 After the occurrence of an Event of Default, Grantor authorizes Secured Party to collect, sue for and compromise Rents and directs each tenant of the Premises to pay all Rents to, or as directed by, Secured Party. However, until the occurrence of an Event of Default, Secured Party hereby grants to Grantor a revocable license to collect and receive all Rents, to hold all Rents in trust for the benefit of Secured Party and to apply all Rents to pay Obligations then due and payable, including Imposition Deposits, and to pay the current costs and expenses of managing, operating and maintaining the Premises, including utilities, Taxes and insurance premiums (to the extent not included in Imposition Deposits), tenant improvements and other capital expenditures. So long as no Event of Default has occurred and is continuing, the Rents remaining after application pursuant to the preceding sentence may be retained by Grantor free and clear of, and released from, Secured Party's rights with respect to Rents under this Agreement. From and after the occurrence of an Event of Default, and without the necessity of Secured Party entering upon and taking and maintaining control of the Premises directly, or by a receiver, Grantor's license to collect Rents shall automatically terminate and Secured Party shall without Notice be entitled to all Rents as they become due and payable, including Rents then due and unpaid. Grantor shall pay to Secured Party upon demand all Rents to which Secured Party is entitled. At any time on or after the date of Secured Party's demand for Rents, (i) Secured Party may give, and Grantor hereby irrevocably authorizes Secured Party to give, notice to all tenants of the Premises instructing them to pay all Rents to Secured Party, (ii) no tenant shall be obligated to inquire further as to the occurrence or continuance of an Event of Default, and (iii) no tenant shall be obligated to

pay to Grantor any amounts which are actually paid to Secured Party in response to such a notice. Any such notice by Secured Party shall be delivered to each tenant personally, by mail or by delivering such demand to each rental unit. Grantor shall not interfere with and shall cooperate with Secured Party's collection of such Rents.

- 3.3 Grantor represents and warrants to Secured Party that Grantor has not executed any prior assignment of Rents that Grantor has not performed, and Grantor covenants and agrees that it will not perform, any acts and has not executed, and shall not execute, any instrument which would prevent Secured Party from exercising its rights under this Article 3, and that at the time of execution of this Agreement there has been no anticipation or prepayment of any Rents for more than one month prior to the due dates of such Rents.
- 3.4 If an Event of Default has occurred and is continuing, Secured Party may, regardless of the adequacy of Secured Party's security or the solvency of Grantor and even in the absence of waste, enter upon and take and maintain full control of the Premises in order to perform all acts that Secured Party in its discretion determines to be necessary or desirable for the operation and maintenance of the Premises, including the execution, cancellation or modification of Leases, the collection of all Rents, the making of repairs to the Premises and the execution or termination of contracts providing for the management, operation or maintenance of the Premises, for the purposes of enforcing the assignment of Rents pursuant to Section 3.1 protecting the Premises or the security of this Agreement, or for such other purposes as Secured Party in its discretion may deem necessary or desirable. Alternatively, if an Event of Default has occurred and is continuing, regardless of the adequacy of Secured Party's security, without regard to Grantor's solvency and without the necessity of giving prior notice (oral or written) to Grantor, Secured Party may apply to any court having jurisdiction for the appointment of a receiver for the Premises to take any or all of the actions set forth in the preceding sentence. If Secured Party elects to seek the appointment of a receiver for the Premises at any time after an Event of Default has occurred and is continuing, Grantor, by its execution of this Agreement, expressly consents to the appointment of such receiver, including the appointment of a receiver ex parte if permitted by applicable law. Secured Party or the receiver, as the case may be, shall be entitled to receive a reasonable fee for managing the Premises. Immediately upon appointment of a receiver or immediately upon the Secured Party's entering upon and taking possession and control of the Premises, Grantor shall surrender possession of the Premises to Secured Party or the receiver, as the case may be, and shall deliver to Secured Party or the receiver, as the case may be, all documents, records (including records on electronic or magnetic media), accounts, surveys, plans, and specifications relating to the Premises and all security deposits and prepaid Rents. In the event Secured Party takes possession and control of the Premises, Secured Party may exclude Grantor and its representatives from the Premises.
- 3.5 If Secured Party enters the Premises, Secured Party shall be liable to account only to Grantor and only for those Rents actually received. Except to the extent of Secured Party's gross negligence or willful misconduct, Secured Party shall not be liable to

Grantor, anyone claiming under or through Grantor or anyone having an interest in the Premises, by reason of any act or omission of Secured Party under Section 3.4, and Grantor hereby releases and discharges Secured Party from any such liability to the fullest extent permitted by law.

- 3.6 Any entering upon and taking of control of the Premises by Secured Party or the receiver, as the case may be, and any application of Rents as provided in this Agreement shall not cure or waive any Event of Default or invalidate any other right or remedy of Secured Party under applicable law or provided for in this Agreement or in the Master Lease.

ARTICLE 4
ASSIGNMENT OF LEASES;
LEASES AFFECTING THE PREMISES

- 4.1 As part of the consideration for the Master Lease, Grantor absolutely and unconditionally assigns and transfers to Secured Party all of Grantor's right, title and interest in, to and under the Leases, including Grantor's right, power and authority to modify the terms of any such Lease, or extend or terminate any such Lease. It is the intention of Grantor to establish a present, absolute and irrevocable transfer and assignment to Secured Party of all of Grantor's right, title and interest in, to and under the Leases. Grantor and Secured Party intend this assignment of the Leases to be immediately effective and to constitute an absolute present assignment and not an assignment for additional security only. For purposes of giving effect to this absolute assignment of the Leases, and for no other purpose, the Leases shall not be deemed to be a part of the Premises. However, if this present, absolute and unconditional assignment of the Leases is not enforceable by its terms under the laws of the Property Jurisdiction, then the Leases shall be included as a part of the Premises and it is the intention of Grantor that in this circumstance this Agreement create and perfect a lien on the Leases in favor of Secured Party, which lien shall be effective as of the date of this Agreement.
- 4.2 Until Secured Party gives Notice to Grantor of Secured Party's exercise of its rights under this Section, Grantor shall have all rights, power and authority granted to Grantor under any Lease (except as otherwise limited by this Section or any other provision of this Agreement), including the right, power and authority to modify the terms of any Lease or extend or terminate any Lease. Upon the occurrence of an Event of Default, the permission given to Grantor pursuant to the preceding sentence to exercise all rights, power and authority under Leases shall automatically terminate. Grantor shall comply with and observe Grantor's obligations under all Leases, including Grantor's obligations pertaining to the maintenance and disposition of Tenant Security Deposits.
- 4.3 The acceptance by Secured Party of the assignment of the Leases pursuant to Section 4.1 shall not at any time or in any event obligate Secured Party to take any action under this Agreement or to expend any money or to incur any expenses. Except to the extent of Secured Party's gross negligence or willful misconduct, Secured Party shall not be liable in any way for any injury or damage to person or property sustained by any person or persons, firm or corporation in or about the Premises. Prior to Secured Party's actual

entry into and taking possession of the Premises, Secured Party shall not (i) be obligated to perform any of the terms, covenants and conditions contained in any Lease (or otherwise have any obligation with respect to any Lease); (ii) be obligated to appear in or defend any action or proceeding relating to the Lease or the Premises; or (iii) be responsible for the operation, control, care, management or repair of the Premises or any portion of the Premises. The execution of this Agreement by Grantor shall constitute conclusive evidence that all responsibility for the operation, control, care, management and repair of the Premises is and shall be that of Grantor, prior to such actual entry and taking of possession.

- 4.4 Upon delivery of Notice by Secured Party to Grantor of Secured Party's exercise of Secured Party's rights under this Section at any time after the occurrence of an Event of Default, and without the necessity of Secured Party entering upon and taking and maintaining control of the Premises directly, by a receiver, or by any other manner or proceeding permitted by the laws of the Property Jurisdiction, Secured Party immediately shall have all rights, powers and authority granted to Grantor under any Lease, including the right, power and authority to modify the terms of any such Lease, or extend or terminate any such Lease.
- 4.5 Grantor shall, promptly upon Secured Party's request, deliver to Secured Party an executed copy of each residential Lease then in effect. All Leases for residential dwelling units with respect to the Collateral Property will be on forms acceptable to Lender, for initial terms of at least 6 months and not more than 2 years (unless otherwise approved in writing by Secured Party and Lender), and will not include options to purchase.
- 4.6 Grantor shall not lease any portion of the Premises for non-residential use except with the prior written consent of Secured Party and Secured Party's prior written approval of the Lease agreement. Grantor shall not modify the terms of, or extend or terminate, any Lease for non-residential use (including any Lease in existence on the date of this Agreement) without the prior written consent of Secured Party. Grantor shall, without request by Secured Party, deliver an executed copy of each non-residential Lease to Secured Party promptly after such Lease is signed. All non-residential Leases, including renewals or extensions of existing Leases, shall specifically provide that (i) such Leases are subordinate to any lien in favor of Lender; (ii) the tenant shall attorn to Lender and any purchaser at a foreclosure sale, such attornment to be self-executing and effective upon acquisition of title to the Premises by any purchaser at a foreclosure sale or by Lender in any manner; (iii) the tenant agrees to execute such further evidences of attornment as Lender or any purchaser at a foreclosure sale may from time to time request; (iv) the Lease shall not be terminated by foreclosure or any other transfer of the Premises; (v) after a foreclosure sale of the Premises, Lender or any other purchaser at such foreclosure sale may, at Lender's or such purchaser's option, accept or terminate such Lease; and (vi) the tenant shall, upon receipt after the occurrence of an Event of Default of a written request from Secured Party, pay all Rents payable under the Lease to Secured Party.

- 4.7 Grantor shall not receive or accept Rent under any Lease (whether residential or non-residential) for more than one month in advance.

**ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF GRANTOR**

- 5.1 The Grantor has good and marketable title to all of the Collateral Property and none of the Collateral Property is subject to any Lien except for Permitted Liens and the security interest created pursuant to this Agreement.

**ARTICLE 6
COVENANTS OF THE GRANTOR**

- 6.1 Grantor shall (1) not commit waste or permit impairment or deterioration of the Collateral Property, (2) not abandon the Collateral Property, (3) restore or repair or cause to be restored or repaired promptly, in a good and workmanlike manner, any damaged part of the Collateral Property to the equivalent of its original condition, or such other condition as Secured Party may approve in writing, whether or not Insurance Proceeds or condemnation awards are available to cover any costs of such restoration or repair, (4) keep or caused to be kept the Collateral Property in good repair, including the replacement of Personalty and Fixtures with items of equal or better function and quality, and (5) give notice to Secured Party of and, unless otherwise directed in writing by Secured Party, shall appear in and defend any action or proceeding purporting to affect the Collateral Property, Secured Party's security or Secured Party's rights under this Agreement. Grantor shall not (and shall not permit any tenant or other person to) remove, demolish or alter, other than in a commercially reasonable manner or in the ordinary course of business, the Collateral Property or any part of the Collateral Property except in connection with the replacement of tangible Personalty.
- 6.2 All expenses of protecting, storing, warehousing, insuring, handling and shipping of the Collateral Property, all costs of keeping the Collateral Property free of any Liens prohibited by this Agreement and of removing the same if they should arise, and any and all excise, property, sales and use taxes imposed by any state, federal or local authority on any of the Collateral Property or in respect of the sale thereof, shall be borne and paid by Grantor and if Grantor fails to promptly pay any thereof when due, Secured Party may, at its option, but shall not be required to, pay the same whereupon the same shall constitute Obligations and shall be secured by the security interest granted hereunder.
- 6.3 Unless Grantor gives notice to Secured Party within 30 days after the occurrence of any of the following, and executes and delivers to Secured Party modifications or supplements of this Agreement (and any financing statement which may be filed in connection with this Agreement) as Secured Party may require, Grantor shall not (i) change its name, identity, structure or jurisdiction of organization; (ii) change the location of its place of business (or chief executive office if more than one place of business); or (iii) add to or change any location at which any of the Collateral Property is stored, held or located.

- 6.4 Grantor will not use the Collateral Property, or knowingly permit the Collateral Property to be used, for any unlawful purpose or in violation of any federal, state or municipal law.
- 6.5 Immediately upon Grantor becoming aware of the existence of any Event of Default under the Master Lease, Grantor will give notice to Lender that such Event of Default exists, stating the nature thereof, the period of existence thereof, and what action Grantor proposes to take with respect thereto.
- 6.6 Grantor will execute, from time to time, such financing statements, assignments, and other documents covering the Collateral Property as Secured Party may request in order to create, evidence, perfect, maintain or continue its security interest in the Collateral Property (including any additional Collateral Property acquired by the Grantor after the date hereof) and will notify Secured Party promptly upon acquiring any additional Collateral Property.
- 6.7 The Grantor appoints Secured Party, or any other person, whom Secured Party may from time to time designate, as Grantor's attorney with power, after the occurrence and during the continuance of an Event of Default, to endorse Grantor's name on any checks, notes, acceptances, drafts, or other forms of payment or security that may come into Secured Party's possession, to sign Grantor's name on any invoice or bill of lading relating to any Collateral Property, on drafts against customers, on schedules and confirmatory assignments of Collateral Property, on notices of assignment, financing statements under the Uniform Commercial Code and other public records, on verifications of Collateral Property and on notices to customers, to notify the post office authorities to change the address for delivery of Grantor's mail to an address designated by Secured Party, to receive and open all mail addressed to Grantor, to send requests for verification of Collateral Property to customers and to do all things necessary to carry out this Agreement in each case to the extent, but only to the extent, such actions relate to the Collateral Property. The Grantor ratifies and approves all acts of the attorney taken within the scope of the authority granted. Neither Secured Party nor the attorney will be liable for any acts of commission or omission nor for any error in judgment or mistake of fact or law. This power, being coupled with an interest, is irrevocable so long as any Obligations remains unpaid. The Grantor waives presentment and protest of all instruments and notice thereof, notice of default and dishonor and all other notices to which Grantor may otherwise be entitled.
- 6.8 Grantor acknowledges that Lender, and each successor to Lender's interest, may (without prior Notice to Grantor or Secured Party and without either Grantor or Secured Party's prior consent), sell or grant participations in the Loan (or any part of the Loan), sell or subcontract the servicing rights related to the Loan, securitize the Loan or include the Loan as part of a trust. Grantor, at its expense, agrees to cooperate with all reasonable requests of Secured Party in connection with any of the foregoing including executing any financing statements or other documents deemed necessary by Lender or its transferee to create, perfect or preserve the rights and interest to be acquired by such transferee, providing any updated financial information with appropriate verification

through auditors letters, delivering revised organizational documents and counsel opinions satisfactory to the Rating Agencies, executed amendments to any of the Master Leases, the Estoppel Certificate – Master Lease, or the Collateral Assignment of Management Agreement and Subordination of Management Fees – Master Lease executed by Grantor in connection with the making of the Loan, and review information contained in a preliminary or final private placement memorandum, prospectus, prospectus supplements or other Disclosure Document, and providing an estoppel certificate and such other information about Grantor, any Property Manager or the Collateral Property as Lender may require for Lender’s offering materials.

ARTICLE 7 EVENTS OF DEFAULT

- 7.1 Any failure by Grantor to perform any of its obligations under this Agreement shall be an Event of Default.
- 7.2 The occurrence of any Event of Default under the Master Lease shall constitute an Event of Default.

ARTICLE 8 RIGHTS AND REMEDIES ON DEFAULT

- 8.1 Upon the occurrence of an Event of Default, and at any time thereafter until such Event of Default is cured to the satisfaction of Secured Party, and in addition to the rights granted to Secured Party under Section 6.7 hereof or under the Master Lease, Secured Party may exercise any one or more of the rights and remedies set forth in this Article. All of such rights and remedies are cumulative and may be exercised concurrently or independently and in such order as Secured Party shall determine in its sole and absolute discretion. Pursuant to the foregoing, Secured Party may take any of the foregoing actions:
 - a. In the name of Grantor or otherwise, demand, collect, receive and receipt for, compound, compromise, settle and give acquittance for and prosecute and discontinue any suits or proceedings in respect of any or all of the Collateral Property.
 - b. Take any action that Secured Party may deem necessary or desirable in order to realize on the Collateral Property, including, without limitation, the power to perform any contract, to endorse in the name of Grantor any checks, drafts, notes, or other instruments or documents received in payment of or on account of the Collateral Property.
 - c. Enter upon and into and take possession of all or such part or parts of the Collateral Property as may be necessary or appropriate in the judgment of Secured Party, to permit or enable Secured Party to store, lease, sell or otherwise dispose of or collect all or any part of the Collateral Property, and use and operate said

property for such purposes and for such length of time as Secured Party may deem necessary or appropriate for said purposes without the payment of any compensation to Grantor therefor. Grantor shall provide Secured Party with all information and assistance requested by Secured Party to facilitate the storage, leasing, sale or other disposition or collection of the Collateral Property after an Event of Default.

- d. Exercise any and all other rights and remedies available to Secured Party by law, in equity or by agreement, including rights and remedies under the law of the Property Jurisdiction or any other applicable law as they relate to the Collateral Property and including all remedies available to Secured Party under Article 9 of the Uniform Commercial Code of the Property Jurisdiction, and, in connection therewith, Secured Party may require Grantor to assemble the Collateral Property and make it available to Secured Party at a place to be designated by Secured Party, and any notice (as hereinafter defined) of intended disposition of any of the Collateral Property required by law shall be deemed reasonable if such notice is mailed or delivered to Grantor pursuant to this Agreement at least ten (10) days before the date of such disposition. The Secured Party may sell or otherwise dispose of any or all of the Collateral Property in a single unit or in multiple units and the Secured Party may be the purchaser at such sale or other disposition.

- 8.2 All proceeds of sale or disposition of the Collateral Property shall be applied toward the Obligations in such manner and order as the Secured Party may elect.

ARTICLE 9 MISCELLANEOUS

- 9.1 **No Liability on Collateral.** It is understood that Secured Party does not in any way assume any of the Grantor's obligations under any of the Collateral Property, this Agreement or the Master Lease.
- 9.2 **No Waiver.** Secured Party shall not be deemed to have waived any of its rights hereunder or under the Master Lease unless such waiver is in writing and signed by Secured Party. No delay or omission on the part of Secured Party in exercising any right shall operate as a waiver of such right or any other right. A waiver on any one occasion shall not be construed as a bar to or waiver of any right or remedy on any future occasion.
- 9.3 **Remedies Cumulative.** All rights and remedies of Secured Party shall be cumulative and may be exercised singularly or concurrently, at its option, and the exercise or enforcement of any one such right or remedy shall not bar or be a condition to the exercise or enforcement of any other.
- 9.4 **Governing Law.** This Agreement shall be governed by the laws of the Property Jurisdiction.

- 9.5. **Consent to Jurisdiction and Venue.** THE PARTIES HERETO EACH AGREE THAT ANY CONTROVERSY ARISING UNDER OR IN RELATION TO, THIS AGREEMENT OR THE MASTER LEASES WILL BE LITIGATED EXCLUSIVELY IN THE JURISDICTION WHERE THE PROPERTY IS LOCATED. THE STATE AND FEDERAL COURTS AND AUTHORITIES IN SUCH JURISDICTION WILL HAVE EXCLUSIVE JURISDICTION OVER ALL CONTROVERSIES THAT ARISE UNDER OR IN RELATION TO THIS AGREEMENT OR THE MASTER LEASES. EACH OF THE PARTIES HERETO IRREVOCABLY CONSENTS TO SERVICE, JURISDICTION, AND VENUE OF SUCH COURTS FOR ANY SUCH LITIGATION AND WAIVES ANY OTHER VENUE TO WHICH IT MIGHT BE ENTITLED BY VIRTUE OF DOMICILE, HABITUAL RESIDENCE OR OTHERWISE.
- 9.6 **Waiver of Jury Trial.** EACH PARTY HEREBY (a) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUES TRIABLE OF RIGHT BY A JURY, AND (b) WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT NOW OR HEREAFTER EXISTS. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN, KNOWINGLY AND VOLUNTARILY, BY EACH PARTY, AND THIS WAIVER IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A JURY TRIAL WOULD OTHERWISE ACCRUE. EACH PARTY IS HEREBY AUTHORIZED AND REQUESTED TO SUBMIT THIS AGREEMENT TO ANY COURT HAVING JURISDICTION OVER THE SUBJECT MATTER AND THE PARTIES TO THIS AGREEMENT, SO AS TO SERVE AS CONCLUSIVE EVIDENCE OF THE FOREGOING WAIVER OF THE RIGHT TO JURY TRIAL. FURTHER, EACH PARTY HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF ANOTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WILL NOT SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL PROVISION.
- 9.5 **Successors and Assigns.** This Agreement shall bind, and the rights granted by this Agreement shall inure to, the respective successors and assigns of the parties hereto.
- 9.6 **Recitals.** The above Recitals are true and correct as of the date hereof and constitute a part of this Agreement.
- 9.7 **Copy of Agreement as Financing Statement.** The Secured Party may prepare and file financing statements with respect to the Collateral Property and may file a xerox copy or photostatic copy or other reproduction of this Agreement as a financing statement.
- 9.8 **Notice.**
- a. All notices, demands and other communications (collectively, "Notice") under or concerning this Agreement must be in writing. Each Notice will be addressed to the intended recipient at the address set forth below, and will be deemed given on the earliest to occur of (i) the date when the Notice is received by the addressee; (ii) the first Business Day (as hereinafter defined) after the Notice is delivered to a

recognized overnight courier service, with arrangements made for payment of charges for next Business Day delivery; or (iii) the third Business Day after the Notice is deposited in the United States mail with postage prepaid, certified mail, return receipt requested. As used in this Agreement, the term "Business Day" means any day other than a Saturday, a Sunday or any other day on which Lender is not open for business.

- b. Any party to this Agreement may change the address to which Notices intended for it are to be directed by means of Notice given to the other parties in accordance with this Section. Each party agrees that it will not refuse or reject delivery of any Notice given in accordance with this Section, that it will acknowledge, in writing, the receipt of any Notice upon request by the another party and that any Notice rejected or refused by it will be deemed for purposes of this Section to have been received by the rejecting party on the date so refused or rejected, as conclusively established by the records of the U.S. Postal Service or the courier service.
- c. Any Notice required under this Agreement will be sent to the parties hereto as follows:

To Lender:

NorthMarq Capital, LLC
3500 American Boulevard West, Suite 500
Bloomington, MN 55431
Attention: Paul W. Cairns
Phone No.: 952-356-0083
Fax No.: 952-356-0099

To Secured Party:

2223 Dodge Street LLC
514 Walker Street
Woodbine, IA 51579
Attention: Todd Heistand
Phone No.: 712-647-2041

To Grantor:

2223 Dodge Street Master Tenant, LLC
514 Walker Street
Woodbine, IA 51579
Attention: Todd Heistand
Phone No.: 712-647-2041

d. Secured Party and Grantor will each provide to Lender a copy of any notice sent or received by either of them under or with respect to this Agreement concurrently as to those it sends, and promptly as to those it receives.

9.9 **Multiple Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, and all of which shall constitute one and the same agreement.

9.10 **Further Assurances.** Grantor will, at Grantor's expense and at any time and from time to time, promptly execute and deliver all further instruments and documents, and take all further action that may be reasonably necessary or desirable, or that Secured Party may reasonably request, in order to protect any right or interest granted hereby or to enable Secured Party to exercise and enforce its rights and remedies hereunder.

9.11 **Final Agreement.** THIS AGREEMENT AND THE MASTER LEASE REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS. THERE ARE NO UNWRITTEN OR ORAL AGREEMENTS BETWEEN THE PARTIES.

ATTACHED EXHIBITS. The following Exhibits are attached to this Agreement (check as applicable):

Exhibit A Description of the Land

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Grantor and Secured Party have caused the execution of this Agreement by its duly authorized representatives as of the date and year first above written

GRANTOR:

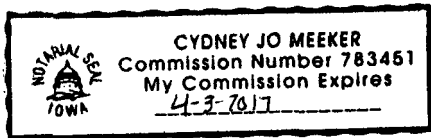
2223 Dodge Street Master Tenant, LLC,
a Nebraska limited liability company

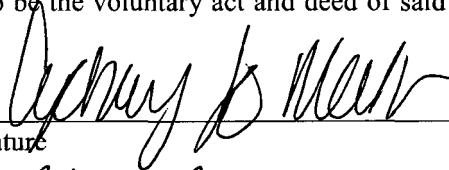
By: Heistand Holdings Limited Liability Company,
a Nebraska limited liability company

By: 
Name: Todd Heistand
Its: Manager

STATE OF IOWA)
) ss.
COUNTY OF Harrison)

On this 28 day of April, 2014, before me, a notary public in and for said county, personally appeared Todd Heistand, to me personally known, who being by me duly (sworn or affirmed) did say that he is the Manager of Heistand Holdings Limited Liability Company, a Nebraska limited liability company, the Managing Member of 2223 Dodge Street Master Tenant LLC, a Nebraska limited liability company, and that said instrument was signed on behalf of the said limited liability company by authority of its members and the said Manager acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company by it voluntarily executed.





Signature
Title: Admin Assistant

SECURITY PARTY:

2223 Dodge Street LLC,
a Nebraska limited liability company

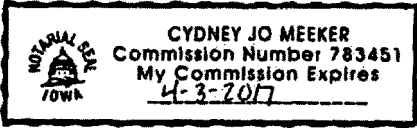
By: Heistand Holdings Limited Liability Company,
a Nebraska limited liability company

Its: Managing Member

By: 
Name: Todd Heistand
Title: Manager

STATE OF IOWA)
) ss.
COUNTY OF Harrison)

On this 28 day of April, 2014, before me, a notary public in and for said county, personally appeared Todd Heistand, to me personally known, who being by me duly (sworn or affirmed) did say that he is the Manager of Heistand Holdings Limited Liability Company, a Nebraska limited liability company, the Managing Member of 2223 Dodge Street LLC, a Nebraska limited liability company, and that said instrument was signed on behalf of the said limited liability company by authority of its members and the said Manager acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company by it voluntarily executed.



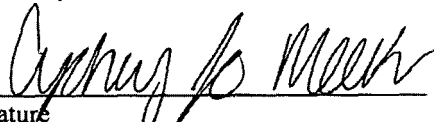

Signature
Title: Admin Assistant

EXHIBIT A

DESCRIPTION OF THE LAND

Parcel 1:

Sublots 2, 5, 6 and 7 of Lot 3 and the North 146 feet of Sublot 4 of Lot 3, and the West 7.76 feet of the North 146 feet of Sublot 1 of Lot 3, all in Capitol Addition, an Addition to the City of Omaha, in Douglas County, Nebraska; together with

Sublots 8, 9 and 10 of Lot 3 and the South 152 feet of Sublot 4 of Lot 3 and Sublot 3 of Lot 3, except the East 3.0 feet thereof, in Capitol Addition, an Addition to the City of Omaha, in Douglas County, Nebraska.

Parcel 2:

The East 3.0 feet of Sublot 3 of Lot 3 and the North 152 feet of the South 168 feet of Sublot 1 of Lot 3, and the West 49.0 feet of the South 152 feet of Sublot 7 of Lots 2 and 3, in Capitol Addition, an Addition to the City of Omaha, Douglas County Nebraska.

Parcel 3:

Easement for ingress and egress as contained in the Easement Agreement filed February 9, 1988 in Book 839 at Page 78, Miscellaneous Records, Douglas County, Nebraska.

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