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Julie M. Haggerty RECORDER
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MORTGAGE, SECURITY AGREEMENT
ASSIGNMENT OF LEASES AND RENTS, AND FIXTURE FILING

Recorder's Cover Sheet

Preparer Information:

Charles J. Addy
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Taxpayer Information:

The Reserve, a Nonprofit Corporation
2727 82nd Place
Urbandale, IA 50322

Return Document To:

Charles J. Addy
Baird Holm LLP
1700 Farnam Street, Suite 1500
Omaha, Nebraska 68102

Mortgagor:

The Reserve, a Nonprofit Corporation

Mortgagee:

Great Western Bank

Legal Description: See Exhibit "A"

NOTICE: THIS MORTGAGE SECURES CREDIT IN THE AMOUNT OF \$966,383.00. LOANS AND ADVANCES UP TO THIS AMOUNT, TOGETHER WITH INTEREST, ARE SENIOR TO INDEBTEDNESS TO OTHER CREDITORS UNDER SUBSEQUENTLY RECORDED OR FILED MORTGAGES AND LIENS. THIS MORTGAGE IS INTENDED AS A MORTGAGE WITH ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING UNDER THE IOWA UNIFORM COMMERCIAL CODE.

**MORTGAGE, SECURITY AGREEMENT,
ASSIGNMENT OF LEASES AND RENTS, AND FIXTURE FILING**

This MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS AND FIXTURE FILING (this "**Mortgage**"), is made as of February 4, 2019 by The Reserve, a Nonprofit Corporation, an Iowa nonprofit corporation ("**Mortgagor**") to and in favor of **GREAT WESTERN BANK**, a banking corporation organized and existing under the laws of the State of South Dakota ("**Mortgagee**").

To secure payment and performance of the Secured Obligations (defined below), Mortgagor hereby irrevocably and unconditionally mortgages, grants, conveys, transfers and assigns to Mortgagee, all of Mortgagor's estate, right, title and interest now owned or hereafter acquired in and to the following property (such property, or any interest in all or any part of it, together with the Personalty (defined below) is collectively, the "**Property**"):

(a) The real property located in POLK COUNTY, IOWA, as described in **Exhibit A** attached hereto (the "**Land**"); and

(b) All buildings, structures and improvements now located or later to be constructed on the Land (the "**Improvements**"); and

(c) All existing and future appurtenances, privileges, rights, easements, and tenements of the Land, including all minerals, oil, gas, other hydrocarbons and any other commercially valuable substances which may be in, under or produced from any part of the Land, all development rights and credits, air rights, water, and any land lying in the streets, roads or avenues, open or proposed, in front of or adjoining the Land and Improvements; and

(d) All rents, income, revenues, issues and profits of or from the Land or the Improvements; and

(e) All fixtures (as defined in the UCC) (the "**Fixtures**"); and

(f) All proceeds, including all claims to and demands for them, of the voluntary or involuntary conversion of any of the Land, the Improvements or the other property described above into cash or liquidated claims, including proceeds of any insurance policies,

present and future, payable because of loss sustained to all or any part of any Property, whether or not such insurance policies are required by Mortgagee, and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Land, the Improvements or the other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements, including causes of action arising in tort, contract, fraud or concealment of a material fact; and

(g) All additions and accretions to, substitutions and replacements for, and changes in, any of the property described above.

This Mortgage is given for the purpose of securing the following obligations (collectively, the "**Secured Obligations**"):

(i) Payment of all obligations, liabilities, and indebtedness under the Promissory Note and the Reimbursement Agreement (together the "**Credit Obligations**"); and

(ii) Payment and performance of all obligations of Mortgagor under this Mortgage; and

(iii) Payment and performance of all future advances and other obligations of any Mortgagor to Mortgagee, whether now existing or hereafter incurred or created, whether voluntary or involuntary, whether due or not due, whether absolute or contingent, or whether incurred directly or acquired by Mortgagee by assignment or otherwise; and

(iv) Payment and performance of all modifications, amendments, extensions, and renewals of any of the matters described in subparagraphs (i), (ii), (iii) above.

ARTICLE I
ASSIGNMENT OF MORTGAGOR'S INTEREST IN LEASES AND RENTS

Section 1.01. **Absolute Assignment.** Mortgagor hereby irrevocably, absolutely, presently and unconditionally assigns to Mortgagee (as an absolute assignment and not as an assignment for security only):

(a) All of Mortgagor's right, title and interest in, to and under any and all leases, licenses and other agreements of any kind relating to the use or occupancy of all or any portion of the Property, whether now in effect or entered into in the future (collectively, the "**Leases**"), including (i) all guarantees of and security for lessees' performance under any and all Leases and (ii) all amendments, extensions, renewals or modifications to any Leases; and

(b) All rents (and payments in lieu of rents), income, profit, payments and revenue at any time payable under any and all Leases, any and all security deposits received or to be received by Mortgagor pursuant to any and all Leases, and all rights and benefits accrued or to accrue to Mortgagor under any and all Leases (collectively "**Rents**").

Section 1.02. **Grant of License.** Mortgagee hereby grants to Mortgagor a license (the "**License**") to collect and retain the Rents as they become due and payable, so long as no Event of Default, as defined in Section 6.01, shall exist and be continuing. If an Event of Default has occurred and is continuing, Mortgagee shall have the right, in its sole discretion, to terminate the License without notice to or demand upon Mortgagor, and without regard to the adequacy of Mortgagee's security under this Mortgage.

Section 1.03. **Collection and Application of Rents.** Subject to the License granted to Mortgagor under Section 1.02, Mortgagee has the right, power and authority to collect any and all Rents. Mortgagor hereby appoints Mortgagee its attorney-in-fact to perform any and all of the following acts, if and at the times when Mortgagee in its sole discretion may so choose: (a) demand, receive and enforce payment of any and all Rents; (b) give receipts, releases and satisfactions for any and all Rents; or (c) sue either in the name of Mortgagor or in the name of Mortgagee for any and all Rents.

Mortgagee's right to the Rents does not depend on whether or not Mortgagee takes possession of the Property as permitted under Section 6.02(a). In Mortgagee's sole discretion, it may choose to collect Rents either with or without taking possession of the Property. If an Event of Default occurs while Mortgagee is in possession of all or part of the Property and is collecting and applying Rents as permitted under this Mortgage, Mortgagee and any receiver shall nevertheless be entitled to exercise and invoke every right and remedy afforded any of them under this Mortgage and at law or in equity.

Section 1.04. **Notice.** All lessees under any and all Leases are hereby irrevocably authorized and notified by Mortgagor to rely upon and to comply with (and are fully protected in so doing) any notice or demand by Mortgagee for the payment to Mortgagee of any rental or other sums which may at any time become due under the Leases, or for the performance of any of lessees' undertakings under the Leases, and lessees shall have no right or duty to inquire as to whether any Event of Default has actually occurred or is then existing hereunder.

Section 1.05. **Proceeds.** Mortgagee has the right to apply all amounts received by it pursuant to this assignment to pay any of the following in such amounts and in such order as Mortgagee deems appropriate: (a) any and all Secured Obligations, together with all costs and attorneys' fees; (b) all expenses of leasing, operating, maintaining and managing the Property, including without limitation, the salaries, fees, commissions and wages of a managing agent and such other employees, agents or independent contractors as Mortgagee deems necessary or desirable; (c) all taxes, charges, claims, assessments, any other liens, and premiums for all insurance Mortgagee deems necessary or desirable; (d) the cost of all alterations, renovations, repairs or replacements, and (e) all other expenses incident to taking and retaining possession of the Property.

Section 1.06. **Mortgagee Not Responsible.** Regardless of whether or not Mortgagee, in person or by agent, takes actual possession of the Land and Improvements, Mortgagee is not and will not be deemed to be (a) a "mortgagee in possession" for any purpose; or (b) responsible for performing any of the obligations of Mortgagor under any Lease; or (c) responsible for any waste committed by lessees or any other parties, any dangerous or defective condition of the

Property, or any negligence in the management, upkeep, repair or control of the Property; or (d) liable in any manner for the Property or the use, occupancy, enjoyment or operation of all or any part of it.

ARTICLE II
GRANT OF SECURITY INTEREST AND FIXTURE FILING

Section 2.01. **Grant of Security Interest.** This Mortgage constitutes a security agreement under the UCC. Mortgagor grants to Mortgagee a security interest in, and pledges and assigns to Mortgagee, all of Mortgagor's right, title and interest now or hereafter acquired in and to all of the following described personal property (collectively, the "**Personalty**"):

- (a) All Fixtures; and
- (b) All equipment located on or used in connection with the Land and the Improvements; and
- (c) All rights to the payment of money, accounts deposited by Mortgagor with third parties (including all utility deposits), contract rights, instruments, architectural and engineering plans, specifications and drawings, and as-built drawings, which arise from or relate to the Land; and
- (d) All building materials, equipment or work in process, whether stored on the Land or elsewhere, which have been or later will be acquired for the purpose of being delivered to, incorporated into or installed in or about the Land or Improvements; and
- (e) All general intangibles and rights relating to the Property, including, without limitation, all permits, licenses and claims to or demands for the voluntary or involuntary conversion of any of the Land, the Improvements or the other property described above into cash or liquidated claims, proceeds of any insurance policies, present and future, payable because of loss sustained to all or any part of any Property, whether or not such insurance policies are required by Mortgagee, and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Land, the Improvements or the other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements, including causes of action arising in tort, contract, fraud or concealment of a material fact; and
- (f) All substitutions, replacements, additions, accessions and proceeds for or to any of the foregoing, and all books, records and files relating to any of the foregoing, including, without limitation, computer readable memory and data and any computer software or hardware reasonably necessary to access and process such memory and data.

Section 2.02. **Fixture Filing; Description of Fixtures.** This Mortgage constitutes a fixture filing under Sections 9-501(a)(1) and 9-502(c) of the Iowa Uniform Commercial Code

(the "UCC"), as amended or recodified from time to time, and for this purpose, the following information is set forth: (a) Mortgagor is the debtor and its address is shown in Section 8.09 below; (b) Mortgagee is the secured party and its address is shown in Section 8.09 below; (c) this document covers goods which are or are to become Fixtures on the Land described on Exhibit "A" attached hereto; (d) Mortgagor (debtor) is the record owner of the Land; and (e) this fixture filing covers proceeds and products of the Fixtures.

ARTICLE III RIGHTS AND DUTIES OF THE PARTIES

Section 3.01. **Representations and Warranties.** Mortgagor warrants that: (a) Mortgagor holds fee simple title to all of the Land and the Improvements; and (b) this Mortgage creates a lien on the Property.

Section 3.02. **Maintenance and Preservation of Property.** Mortgagor shall keep the Property in good condition and repair, and shall promptly (a) perform all repairs, replacements, and maintenance necessary to preserve its value, (b) complete or restore in good and workmanlike manner any portion of the Property which may be damaged or destroyed, and (c) pay, when due, all claims for labor performed and materials furnished on or to the Land or Improvements, and any and all other claims which could result in a lien on the Property or any part thereof. Mortgagor shall not commit waste or permit impairment or deterioration of the Property. Subject to Section 3.05 hereof relating to contests, Mortgagor shall comply with all present and future Laws affecting the Property, any part thereof or the use thereof and shall comply with all covenants, conditions and restrictions filed of record against the Land or the Improvements.

Section 3.03. **Actions Affecting Property.** Mortgagor shall appear in and contest any action or proceeding purporting to affect the Property or the rights or powers of Mortgagee hereunder, and shall pay all costs and expenses, including cost of evidence of title and attorneys' fees, in any such action or proceeding in which Mortgagee may appear. Should Mortgagor fail to make any payment or do any act as and in the manner provided in the Promissory Note or the Reimbursement Agreement, Mortgagee in its own discretion, without obligation to do so and after written notice to or demand upon Mortgagor and without releasing Mortgagor from any obligation, may make or do the same in such manner and to such extent as it may deem necessary to protect its interest in and to the Property.

Section 3.04. **Site Visits, Observation and Testing.** Mortgagee and its agents and representatives have the right to enter and visit the Property at any reasonable time for the purposes of observing it, performing appraisals, taking and removing soil or groundwater samples, and conducting tests on any part of it.

Section 3.05. **Taxes and Assessments.** Mortgagor shall pay prior to delinquency all taxes, levies, charges and assessments (individually and collectively, an "Imposition"), imposed by any public or quasi-public authority or utility company which are (or if not paid, may become) a lien on all or part of the Property or any interest in it, or which may cause any decrease in the value of the Property or any part of it. Notwithstanding the foregoing provisions

of this Section 3.05, Mortgagor may, at its expense, contest the validity or application of any Imposition by appropriate legal proceedings promptly initiated and conducted in good faith and with due diligence, provided that (a) Mortgagee is reasonably satisfied that neither the Property nor any part thereof or interest therein will be in danger of being sold, forfeited, or lost as a result of such contest and (b) Mortgagor shall have posted a bond or furnished such other security as may be reasonably required from time to time by Mortgagee.

Section 3.06. **Liens, Charges and Encumbrances.** Mortgagor shall not create, incur or suffer to exist any lien, encumbrance or charge on the Property or any part thereof which might or could be held to be superior or inferior to the lien of this Mortgage, other than current non-delinquent real estate taxes and assessments and any such lien, encumbrance or charge consented to in writing by Mortgagee, which consent shall not be unreasonably withheld. Mortgagor further agrees (a) to pay when due each obligation secured by or reducible to a lien, charge or encumbrance which now does or later may encumber or appear to encumber all or part of the Property or any interest in it, and (b) to immediately discharge any lien on the Property which Mortgagee has not consented to in writing.

Section 3.07. **Maintenance of Insurance; Damage Proceeds.** Mortgagor, at its sole cost and expense, will maintain or cause to be maintained the insurance policies described in Section 8 of the Reimbursement Agreement (the "**Policies**"). Mortgagor hereby absolutely and irrevocably assigns to Mortgagee, and authorizes the payor to pay to Mortgagee (i) all awards, claims and causes of action, arising out of any warranty affecting all or any part of the Property, or for damage or injury to or decrease in value of all or part of the Property or any interest in it; (ii) all proceeds of any Policies payable because of loss sustained to all or part of the Property; and (iii) all interest which may accrue on any of the foregoing.

(a) **Notice of Damage or Destruction; Adjusting Loss.** If the Property or any part thereof shall be damaged or destroyed by fire or other casualty, Mortgagor will promptly give written notice thereof to the insurance carrier and Mortgagee, and will not adjust any damage or loss which exceeds \$50,000 unless Mortgagee shall have joined in such adjustment; but if there has been no adjustment of any such damage or loss within four months from the date of occurrence thereof and if an Event of Default shall exist at the end of such four-month period or at any time thereafter, Mortgagee may alone make proof of loss, adjust and compromise any claim under the Policies and appear in and prosecute any action arising from such Policies. In connection therewith, Mortgagor does hereby irrevocably authorize, empower and appoint Mortgagee as attorney-in-fact for Mortgagor (which appointment is coupled with an interest) to do any and all of the foregoing in the name and on behalf of Mortgagor.

(b) **Application of Insurance Proceeds.** All sums in excess of \$50,000 paid under any Policies relating to all or any portion of the Property (hereinafter collectively referred to as "**Proceeds**"), shall be paid to Mortgagee which may, at its option (but subject to the provisions of this paragraph set forth below), apply them (after first deducting Mortgagee's expenses referred to in Section 3.07(c) below) to the payment of the Secured Obligations, whether or not due and in such order of application as Mortgagee may determine, or to the repair, replacement, rebuilding or restoration of the Property, in such manner as Mortgagee may determine. Notwithstanding the

foregoing provisions of this paragraph, Mortgagee shall make all Proceeds (after first deducting therefrom Mortgagee's expenses referred to in Section 3.07(c) below) available to Mortgagor to reimburse Mortgagor for its reasonable costs of restoration, repair, replacement or rebuilding of the Improvements, in accordance with any procedures reasonably required by Mortgagee (and shall not be applied toward the payment of the Secured Obligations until after restoration and repair of the Improvements) provided each of the following conditions shall be met:

- (i) There shall at the time of the casualty and at all times thereafter have occurred no Event of Default or event which with notice, the passage of time, or both, could become an Event of Default;
- (ii) Mortgagor shall notify Mortgagee of Mortgagor's intention to perform such restoration or repair within thirty (30) days of the adjusting of the loss or casualty;
- (iii) Mortgagee shall receive evidence reasonably satisfactory to Mortgagee that the Improvements have been fully restored or that by application of the Proceeds will be fully restored to their condition prior to the damage or destruction (or as otherwise reasonably approved by Mortgagee), free and clear of all liens other than the encumbrances approved by Mortgagee, except as otherwise expressly permitted herein;
- (iv) If, in the reasonable judgment of Mortgagee, the Proceeds shall be insufficient to restore the Improvements to their condition prior to the damage or destruction (or as otherwise reasonably approved by Mortgagee), Mortgagor shall demonstrate to Mortgagee the availability of funds which, together with the Proceeds, shall be sufficient to restore the Improvements to their condition prior to the damage or destruction (or as otherwise reasonably approved by Mortgagee); and
- (v) There shall, in the reasonable judgment of Mortgagee, remain sufficient time to complete the restoration or repair of the Improvements prior to the maturity date of the Credit Obligations.

At Mortgagee's option, any Proceeds remaining after reimbursing Mortgagor for the cost of restoring the Improvements may be applied to partial prepayment of the Credit Obligations; provided, however, that such application shall be without any prepayment premium or penalty otherwise applicable and shall not extend or postpone the due dates of the monthly installments payable under the Promissory Note or Reimbursement Agreement or change the amount of such installments. Any remaining proceeds not applied to the Credit Obligations shall be paid to Mortgagor.

(c) Reimbursement of Mortgagee's Expenses. Mortgagor shall promptly reimburse Mortgagee upon demand for all of Mortgagee's expenses incurred in connection with the collection of the Proceeds, including but not limited to reasonable attorneys' fees and expenses. All

such expenses, together with interest from the date of demand for payment at the Default Rate, shall be additional amounts secured by this Mortgage.

Section 3.08. **Condemnation**. Should the Property, or any part thereof or interest therein, be taken or damaged by reason of any public improvement or condemnation proceeding or in any other manner including a deed in lieu of condemnation, or should Mortgagor receive any notice or other information regarding any such proceeding, Mortgagor shall give prompt written notice thereof to Mortgagee. Mortgagee shall be entitled to all compensation, awards and other payments or relief therefor not exceeding the amount then due or to be due under the Promissory Note or the Reimbursement Agreement; provided, however, that in the event the condemning authority specifically allocates a portion of the condemnation award to restoration of the property affected by such taking (including, without limitation, curbing, sidewalks, and landscaping), Mortgagee agrees that Mortgagor may retain such portion of the condemnation award so long as it commences such restoration, diligently prosecutes such restoration to completion, and completes such restoration within one hundred and twenty (120) days after receipt of the award. Mortgagee shall be entitled, at its sole option, to commence, appear in and prosecute in its own name any such action or proceedings. All such compensation, awards, damages, rights of action and proceeds awarded to Mortgagor (not exceeding the amount then due to Mortgagee pursuant to the Promissory Note or the Reimbursement Agreement) are hereby assigned to Mortgagee and Mortgagor shall execute such further assignments of such proceeds as Mortgagee may require.

Section 3.09. **Due on Sale and Due on Encumbrance**. Mortgagor shall not (a) sell or transfer all or any part of the Property or any interest therein, including, but not limited to, by an option to sell, a sale or transfer by deed or by land contract or by contract for deed or (b) encumber, pledge, or mortgage all or any part of the Property or any interest therein, in either case without Mortgagee's prior written consent, which consent shall not be unreasonably withheld. In the event of a violation of the provisions of this Section 3.09, Mortgagee may, at its option, declare all the sums secured by this Mortgage to be immediately due and payable.

ARTICLE IV RIGHTS OF MORTGAGEE

Section 4.01. **Releases, Extensions, Modifications and Additional Security**. From time to time, Mortgagee may perform any of the following acts without incurring any liability, impairing the security of this Mortgage, or giving notice to any Person: (i) release any Person liable for payment of any Secured Obligation; (ii) extend the time for payment, or otherwise alter the terms of payment, of any Secured Obligation; (iii) accept additional real or personal property of any kind as security for any Secured Obligation, whether evidenced by deeds of trust, mortgages, security agreements or any other instruments of security; or (iv) alter, substitute or release any property securing the Secured Obligations.

Section 4.02. **No Release**. If Mortgagee performs any act which it is empowered or authorized to perform under this Mortgage, including any act permitted by Section 4.01 above, that act alone does not release or change the personal liability of any Person for the payment and performance of the Secured Obligations then outstanding, or the lien of this Mortgage on all or

the remainder of the Property for full payment and performance of all outstanding Secured Obligations.

ARTICLE V
COMPENSATION, EXCULPATION, INDEMNIFICATION

Section 5.01. **Compensation.** Mortgagor agrees to (a) pay the reasonable fees charged by Mortgagee for any services that Mortgagee may render in connection with this Mortgage, including Mortgagee's providing a statement of the Secured Obligations or Mortgagee's execution of a release, (b) pay or reimburse all of Mortgagee's reasonable costs and expenses incurred in rendering any such services, (c) pay or reimburse Mortgagee for all costs, expenses and other advances reasonably incurred or made by Mortgagee in performing any of Mortgagor's obligations under this Mortgage or in any efforts to enforce any terms of this Mortgage, including any rights or remedies afforded to Mortgagee under Section 6.02, whether any lawsuit is filed or not, including any bankruptcy or other voluntary or involuntary proceeding, in or out of court, for the adjustment of debtor-creditor relationships, or in defending any action or proceeding arising under or relating to this Mortgage, including reasonable attorneys' fees and other legal costs, costs of any foreclosure sale and any cost of evidence of title. If Mortgagee chooses to dispose of the Property through more than one foreclosure sale, Mortgagor shall pay all costs, expenses or other advances that may be incurred or made by Mortgagee in each of those foreclosure sales.

Section 5.02. **Exculpation.** Mortgagee is not directly or indirectly liable to Mortgagor or any other Person as a consequence of (a) Mortgagee's exercise of or failure to exercise any rights, remedies or powers granted to it in this Mortgage; (b) Mortgagee's failure or refusal to perform or discharge any obligation or liability of Mortgagor under any agreement related to the Property or under this Mortgage; or (c) any loss sustained by Mortgagor or any third party resulting from Mortgagee's failure to lease the Property, or from any other act or omission of Mortgagee in managing the Property after an Event of Default, unless any loss, damage or liability suffered by Mortgagor arising from any action of Mortgagee under (a) through (c) above is caused by the willful misconduct or gross negligence of Mortgagee.

EXCEPT AS EXPRESSLY STATED ABOVE, MORTGAGOR HEREBY EXPRESSLY WAIVES AND RELEASES ALL LIABILITY OF THE TYPES DESCRIBED ABOVE, AND AGREES THAT NO SUCH LIABILITY BE ASSERTED AGAINST OR IMPOSED UPON MORTGAGEE.

Section 5.03. **Indemnification.** Except with regard to actions identified under Section 5.02 above arising from the willful misconduct or gross negligence of Mortgagee, Mortgagor agrees to indemnify Mortgagee against and hold it harmless from all losses, damages, liabilities, claims, causes of action, judgments, court costs, attorneys' fees and other legal expenses, cost of evidence of title, cost of evidence of value, and other costs and expenses which it may suffer or incur (a) in performing any act required or permitted by this Mortgage, the Promissory Note, or the Reimbursement Agreement or by law; (b) because of any failure of Mortgagor to perform any of the Secured Obligations; or (c) because of any alleged obligation of or undertaking by Mortgagee to perform or discharge any of the representations, warranties, conditions, covenants

or other obligations in any document relating to the Property other than the Reimbursement Agreement. Mortgagee expressly acknowledges that the indemnification provided hereunder is provided solely by Mortgagor and not by any past or present officer, director, member, shareholder, assign, grantee, partner, parent, subsidiary, affiliate, related company, predecessor, successor, agent, employee, attorney, insurer, reinsurer, or other representative of Mortgagor.

THIS AGREEMENT BY MORTGAGOR TO INDEMNIFY MORTGAGEE SURVIVES THE RELEASE AND CANCELLATION OF ANY OR ALL OF THE SECURED OBLIGATIONS AND THE FULL OR PARTIAL RELEASE OF THIS MORTGAGE.

Mortgagor shall pay all obligations to pay money arising under this Article V immediately upon demand by Mortgagee. Each such obligation shall be added to, and considered to be part of, the principal of the Note, and bears interest from the date the obligation arises at the Applicable Rate or the Default Rate, whichever is in effect.

ARTICLE VI
EVENTS OF DEFAULT; REMEDIES

Section 6.01. **Events of Default.** The occurrence of any one or more of the following events is an "Event of Default" under this Mortgage:

- (a) An Event of Default under the Promissory Note or the Reimbursement Agreement; or
- (b) Mortgagor makes or permits the occurrence of transfer or encumbrance in violation of Section 3.09 hereof; or
- (c) Any representation or warranty made or given by Mortgagor in this Mortgage proves to be false or misleading in any material respect; or
- (d) Mortgagor fails to perform any obligation, term or provision arising under this Mortgage, other than as provided in clauses (a), (b) and (c) of this Section 6.01, and does not cure that failure within thirty (30) days after written notice from Mortgagee, or, if the Default cannot be cured in thirty (30) days, within a reasonable time but not to exceed ninety (90) days after such written notice.

Section 6.02. **Remedies.** Upon the occurrence of an Event of Default, interest may accrue on the Secured Obligations at the Default Rate in accordance with Section 3 of the Reimbursement Agreement; the entire Secured Obligations shall become immediately due and payable at the option of Mortgagee, without further notice or demand; and, in addition, irrespective of whether Mortgagee exercises said option, it may exercise any and all rights and remedies available to a mortgagee or secured party at law or in equity, including but not limited to the following:

- (a) Mortgagee may enter upon, take immediate possession of, manage, and operate the Property or any part thereof; make repairs and alterations and do any acts which

Mortgagee deems reasonably proper and necessary or advisable to protect the security hereof, including but not limited to those granted Mortgagee pursuant to the Reimbursement Agreement; and either with or without taking possession, in its own name, sue for or otherwise collect and receive Rents, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees and Mortgagee's costs, upon the Secured Obligations and in such order as Mortgagee may determine. Upon request of Mortgagee, Mortgagor shall assemble and make available to Mortgagee at the Land any of the Personalty which has been removed therefrom. The entering upon and taking possession of the Property, the collection of any Rents, and the application thereof as aforesaid shall not cure or waive any default theretofore or thereafter occurring or affect any notice of default hereunder or invalidate any act done pursuant to any such notice. Notwithstanding Mortgagee's continuance in possession or receipt and application of Rents, Mortgagee may exercise every right provided for in this Mortgage or by law upon or after the occurrence of an Event of Default. Any of the actions referred to in this paragraph may be taken by Mortgagee at such time as Mortgagee is so entitled without regard to the adequacy of any security for the Secured Obligations.

(b) Mortgagee shall, without regard to the adequacy of any security for the Credit Obligations, be entitled to the immediate ex parte appointment of a receiver by any court having jurisdiction, without notice, to take possession of and protect the Property and operate the same and collect the Rents therefrom.

(c) Mortgagee may elect to dispose of any of the Personalty in any manner now or hereafter permitted by Article 9 of the UCC or in accordance with any other remedy provided by law. Any such disposition may be either public or private as Mortgagee may so elect, subject to the provisions of the UCC. Mortgagee shall give Mortgagor at least ten (10) days' prior written notice of the time and place of any public sale or other disposition of such property or of the time at or after which any private sale or any other intended disposition is made. Mortgagor agrees that such ten (10) day notice constitutes reasonable notice of such sale.

Mortgagee shall have the right to become the purchaser at any sale held by any receiver or public officer, and Mortgagee shall have the right to credit upon the amount of the bid made therefor, to the extent necessary to satisfy such bid, the Secured Obligations owing to Mortgagee, or if Mortgagee holds less than all of such indebtedness the pro rata part thereof owing to Mortgagee, accounting to all other beneficiaries or noteholders not joining in such bid in cash for the portion of such bid or bids apportionable to such nonbidding lender or noteholder. Mortgagor has no right to purchase the Property or any portion thereof at any sale.

(d) Notwithstanding anything to the contrary in this Mortgage, the Mortgagor's past or present officers, directors, members, shareholders, assigns, grantees, partners, limited partners, parents, subsidiaries, affiliates, related companies, predecessors, successors, agents, employees, attorneys, insurers, reinsurers, or other representatives do not assume and shall not have any personal liability for any duties, obligations, liabilities or payments due under this Mortgage, the Promissory Note, the associated Reimbursement Agreement, or for matters not under their control.

Section 6.03. **Application of Proceeds.** The proceeds of any sale or disposition hereunder, together with any other sums which then may be held by Mortgagee under this Mortgage, whether under the provisions of this paragraph, or otherwise, may be applied by Mortgagee to the Secured Obligations in such order and manner as Mortgagee determines in its sole and absolute discretion.

Section 6.04. **Remedies Not Exclusive.** Mortgagee shall be entitled to enforce payment and performance of any Secured Obligations and to exercise all rights and powers under this Mortgage, under the Promissory Note, under the Reimbursement Agreement, or under any other agreement or any laws now or hereafter in force; notwithstanding some or all of such Secured Obligations may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement, by court action or other powers contained in this Mortgage, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee in such order and manner as it may in its absolute discretion determine. No remedy conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy in this Mortgage or by law provided or permitted, but each (a) shall be cumulative and shall be in addition to every other remedy given in this Mortgage or now or hereafter existing at law or in equity or by statute and (b) may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Mortgagee, and it may pursue inconsistent remedies. Nothing in this Mortgage shall be construed as prohibiting Mortgagee from seeking a deficiency judgment against Mortgagor to the extent such action is permitted by law.

Section 6.05. **Waiver of Marshalling and Consent to Receiver.** Mortgagor waives all rights, legal and equitable, it may now or hereafter have to require marshalling of assets or to require upon foreclosure sales of assets in a particular order. Each successor and assign of Mortgagor, including any holder of a lien subordinate to this Mortgage, by acceptance of its interest or lien agrees that it shall be bound by the above waiver, as if it had given the waiver itself. Mortgagor hereby consents to Mortgagee's application for, and the appointment of, a receiver, trustee, liquidator or conservator of the Property, without notice to Mortgagor and without regard for the adequacy of the security for the Secured Obligations and without regard for the solvency of Mortgagor.

Section 6.06 **Redemption.** To the extent permitted by law, the Mortgagor hereby waives any and all rights of redemption or reinstatement that it may have. If the aforementioned waiver is not effective, then it is agreed that if this Mortgage covers less than ten (10) acres of land, and in the event of the foreclosure of this Mortgage and sale of the property by sheriff's sale in such foreclosure proceedings, the time of one (1) year for redemption from said sale provided by the statutes of the State of Iowa shall be reduced to six (6) months provided the Mortgagee, in such action, files an election to waive any deficiency judgment against the Mortgagor which may arise out of the foreclosure proceedings; all to be consistent with the provisions of Chapter 628 of the Code of Iowa, as amended (the "**Code of Iowa**"). If the redemption period is so reduced, for the first three (3) months after the sale, such right of redemption shall be exclusive to the Mortgagor, and the time periods in Sections 628.5, 628.15 and 628.16 of the Code of Iowa shall be reduced to four (4) months. It is further agreed that the

period of redemption after a foreclosure of this Mortgage shall be reduced to sixty (60) days if all of the three following contingencies develop: (1) the real estate is less than ten (10) acres in size; (2) the court finds affirmatively that the said real estate has been abandoned by the owners and those Persons personally liable under this Mortgage at the time of such foreclosure; and (3) the Mortgagee in such action files an election to waive any deficiency judgment against the Mortgagor or its successor in interest in such action. If the redemption period is so reduced, the Mortgagor or its successors in interest or the owner shall have the exclusive right to redeem for the first thirty (30) days after such sale, and the time provided for redemption by creditors as provided in Sections 628.5, 628.15 and 628.16 of the Code of Iowa shall be reduced to forty (40) days. Entry of appearance by pleading or docket entry by or on behalf of the Mortgagor shall be presumption that the property is not abandoned. Any such redemption period shall be consistent with all of the provisions of Chapter 628 of the Code of Iowa. This Section shall not be construed to limit or otherwise affect any other redemption provisions contained in Chapter 628 of the Code of Iowa. This Section also shall not be construed to limit the Mortgagee's right to elect foreclosure without redemption or to elect foreclosure by nonjudicial procedure as set forth in Chapters 654 and 655A of the Code of Iowa. The Mortgagor agrees that, in the event of a foreclosure of the Mortgage, under any provision of Iowa law, the Mortgagee shall be entitled to sole possession and use of this Mortgaged Property during any redemption period. Any sale or sales under this Section shall operate, after any applicable redemption period, to divest all estate, right, title, interest, claim or demand whatsoever, whether at law or in equity, of the Mortgagor in and to the premises, property, privileges and rights so sold, and shall be a perpetual bar both at law and in equity against this Mortgagor, its successors and assigns and against any and all Persons claiming or who may claim the same, or any part thereof, from, through or under the Mortgagor, its successors or assigns.

ARTICLE VII RELEASE

When all of the Secured Obligations have been paid and performed in full, then this Mortgage and the estate, right, and interest of the Mortgagee in and to the Property shall cease and shall be released at the cost of the Mortgagor; provided however, that all provisions of this Mortgage that are expressly stated to survive shall survive as obligations of the Mortgagor personally.

ARTICLE VIII MISCELLANEOUS PROVISIONS

Section 8.01. **Defined Terms.** Capitalized terms used in this Mortgage without definition have the meanings given them in that certain Reimbursement Agreement dated as of the date hereof, by Mortgagor and Mortgagee (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "**Reimbursement Agreement**"). The Promissory Note, Reimbursement Agreement, and this Mortgage fully state all of the terms and conditions of the parties' agreement regarding the matters mentioned in or incidental to this Mortgage. The Reimbursement Agreement also grant further rights to Mortgagee and contains further agreements and affirmative and negative covenants by Mortgagor which apply to this Mortgage and to the Property.

Section 8.02. **Interpretation**. Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the sections of this Mortgage are for convenience only and do not define or limit any terms or provisions. The word "**include(s)**" means "include(s), without limitation", and the word "**including**" means "including, but not limited to". No listing of specific instances, items or matters in any way limits the scope or generality of any language of this Mortgage.

Section 8.03. **Severability**. If any provision of this Mortgage should be held unenforceable or void, that provision shall be deemed severable from the remaining provisions and in no way affect the validity of this Mortgage except that if such provision relates to the payment of any monetary sum, then Mortgagee may, at its option, declare all Secured Obligations immediately due and payable.

Section 8.04. **Successors in Interest**. The terms, covenants and conditions of this Mortgage are binding upon and inure to the benefit of the heirs, successors and assigns of the parties. However, this Section does not waive the provisions of Section 3.09.

Section 8.05. **Joint and Several Liability**. If Mortgagor consists of more than one Person, each is jointly and severally liable for the faithful performance of all of Mortgagor's obligations under this Mortgage.

Section 8.06. **Applicable Law**. This Mortgage is governed by Iowa law. This Mortgage may be executed in one or more counterparts, each of which is, for all purposes deemed an original and all such counterparts taken together, constitute one and the same instrument.

Section 8.07. **No Waiver or Cure**. Each waiver by Mortgagor, Mortgagee must be in writing, and no waiver is to be construed as a continuing waiver. No waiver is to be implied from any delay or failure by Mortgagor or Mortgagee to take action on account of any default of another party. Consent by Mortgagor or Mortgagee to any act or omission by another party must not be construed as a consent to any other or subsequent act or omission or to waive the requirement for Mortgagor's or Mortgagee's consent (as and if applicable) to be obtained in any future or other instance.

Section 8.08. **Merger**. No merger occurs as a result of Mortgagee's acquiring any other estate in or any other lien on the Property unless Mortgagee consents to a merger in writing.

Section 8.09. **Notices**. Unless otherwise expressly provided herein, all notices, certificates, requests, demands and other communications provided for hereunder shall be in writing and shall be mailed, faxed or delivered to the address or facsimile number set forth in this Section 8.09. All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the intended recipient and (ii) (A) if delivered by hand or by courier, upon delivery; and (B) if delivered by mail, two (2) Business Days after deposit in the mails, postage prepaid.

Address Where Notices to Mortgagor
Are to be Sent:

The Reserve, a Nonprofit Corporation
Attn: Don Opperthausen
2727 82nd Place
Urbandale, IA 50322

Address Where Notices to Mortgagee
Are to be Sent:

Great Western Bank
Attn: Gordon Harnisch
9290 West Dodge Road, Suite 401
Omaha, Nebraska 68114

Section 8.10. **Counterparts.** This Mortgage may be executed in any number of counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the date first above written.

MORTGAGOR:

The Reserve, a Nonprofit Corporation, an Iowa nonprofit corporation

By: Don Opperthaus
Name: DON OPPERTHAUSER
Its: SECRETARY / TREASURER

STATE OF IOWA)
) ss.
COUNTY OF Polk)

The foregoing instrument was acknowledged before me this 4th day of February, 2019, by Don Opperthaus, the Secretary / Treasurer of The Reserve, a Nonprofit Corporation, an Iowa nonprofit corporation, on behalf of the corporation.

Angela A. Wadle
Notary Public



EXHIBIT A

Legal Description of the Land

Lot 7, Colby Woods West Plat No. 7, a subdivision in Polk County, Iowa, as shown on the Official Plat recorded August 13, 2002 at Book 9729 Page 602 in the Office of the Polk County Recorder.

DOCS/2182536.4