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Pages 29
County Recording Fee: \$147.00
Iowa E-Filing Fee: \$3.00
Combined Fee: \$150.00
Revenue Tax:
LISA SMITH RECORDER
Madison County, Iowa

First Mortgage, Security Agreement, and Fixture Filing
Recorder's Cover Sheet

Preparer Information: Updike, Kelly & Spellacy, P.C.
100 Pearl Street, 17th Floor
Hartford, CT 06103
Attention: John J. Alissi, Esq.
Tel: (860) 548-2600

Taxpayer Information: SNF Winterset PropCo, LLC
c/o Azria Health Management, LLC
702 S. Highway 6
Gretna, NE 68028
Attention: Steven Hornung

Return Documents To: Updike, Kelly & Spellacy, P.C.
100 Pearl Street, 17th Floor
Hartford, CT 06103
Attention: John J. Alissi, Esq.

Mortgagor: SNF Winterset PropCo, LLC

Mortgagee: Oxford Finance, LLC

Legal Description: See Exhibit A attached.

Document or instrument number of previously recorded documents: None

FIRST MORTGAGE, SECURITY AGREEMENT, AND FIXTURE FILING

THIS FIRST MORTGAGE, SECURITY AGREEMENT, AND FIXTURE FILING (“**Mortgage**”) is dated September 17, 2019 and is by SNF WINTERSET PROPCO, LLC, an Iowa limited liability company (“**Mortgagor**”), with a mailing address of c/o Azria Health Management, LLC, 702 S. Highway 6, Gretna, NE 68028, in favor of OXFORD FINANCE, LLC, a Delaware limited liability company (“**Mortgagee**”), with an office at and mailing address of 133 North Fairfax Street, Alexandria, VA 22314, as agent for the Lenders (as defined below), under the Loan Agreement (as defined below).

NOTICE: This Mortgage constitutes a mortgage covering real property and fixtures and is to be cross indexed in all indices in which are recorded liens, mortgages, or other encumbrances against real property and fixtures, including the mortgage index and the UCC Index.

NOTICE: This Mortgage encumbers both real and personal property, contains an after-acquired property clause and secures present and future loans and advances.

NOTICE: This Mortgage secures credit in the amount of SEVEN MILLION AND 00/100 DOLLARS (\$7,000,000.00). 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.

☒ If this box is checked, this Mortgage is a Purchase Money Mortgage as defined in the Iowa Code.

☐ If this box is checked, this Mortgage is a Construction Mortgage as defined in the Iowa Code.

RECITALS:

Mortgagor, SNF MEDIAPOLIS PROPCO, LLC, an Iowa limited liability company (“**SNF Mediapolis PropCo, LLC**”), SNF UNION PARK PROPCO, LLC, an Iowa limited liability company (“**SNF Union Park PropCo, LLC**”), SNF CLARINDA PROPCO, LLC, an Iowa limited liability company (“**SNF Clarinda PropCo, LLC**”), KS ELLINWOOD PROPCO, LLC, a Kansas limited liability company (“**KS Ellinwood PropCo, LLC**”), NE ASHLAND PROPCO, LLC, a Nebraska limited liability company (“**NE Ashland PropCo, LLC**”), NE CENTRAL CITY PROPCO, LLC, a Nebraska limited liability company (“**NE Central City PropCo, LLC**”), NE GRETNA PROPCO, LLC, a Nebraska limited liability company (“**NE Gretna PropCo, LLC**”), NE SUTHERLAND PROPCO, LLC, a Nebraska limited liability company (“**NE Sutherland PropCo, LLC**”), and NE RYDER PARK PROPCO, LLC, a Nebraska limited liability company (“**NE Ryder Park PropCo, LLC**”), together with Mortgagor, SNF Mediapolis PropCo, LLC, SNF Union Park PropCo, LLC, SNF Clarinda PropCo, LLC, KS Ellinwood PropCo, LLC, NE Ashland PropCo, LLC, NE Central City PropCo, LLC, NE Gretna

PropCo, LLC and NE Sutherland PropCo, LLC, individually and collectively, "**Borrower**") and Mortgagee, as agent for all lenders from time to time a party thereto (collectively, the "**Lenders**") are parties to that certain Term Loan and Security Agreement dated of even date herewith (as amended, restated, replaced, supplemented or otherwise modified from time to time, the "**Loan Agreement**"). Lenders may, from time to time, make loans and advances to Borrower in accordance with the terms of the Loan Agreement. All loans and advances made in accordance with the Loan Agreement are referred to, individually and collectively, whether one or more, as the "**Mortgage Loan**."

The Mortgage Loan is evidenced by (a) that certain Promissory Note in the original principal amount of SEVEN MILLION AND 00/100 DOLLARS (\$7,000,000.00) dated as of the date hereof executed by Borrower and made payable to the order of Mortgagee, maturing on September 17, 2022; (b) all schedules, riders, allonges, addenda, renewals, extensions, amendments and modifications to the foregoing, and (c) each additional promissory note issued from time to time pursuant to the Loan Agreement, together with all schedules, riders, allonges, addenda, renewals, extensions, amendments and modifications to any of the foregoing promissory notes (each of the foregoing promissory notes, as amended, restated, replaced, supplemented or otherwise modified from time to time, individually and collectively, the "**Note**"). The last stated maturity of the Mortgage Loan secured by this Mortgage and the maturity date of this Mortgage, is September 17, 2022.

NOW, THEREFORE, Mortgagor, for the purpose of securing the payment of the Mortgage Loan and all amounts now or hereafter owing under the Note, this Mortgage and the other Loan Documents (as defined below) and the faithful performance of all covenants, conditions, stipulations, obligations, and agreements therein and herein contained (collectively, the "**Obligations**"), in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby grants, bargains, sells, conveys, transfers, assigns, sets over, mortgages, grants a security interest in, and warrants to Mortgagee, its successors and assigns forever, the following property and rights (collectively referred to as the "**Mortgaged Property**"):

- A. All of the following described real property (hereinafter called the "**Land**"), located in Madison County, Iowa to wit:

The real property described in Exhibit "A" attached hereto;

- B. All and singular, the buildings and improvements, situated, constructed, or placed on the Land, and all right, title and interest of Mortgagor in and to (i) all streets, boulevards, avenues or other public thoroughfares in front of and adjoining the Land, (ii) all easements, licenses, rights of way, or rights of ingress or egress benefiting the Land, (iii) all strips, gores or pieces of land abutting, bounding, adjacent or contiguous to the Land (iv) any land lying in or under the bed of any creek, stream, bayou or river running through, abutting or adjacent to the Land, (v) any riparian, appropriative or other water rights of Mortgagor appurtenant to the Land and relating to surface or subsurface waters, (vi) all wastewater (sewer) treatment capacity and all water capacity assigned to the Land, (vii) any oil, gas or

other minerals or mineral rights relating to the Land or to the surface or subsurface thereof owned by Mortgagor, (viii) any reversionary rights attributable to the Land;

- C. Any and all leases, subleases, licenses, concessions or grants of other possessory interests now or hereafter in force, oral or written, covering or affecting the Land or any buildings or improvements belonging or in any way appertaining thereto, or any part thereof;
- D. All the rents, issues, uses, profits, insurance claims and proceeds and condemnation awards now or hereafter belonging or in any way pertaining to (i) the Land; (ii) each and every building and improvement and all of the properties included within the provisions of the foregoing paragraph B; and (iii) each and every lease, sublease and agreement described in the foregoing paragraph C and each and every right, title and interest thereunder, from the date of this Mortgage until the terms hereof are complied with and fulfilled;
- E. All instruments (including promissory notes), financial assets, investment property, documents, accounts, chattel paper (whether tangible or electronic), deposit accounts, letter-of-credit rights, supporting obligations, any other contract rights or rights to the payment of money, and all general intangibles (including, without limitation, payment intangibles, and all recorded data of any kind or nature, regardless of the medium of recording, including, without limitation, all software, writings, plans, specifications and schematics) now or hereafter belonging or in any way pertaining to (i) the Land; (ii) each and every building and improvement and all of the properties on the Land; and (iii) each and every lease, sublease and agreement described in the foregoing paragraph C and each and every right, title and interest thereunder; and
- F. All machinery, apparatus, equipment, fixtures and articles of personal property of every kind and nature now or hereafter located on the Land or upon or within the buildings and improvements belonging or in any way appertaining to the Land and used or usable in connection with any present or future operation of the Land or any building or improvement now or hereafter located thereon and the fixtures and the equipment which may be located on the Land and now owned or hereafter acquired by Mortgagor (the “**Equipment**”), including without limitation, any and all furniture, furnishings, partitions, carpeting, drapes, dynamos, screens, awnings, storm windows, floor coverings, stoves, refrigerators, dishwashers, disposal units, motors, engines, boilers, furnaces, pipes, plumbing, elevators, cleaning, call and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, maintenance equipment, and all heating, lighting, ventilating, refrigerating, incinerating, air-conditioning and air-cooling equipment, gas and electric machinery, and all of the right, title and interest of Mortgagor in and to any Equipment which may be subject to any title retention or security agreement superior in lien to the lien of this Mortgage, together with all additions, accessions, parts, fittings, accessories, replacements, substitutions, betterments,

repairs and proceeds of all of the foregoing, all of which shall be construed as fixtures and will conclusively be construed, intended and presumed to be a part of the Land. It is understood and agreed that all Equipment, whether or not permanently affixed to the Land and the buildings and improvements thereon, shall for the purpose of this Mortgage be deemed conclusively to be conveyed hereby and, as to all such Equipment, whether personal property or fixtures, or both, a security interest is hereby granted by Mortgagor and hereby attached thereto, all as provided by the Uniform Commercial Code of the State of Iowa as adopted, amended, and in effect and force from time to time (the "UCC");

Together with all and singular other tenements, hereditaments and appurtenances belonging to the aforesaid properties, or any part thereof with the reversions, remainders and benefits and all other revenues, rents, earnings, issues and income and profits arising or to arise out of or to be received or had of and from the properties hereby mortgaged or intended so to be or any part thereof and all the estate, right, title, interest and claims, at law or in equity which Mortgagor now or may hereafter acquire or be or become entitled to in and to the aforesaid properties and any and every part thereof. The Mortgaged Property is hereby declared to be subject to the lien of this Mortgage as security for the payment of all present and future Obligations.

SUBJECT TO (i) liens for ad valorem taxes and special assessments or installments thereof not now delinquent; (ii) building and zoning ordinances and building and use restrictions; (iii) easements of record on the date hereof; and (iv) such minor defects, irregularities, encumbrances, easements, and rights of way as normally exist with respect to property similar in character to the Mortgaged Property which do not individually or in the aggregate materially detract from the value of the Mortgaged Property or impair the use thereof for the purpose intended (collectively, the "**Permitted Encumbrances**").

PROVIDED, HOWEVER, that if Mortgagor, its successors or assigns shall pay, or cause to be paid, the principal of the Mortgage Loan and the Note and the interest due or to become due thereon, at the times and in the manner mentioned in the Note and the Loan Agreement, and shall keep, perform and observe all the covenants and conditions pursuant to the terms of this Mortgage and the Assignment of Leases and Rents dated as of the date hereof (herein called the "**Assignment**"), including without limitation, all Obligations to be kept, performed and observed by it, and shall pay to Mortgagee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then this Mortgage and the rights hereby granted shall cease, terminate and be void and upon request Mortgagee shall execute a document in recordable form evidencing the satisfaction of this Mortgage; otherwise, this Mortgage shall be and remain in full force and effect. This Mortgage, the Note, the Assignment, the Loan Agreement, and the other documents and instruments evidencing securing, or relating to the Mortgage Loan (excluding that certain Environmental Indemnity Agreement dated this same date) are referred to herein collectively as the "**Loan Documents**."

Mortgagor covenants and agrees with Mortgagee as follows:

ARTICLE ONE

GENERAL COVENANTS

Section 1-1. Payment and Performance of Obligations. Mortgagor shall pay when due all amounts at any time owing in respect of the Mortgage Loan and under the Note secured by this Mortgage and shall perform and observe each and every term, covenant and condition contained herein and in Loan Agreement, the Note and each and every Obligation.

Section 1-2. Title and Instruments of Further Assurance. Mortgagor represents, warrants, covenants and agrees that it is the lawful owner of the Mortgaged Property and that it has good right and lawful authority to mortgage, assign and pledge the same as provided herein; that it has not made, done, executed or suffered, and will not make, do, execute or suffer, any act or thing whereby its estate or interest in and title to the Mortgaged Property or any part thereof shall or may be impaired or changed or encumbered in any manner whatsoever except by Permitted Encumbrances; that it does warrant and will defend the title to the Mortgaged Property against all claims and demands whatsoever not specifically excepted herein; and that it will do, execute, acknowledge and deliver all and every further act, deed, conveyance, transfer and assurance necessary or proper for the carrying out more effectively of the purpose of this Mortgage and, without limiting the foregoing, for conveying, mortgaging, assigning and confirming unto Mortgagee all of the Mortgaged Property, or property intended so to be, whether now owned or hereafter acquired, including without limitation the preparation, execution and filing of any documents, such as control agreements, financing statements and continuation statements, deemed advisable by Mortgagee for maintaining its lien on, and its security interest in, any property included in the Mortgaged Property.

Section 1-3. First Lien. The lien created by this Mortgage is a first and prior lien on the Mortgaged Property and Mortgagor will keep the Mortgaged Property and the rights, privileges and appurtenances thereto free from all lien claims and security interests of every kind, whether superior, equal, or inferior to the lien of this Mortgage or the security interest granted under this Mortgage, subject only to Permitted Encumbrances and if any such lien or security interest be filed, Mortgagor, within twenty (20) days after such filing shall cause same to be discharged by payment, bonding or otherwise to the satisfaction of Mortgagee. Mortgagor further agrees to protect and defend the title and possession of the Mortgaged Property so that this Mortgage shall be and remain a first lien thereon until said debt be fully paid, or if foreclosure shall be had hereunder so that the purchaser at said sale shall acquire good title in fee simple to the Mortgaged Property free and clear of all liens and encumbrances.

Section 1-4. Due on Sale or Encumbrance.

(a) In the event Mortgagor directly or indirectly sells, conveys, transfers, disposes of, or further encumbers all or any part of the Mortgaged Property or any interest therein, or in the event any ownership interest in Mortgagor is directly or indirectly transferred or encumbered, or in the event Mortgagor or any owner of Mortgagor agrees so to do, in any case without the written consent of Mortgagee being first obtained (which consent Mortgagee may withhold in its sole and absolute discretion), then, at the sole option of Mortgagee, Mortgagee may accelerate

the Mortgage Loan and declare the principal of and the accrued interest of the Note, and including all sums advanced hereunder with interest, to be forthwith due and payable, and thereupon the Mortgage Loan and the Note, including both principal and all interest accrued thereon, and including all sums advanced hereunder and interest thereon, shall be and become immediately due and payable without presentment, demand or further notice of any kind. Without limiting the generality of the foregoing, a merger, consolidation, reorganization, entity conversion or other restructuring or transfer by operation of law, whereunder Mortgagor or, in the case of an ownership interest, the holder of an ownership interest in Mortgagor, is not the surviving entity as such entity exists on the date hereof, shall be deemed to be a transfer of the Mortgaged Property or of an ownership interest in Mortgagor. Consent as to any one transaction shall not be deemed to be a waiver of the right to require consent to future or successive transactions. Without limiting the generality of the foregoing, there shall be no subordinate financing relating to the Mortgaged Property, other than such subordinate financing made pursuant to the Affiliated Obligations (as defined in the Loan Agreement) or as otherwise permitted by Mortgagee.

(b) [Intentionally omitted].

(c) In all events, Mortgagor shall notify Mortgagee in advance of any proposed transfer, and Mortgagor shall pay, or reimburse Mortgagee for, all costs and expenses, including attorneys' fees and expenses, associated with Mortgagee's review and documentation of any proposed transfer of the Mortgaged Property or interests in Mortgagor, whether or not consummated for any reason.

Section 1-5. Covenants, Representations and Warranties of Mortgagor. Mortgagor hereby covenants, represents and warrants to Mortgagee that:

(a) Mortgagor (i) is a limited liability company duly organized, validly existing and in good standing under the laws of Iowa; (ii) has the power and authority to own its properties and to carry on its business as now being conducted; (iii) is qualified to do business in every jurisdiction in which the nature of its business or its properties make such qualification necessary, including Iowa; and (iv) is in compliance with all laws, regulations, ordinances, and orders of public authorities applicable to it.

(b) The execution, delivery and performance by Mortgagor of this Mortgage, the Note, the Assignment and the other Loan Documents to which Mortgagor is a party, and the borrowing evidenced by the Note: (i) are within the powers of Mortgagor; (ii) have been duly authorized by all requisite action; (iii) have received all necessary governmental approval; and (iv) will not violate any provision of law, any order of any court or other agency of government, or the organizational or chartering documents and agreements of Mortgagor.

(c) This Mortgage, the Note, the Assignment and each other Loan Document to which Mortgagor is a party constitute the legal, valid and binding obligations of Mortgagor and other obligors named therein, or parties thereto, if any, enforceable in accordance with their respective terms.

(d) Neither the execution and delivery of this Mortgage, the Note, the Assignment, or any other Loan Document to which Mortgagor is a party, the consummation of the transactions contemplated hereby, or thereby, nor the fulfillment of or compliance with the terms and conditions of this Mortgage, the Note, the Assignment, or any such Loan Document conflicts with or results in a breach of any of the terms, conditions or provisions of any restriction or any agreement or instrument to which Mortgagor is now a party or by which it is bound.

(e) None of Mortgagor, any affiliate of Mortgagor, or any person owning an interest in Mortgagor or any such affiliate, is or will be an entity or person (i) listed in the Annex to, or is otherwise subject to the provisions of, Executive Order 13224 issued on September 23, 2001 (the “**Executive Order**”), (ii) included on the most current list of “Specially Designated Nationals and Blocked Persons” published by the United States Treasury Department’s Office of Foreign Assets Control (“**OFAC**”) (which list may be published from time to time in various media including, but not limited to, the OFAC website page, <http://www.treas.gov/offices/enforcement/ofac/sdn/t11sdn.pdf>), (iii) which or who commits, threatens to commit or supports “terrorism,” as that term is defined in the Executive Order, or (iv) affiliated with any entity or person described in clauses (i), (ii) or (iii) above (any and all parties or persons described in clauses (i) through (iv) are herein referred to individually and collectively as a “**Prohibited Person**”). Mortgagor covenants and agrees that none of Mortgagor, any affiliate of Mortgagor, or any person owning an interest in Mortgagor or any such affiliate, will (i) conduct any business, or engage in any transaction or dealing, with any Prohibited Person, including, but not limited to the making or receiving of any contribution of funds, goods, or services, to or for the benefit of a Prohibited Person, or (ii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in the Executive Order. Mortgagor further covenants and agrees to deliver (from time to time) to Mortgagee any such certification or other evidence as may be requested by Mortgagee in its sole and absolute discretion, confirming that (i) Mortgagor is not a Prohibited Person and (ii) Mortgagor has not engaged in any business, transaction or dealings with a Prohibited Person, including, but not limited to, the making or receiving of any contribution of funds, goods, or services, to or for the benefit of a Prohibited Person.

(f) During the time the Mortgage Loan or the Note remains outstanding, Mortgagor (i) will not engage in any business unrelated to the Mortgaged Property, (ii) will not have any assets other than those related to the Mortgaged Property, (iii) will not engage in, seek or consent to any dissolution, winding up, liquidation, consolidation or merger, and, except as otherwise expressly permitted by the Loan Documents, will not engage in, seek or consent to any asset sale, transfer of ownership or equity interests, or amendment of its organizational documents (articles of organization or incorporation, certificate of limited partnership, operating agreement or bylaws, as the case may be), (iv) will not fail to correct any known misunderstanding regarding the separate identity of Mortgagor, (v) will not with respect to itself or to any other entity in which it has a direct or indirect legal or beneficial ownership interest (A) file a bankruptcy, insolvency or reorganization petition or otherwise institute insolvency proceedings or otherwise seek any relief under any laws relating to the relief from debts or the protection of debtors generally; (B) seek or consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator, custodian or any similar official for such entity or all or any portion of such

entity's properties; (C) make any assignment for the benefit of such entity's creditors; or (D) take any action that might cause such entity to become insolvent, (vi) will maintain its financial statements, accounting records, and other entity documents separate from any other person or entity, (vii) will maintain its books, records, resolutions and agreements as official records, (viii) has not commingled and will not commingle its funds or assets with those of any other person or entity, (ix) has held and will hold its assets in its own name, (x) will conduct its business in its name, (xi) will pay its own liabilities out of its own funds and assets, (xii) will observe all entity formalities, (xiii) has maintained and, except as otherwise expressly permitted or required by the Loan Documents, will maintain an arms-length relationship with its affiliates, (xiv) will have no indebtedness other than as evidenced by the Loan Documents and commercially reasonable unsecured trade payables in the ordinary course of business relating to the ownership and operation of the Mortgaged Property that are paid within sixty (60) days of the date incurred, (xv) except as expressly permitted or required by the Loan Documents, will not assume or guarantee or become obligated for the debts of any other person or entity or hold out its credit as being available to satisfy the obligations of any other person or entity, except as evidenced by the Loan Documents, (xvi) will not acquire obligations or securities of its owners (members, partners, shareholders), (xvii) will allocate fairly and reasonably shared expenses, including, without limitation, shared office space and use separate stationery, invoices and checks, (xviii) will not pledge its assets for the benefit of any other person or entity, (xix) will hold itself out and identify itself as a separate and distinct entity under its own name and not as a division or part of any other person or entity, (xx) will not make loans to any person or entity, (xxi) will not identify its owners (members, partners, shareholders) or any affiliates of any of them as a division or part of it, (xxii) except as otherwise expressly permitted or required by the Loan Documents, will not enter into or be a party to, any transaction with its owners (members, partners, shareholders) or its affiliates except in the ordinary course of its business and on terms which are intrinsically fair and are no less favorable to it than would be obtained in a comparable arms-length transaction with an unrelated third party, (xxiii) will pay the salaries of its own employees from its own funds, (xxiv) will maintain adequate capital in light of its contemplated business operations, and (xxv) shall continue (and not dissolve) for so long as a solvent managing member, partner or shareholder exists.

(g) The liens and security interests granted hereby are not the type of lien referred in Chapter 575 of the Iowa Code, as now enacted or hereafter modified, amended or replaced, including without limitation, a common law lien, an equitable servitude lien, or a lien of similar nature. Mortgagor, for itself and all persons claiming by, through or under Mortgagor, agrees that it claims no lien or right to a lien of the type contemplated by Chapter 575 or any other chapter of the Code of Iowa and further waives all notices and rights pursuant to said law with respect to the liens and security interests hereby granted, and represents and warrants that it is the sole party entitled to do so and agrees to indemnify and hold harmless Mortgagee from any loss, damage and cost, including reasonable attorney's fees, threatened or suffered by Mortgagee arising either directly or indirectly as a result of any claim of the applicability of said law to the liens and security interests hereby granted.

(h) None of the Mortgaged Property constitutes, and the Mortgage Loan secured by this Mortgage will not be used to purchase any: (a) real property which is a single-family or a two-family dwelling occupied or to be occupied by Mortgagor; (b) agricultural products or

property used for an agricultural purpose as defined in Section 535.13 of the Iowa Code; (c) agricultural land as defined in Section 9H.1(2) or 9L.1(1) of the Iowa Code; (d) property used for an agricultural purpose as defined in Section 570A.1(2) of the Iowa Code; or (e) agricultural property as defined in Section 654A.1(1) of the Iowa Code.

(i) The provisions of Chapter 654A of the Iowa Code do not apply to the parties to this Mortgage with respect to the Obligations, the Mortgage Loan does not constitute a consumer credit transaction as defined in Section 537.1301(12) of the Iowa Code, and the Mortgage Loan is for business purposes as defined in Section 535.2(2)(a)(5) of the Iowa Code.

ARTICLE TWO

MAINTENANCE, OBLIGATIONS UNDER LEASES, TAXES AND LIENS, INSURANCE AND FINANCIAL REPORTS

Section 2-1. Maintenance. Mortgagor will cause the Mortgaged Property and every part thereof to be maintained, preserved and kept in safe and good repair, working order and condition, will abstain from and not permit the commission of waste in or about the Mortgaged Property, and will comply with all laws and regulations of any governmental authority with reference to the Mortgaged Property and the manner of using or operating the same, and with all restrictive covenants, if any, affecting the title to the Mortgaged Property, or any part thereof. Mortgagor also will from time to time make all necessary and proper repairs, renewals, replacements, additions and betterments thereto, so that the value and efficient use thereof shall be fully preserved and maintained and so as to comply with all laws and regulations as aforesaid. Mortgagor will not otherwise make any material modifications to the Mortgaged Property without the written consent of Mortgagee.

If Mortgagee has reasonable cause to believe that the Mortgaged Property is not in compliance with applicable laws and regulations (including environmental, health and safety laws and regulations), at the request of Mortgagee, from time to time, Mortgagor, at its sole cost and expense will furnish Mortgagee with engineering studies and soil tests with respect to the Mortgaged Property, the form, substance and results of which shall be satisfactory and certified to Mortgagee. If any such engineering studies or soil tests indicate any violation or potential violation, of environmental, health, safety or similar laws or regulations, then Mortgagor, at its sole cost and expense, will promptly take whatever corrective action is necessary to assure the Mortgaged Property is in full compliance with law.

Section 2-2. Lease Obligations. Mortgagor has, concurrently herewith, executed and delivered to Mortgagee the Assignment, wherein and whereby, among other things, Mortgagor has assigned to Mortgagee all of the rents, issues and profits and any and all leases of the Mortgaged Property, all as therein more specifically set forth, which Assignment is hereby incorporated herein by reference as fully and with the same effect as if set forth herein at length. Mortgagor agrees that it will duly perform and observe all of the terms and provisions on the landlord's part to be performed and observed under any and all leases of the Mortgaged Property and that it will refrain from any action or inaction which would result in the termination by the tenants thereunder of any such leases or in the diminution of the value thereof or of the rents,

issues, profits and revenues thereunder. Nothing herein contained shall be deemed to obligate Mortgagee to perform or discharge any obligation, duty or liability of landlord under any lease of the Mortgaged Property, and Mortgagor shall and does hereby agree to indemnify and hold Mortgagee and Lenders harmless from any and all liability, loss or damage which Mortgagee or Lenders may or might incur under any lease of the Mortgaged Property or by reason of the Assignment; and any and all such liability, loss or damage incurred by Mortgagee or Lenders, together with the costs and expenses, including reasonable attorneys' fees, incurred by Mortgagee or Lenders in the defense of any claims or demands therefor (whether successful or not), shall be so much additional indebtedness hereby secured, and Mortgagor shall reimburse Mortgagee and Lenders therefor on demand, together with interest at a rate equal to twelve percent (12%) per annum or, if less, the highest legal rate permitted under applicable law, until paid.

Mortgagor shall not lease or sublease any portion of the Mortgaged Property without the prior written consent of Mortgagee, nor will Mortgagor permit or enter into any sublease, assignment, modification, amendment or termination of any prior approved lease or sublease without the prior written consent of Mortgagee.

Section 2-3. Taxes, Other Governmental Charges, Liens and Utility Charges. Mortgagor shall, before any penalty attaches thereto, pay and discharge or cause to be paid and discharged all taxes, assessments, utility charges and other governmental charges imposed upon or against the Mortgaged Property or upon or against the Note, the Mortgage Loan or any Obligations secured hereby, and will not suffer to exist any mechanic's, statutory or other lien on the Mortgaged Property or any part thereof unless consented to by Mortgagee in writing. If Mortgagee is required by legislative enactment or judicial decision to pay any such tax, assessment or charge, then at the option of Mortgagee, the Note and the Mortgage Loan and any accrued interest thereon together with any additions to the mortgage debt shall be and become due and payable at the election of Mortgagee upon notice of such election to Mortgagor; provided, however, said election shall be unavailing and this Mortgage and such Note shall be and remain in effect as though said law had not been enacted or said decision had not been rendered if, notwithstanding such law or decision, Mortgagor lawfully pays such tax, assessments or charge to or for Mortgagee. Copies of paid tax and assessment receipts shall be furnished to Mortgagee not less than ten (10) days prior to the delinquent dates.

Nothing in this Section shall require the payment or discharge of any obligation imposed upon Mortgagor by this Section so long as Mortgagor, upon first notifying Mortgagee of its intent to do so, shall in good faith and at its own expense contest the same or the validity thereof by appropriate legal proceeding which permit the items contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom, unless Mortgagee shall notify Mortgagor that, in its opinion, by nonpayment of any such items, the lien of the Mortgage as to any part of the Mortgaged Property will be materially endangered or the Mortgaged Property, or any part thereof, will be subject to loss or forfeiture, in which event Mortgagor shall promptly pay such taxes, assessments or charges.

Section 2-4. Insurance. Mortgagor shall procure and maintain at all times such policies of insurance in forms and amounts and issued by companies, associations, or organizations

reasonably satisfactory to Mortgagee covering such casualties, risks, perils, liabilities and other hazards as set forth in Section 9.3 of the Loan Agreement.

Section 2-5. Advances. If Mortgagor shall fail to comply with any of the terms, covenants and conditions herein with respect to the procuring of insurance, the payment of taxes, assessments and other charges, the keeping of the Mortgaged Property in repair, or any other term, covenant or condition herein contained, Mortgagee may make advances to perform the same and, where necessary, enter the Mortgaged Property for the purpose of performing any such term, covenant or condition, and without limitation of the foregoing, Mortgagee may procure and place insurance coverage in accordance with the Loan Agreement. All sums so advanced shall be secured hereby in priority to the indebtedness evidenced by the Note, but no such advance shall be deemed to relieve Mortgagor from any default hereunder. After making any such advance, payments made pursuant to the Note shall be first applied toward reimbursement for any such advance and interest thereon, prior to the application toward accrued interest and principal payments due pursuant to the Note.

Section 2-6. Financial Information. Mortgagor shall furnish Mortgagee with such financial reports and statements as set forth in Section 9.8 of the Loan Agreement.

Section 2-7. Use of Mortgaged Property. Mortgagor shall furnish and keep in force a Certificate of Occupancy, or its equivalent, and comply with all restrictions affecting the Mortgaged Property and with all laws, ordinances, acts, rules, regulations and orders of any legislative, executive, administrative or judicial body, commission or officer (whether Federal, State or local), exercising any power of regulation or supervision over Mortgagor, or any part of the Mortgaged Property, whether the same be directed to the erection, repair, manner of use or structural alteration of buildings or otherwise. Mortgagor shall not initiate, join in, acquiesce in, or consent to any change in any private restrictive covenant, zoning law or other public or private restriction, limiting or defining the uses which may be made of the Mortgaged Property or any part thereof, nor shall Mortgagor initiate, join in, acquiesce in, or consent to any zoning change or zoning matter affecting the Mortgaged Property. If under applicable zoning provisions the use of all or any portion of the Mortgaged Property is or shall become a nonconforming use, Mortgagor will not cause or permit such nonconforming use to be discontinued or abandoned without the express written consent of Mortgagee. Mortgagor shall not permit or suffer to occur any waste on or to the Mortgaged Property or to any portion thereof and shall not take any steps whatsoever to convert the Mortgaged Property, or any portion thereof, to a condominium or cooperative form of management. Mortgagor will not install or permit to be installed on the Mortgaged Property any underground storage tank.

Section 2-8. Escrows. Mortgagor shall maintain escrows and reserves as set forth in Section 4.4 of the Loan Agreement.

ARTICLE THREE

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 3-1. Application of Insurance Proceeds. Whether or not Mortgagee's security is impaired, Mortgagee may, at Mortgagee's election, receive and retain the proceeds of any insurance and apply the proceeds in accordance with Section 9.3(d) of the Loan Agreement.

Section 3-2. Application of Condemnation Award. Should any of the Mortgaged Property be taken by exercise of the power of eminent domain, any award or consideration for the property so taken shall be paid over to Mortgagee and shall be applied in accordance with Section 9.3(d) of the Loan Agreement. Mortgagee is authorized at its option to compromise and settle all awards or consideration for the property so taken. Any such awards, if applied to the reduction of indebtedness, shall not reduce or postpone the monthly payments otherwise required pursuant to the Note or the Loan Agreement. No interest shall be payable to Mortgagor on any award while held by Mortgagee.

Section 3-3. Mortgagee to Make Proceeds Available. Notwithstanding the provisions of Sections 3-1 and 3-2 above, in the event of insured damage to the Mortgaged Property or in the event of a taking by eminent domain of only a portion of the Mortgaged Property, and provided that: (a) the portion remaining can with restoration or repair continue to be operated for the purposes utilized immediately prior to such damage or taking; (b) the appraised value of the Mortgaged Property after such restoration or repair shall not have been reduced from the appraised value as of the date hereof; (c) no Event of Default exists hereunder or under the Loan Agreement or any other Loan Document; and (d) the leases require Mortgagor to restore or repair the Mortgaged Property and the leases remain in full force and effect and the tenants thereunder certify to Mortgagee their intention to remain in possession of the leased premises without any reduction in rental payments (other than temporary abatements during the period of restoration and repair), Mortgagee agrees to make the insurance proceeds or condemnation awards available for such restoration and repair, except for proceeds payable pursuant to Section 2-4(a)(iii) or as otherwise payable under Section 9.3(d) of the Loan Agreement. Mortgagee may, at its option, hold such proceeds or awards in escrow (subject to the following paragraph) until the required restoration and repair has been satisfactorily completed and all costs and expenses incurred by Mortgagee in administering the same, including without limitation any costs of inspect, shall be paid or reimbursed by Mortgagor. No interest shall be payable to Mortgagor with respect to any such escrow.

In the event insurance proceeds or condemnation awards are made available for restoration in accordance with the foregoing, such proceeds shall be made available, from time to time, upon Mortgagee being furnished with such information, documents, instruments and certificates as Mortgagee may require, including, but not limited to, satisfactory evidence of the estimated cost of completion of the repair or restoration of the Mortgaged Property, such architect's certificates, waivers of lien, contractor's sworn statements and other evidence of cost and of payments, including, at the option of Mortgagee, insurance against mechanics' liens and/or a performance bond or bonds in form satisfactory to Mortgagee, with premium fully prepaid, under the terms of which Mortgagee shall be either the sole or dual obligee, and which

shall be written with such surety company or companies as may be satisfactory to Mortgagee, and all plans and specifications for such rebuilding or restoration which shall be subject to approval by Mortgagee. No payment made prior to the final completion of the work shall exceed ninety percent (90%) of the value of the work performed, from time to time, and at all times the undisbursed balance of said proceeds, plus additional funds deposited by Mortgagor remaining in the hands of Mortgagee shall be at least sufficient to pay for the cost of completion of the work free and clear of liens.

ARTICLE FOUR

DEFAULT PROVISIONS AND REMEDIES OF MORTGAGEE

Section 4-1. Events of Default. If any of the following events occurs, it is hereby defined as and declared to be and to constitute an “**Event of Default**”:

(a) failure by Mortgagor to pay when due (including any applicable grace period) any amounts required to be paid hereunder (including without limitation real estate taxes and escrow payments) or under the Note at the time specified herein or therein; or

(b) an event as to which Mortgagee elects to accelerate the Mortgage Loan as provided for in Section 1-4 above or failure by Mortgagor to observe and perform the covenants, conditions and agreements set forth in Section 2-4 above; or

(c) failure by Mortgagor to observe and perform any covenant, condition or agreement on its part to be observed or performed in this Mortgage, the Loan Agreement or the Note other than as referred to in (a) and (b) above, beyond any applicable notice and cure period as may be set forth in the Loan Agreement; or

(d) if any representation or warranty made in writing by or on behalf of Mortgagor in this Mortgage or any other Loan Document, any financial statement, certificate, or report furnished in order to induce Mortgagee to make the loan secured by this Mortgage, shall prove to have been false or incorrect in any material respect, or materially misleading as of the time such representation or warranty was made; or

(e) if Mortgagor shall:

(i) admit in writing its inability to pay its debts generally as they become due; or

(ii) file a petition in bankruptcy to be adjudicated a voluntary bankrupt or file a similar petition under any insolvency act, or have filed against it a petition in bankruptcy and such petition is not dismissed or discharged within sixty (60) days after the filing thereof, or

(iii) make an assignment for the benefit of its creditors, or

(iv) consent to the appointment of a receiver of itself or of the whole or any substantial part of its property; or

(f) Mortgagor shall file a petition or answer seeking reorganization or arrangement of Mortgagor under the Federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or

(g) an event of default (however defined) has occurred under the Loan Agreement or any other Loan Document and the period for cure thereof, if any, has elapsed without cure; or

(h) Mortgagor shall be in default of, or in violation of, beyond any applicable grace period, any conditions, covenants or restrictions that benefit or burden the Mortgaged Property.

Section 4-2. Acceleration. Upon the occurrence of an Event of Default, Mortgagee may declare the principal of and the accrued interest of the Note and the Mortgage Loan, and including all sums advanced hereunder with interest, to be forthwith due and payable, and thereupon the Note and the Mortgage Loan, including both principal and all interest accrued thereon, and including all sums advanced hereunder and interest thereon, shall be and become immediately due and payable without presentment, demand or further notice of any kind.

Section 4-3. Remedies of Mortgagee. Upon the occurrence and continuance of an Event of Default, or in case the principal of the Note or the Mortgage Loan shall have become due and payable, whether by lapse of time or by acceleration, then and in every such case Mortgagee may (and is hereby authorized and empowered to) foreclose this Mortgage in accordance with the law of the State of Iowa and proceed to protect and enforce its right by a suit or suits in equity or at law, either for the specific performance of any covenant or agreement contained herein or in the Assignment or the Note, or in aid of the execution of any power herein or therein granted, and performance of any Obligations, or for the enforcement of any other appropriate legal or equitable remedy.

In case of any sale of the Mortgaged Property pursuant to any judgment or decree of any court or otherwise in connection with the enforcement of any of the terms of this Mortgage, Mortgagee, its successors or assigns, may become the purchaser, and for the purpose of making settlement for or payment of the purchase price, shall to the extent allowed by applicable law, be entitled to turn in and use the Note and any claims for interest matured and unpaid thereon, together with additions to the mortgage debt, if any, in order that such sums may be credited as paid on the purchase price.

Each and every power or remedy herein specifically given shall be in addition to every other power or remedy, existing or implied, given now or hereafter existing at law or in equity, and each and every power and remedy herein specifically given or otherwise so existing may be exercised from time to time and as often and in such order as may be deemed expedient by Mortgagee, and the exercise or the beginning of the exercise of one power or remedy shall not be deemed a waiver of the right to exercise at the same time or thereafter any other power or remedy. No delay or omission of Mortgagee in the exercise of any right or power accruing

hereunder shall impair any such right or power or be construed to be a waiver of any default or acquiescence therein.

Section 4-4. Appointment of Receiver or Fiscal Agent. After the happening of any Event of Default and during its continuance or upon the commencement of any proceedings to foreclose this Mortgage or to enforce the specific performance hereof or in aid thereof or upon the commencement of any other judicial proceeding to enforce any right of Mortgagee, Mortgagee shall be entitled, as a matter of right, if it shall so elect, without the giving of notice to any other party and without regard to the adequacy or inadequacy of any security for the mortgage indebtedness, forthwith either before or after declaring the unpaid principal of the Note or the Revolving Loan to be due and payable, to the appointment of a receiver or receivers or a fiscal agent or fiscal agents.

Section 4-5. Proceeds of Sale. In any suit to foreclose the lien of this Mortgage, there shall be allowed and included in the decree for sale, to be paid out of the rents or the proceeds of such sale:

(a) all principal and interest remaining unpaid on the Note and the Mortgage Loan secured hereby with interest at twelve percent (12%) per annum or, if less, the highest legal rate permitted under applicable law from the date due until paid;

(b) all late charges, if any, and all other items advanced or paid by Mortgagee pursuant to this Mortgage, with interest at twelve percent (12%) per annum or, if less, the highest legal rate permitted under applicable law from the date of advancement until paid; and

(c) all court costs, attorney's fees, appraiser's fees, environmental audits, expenditures for documentary and expert evidence, stenographer's charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches and examinations, title insurance policies, Torrens certificates and similar data with respect to title which Mortgagee may deem necessary. All such expenses (whether incurred before or after the judgment of foreclosure) shall become additional indebtedness secured hereby and immediately due and payable, with interest at twelve percent (12%) per annum or, if less, the highest legal rate permitted under applicable law, when paid or incurred by Mortgagee in connection with any proceeding, including probate and bankruptcy proceedings, to which Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured or in connection with preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose, whether or not actually commenced.

The proceeds of any foreclosure sale shall be distributed and applied to the items described in (a), (b) and (c) of this Section, inversely to the order of their listing.

Section 4-6. Waiver of Events of Default; Forbearance. Mortgagee may in its discretion waive any Event of Default hereunder and its consequences and rescind any declaration of acceleration of principal. No forbearance by Mortgagee in the exercise of any right or remedy hereunder shall affect the ability of Mortgagee to thereafter exercise any such

right or remedy.

Section 4-7. Waiver of Extension, Marshalling; Other. Mortgagor hereby waives to the full extent lawfully allowed the benefit of any appraisement, homestead, moratorium, stay and extension laws now or hereafter in force. Mortgagor hereby further waives any rights available with respect to marshalling of assets so as to require the separate sales of any portion of the Mortgaged Property, or as to require Mortgagee to exhaust its remedies against a specific portion of the Mortgaged Property before proceeding against any other, and does hereby expressly consent to and authorize the sale of the Mortgaged Property as a single unit or parcel. To the maximum extent permitted by law, Mortgagor irrevocably and unconditionally WAIVES and RELEASES any present or future rights (a) of reinstatement or redemption, (b) that may exempt the Mortgaged Property from any civil process, (c) to appraisal or valuation of the Mortgaged Property, (d) to extension of time for payment, (e) that may subject Mortgagee's exercise of its remedies to the administration of any decedent's estate or to any partition or liquidation action, (f) to any homestead and exemption rights provided by the Constitution and laws of the United States and of Iowa, (g) to notice of acceleration or notice of intent to accelerate (other than as expressly stated herein), and (h) that in any way would delay or defeat the right of Mortgagee to cause the sale of the Mortgaged Property for the purpose of satisfying the obligations secured hereby. Mortgagor agrees that the price paid at a lawful foreclosure sale, whether by Mortgagee or by a third party, and whether paid through cancellation of all or a portion of the Note or in cash, shall conclusively establish the value of the Mortgaged Property.

Section 4-8. Redemption.

(a) 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 year for redemption from said sale provided by the statutes of the State of Iowa shall be reduced to six (6) months or reduced to three (3) months if the property is not used for an agricultural purpose as defined in Section 535.13 of the Iowa Code, provided the Mortgagee, in such action, files an election to waive any deficiency judgment against Mortgagor which may arise out of the foreclosure proceedings; all to be consistent with the provisions of Chapter 628 of the Iowa Code. If the redemption period is so reduced, for the first two (2) months after 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 Iowa Code shall be reduced to three (3) months.

(b) 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) Mortgagee in such action files an election to waive any deficiency judgment against Mortgagor or their successor in interest in such action. If the redemption period is so reduced, 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 Iowa Code shall be reduced to forty (40) days.

(c) If the real property subject to the Mortgage is not used for agricultural purposes, as defined in Section 535.13 of the Iowa Code and is either not the residence of Mortgagor or owner, or is such a residence but is not a single family or a two family dwelling, and if Mortgagee waives its right to a deficiency judgment in the foreclosure action, the redemption period shall be reduced to ninety (90) days, consistent with the provisions of Section 628.28 of the Iowa Code.

(d) This Mortgage may be foreclosed without redemption pursuant to §654.20 of the Iowa Code. This Mortgage may also be foreclosed by nonjudicial procedure pursuant to Chapter 655A of the Iowa Code, or by alternative nonjudicial voluntary foreclosure pursuant to Section 654.18 of the Iowa Code.

(e) The reduction of any redemption period pursuant to this Section shall be consistent with all of the provisions of Chapter 628 of the Iowa Code. Nothing in this Section 4-8 shall be construed to limit or otherwise affect any other redemption provisions contained in Chapter 628 of the Iowa Code or any other Chapter of the Iowa Code, whether now in effect or hereafter adopted.

Section 4-9. Costs of Collection. If the Note is placed in the hands of an attorney for collection by suit or otherwise, or to enforce its collection, or to protect the security for its payment, Mortgagor immediately and without demand, will pay all costs of collection and litigation together with reasonable attorneys' fees. In the event of a judgment on the Note, Mortgagor agrees to pay to Mortgagee on demand all costs and expenses incurred by Mortgagee in satisfying such judgment, including without limitation, reasonable fees and expenses of Mortgagee's counsel, including taxes and post judgment insurance. It is expressly understood that such agreement by Mortgagor to pay the aforesaid post-judgment costs and expenses of Mortgagee and Lenders is absolute and unconditional and (i) shall survive (and not merge into) the entry of a judgment for amounts owing hereunder and (ii) shall not be limited regardless of whether the Note or other obligation of Mortgagor or a guarantor, as applicable, is secured or unsecured, and regardless of whether Mortgagee exercises any available rights or remedies against any collateral pledged as security for the Note and shall not be limited or extinguished by merger of the Note, Mortgage or other Loan Documents into a judgment of foreclosure or other judgment of a court of competent jurisdiction, and shall remain in full force and effect post judgment and shall continue in full force and effect with regard to any subsequent proceedings in a court of competent jurisdiction including but not limited to bankruptcy court and shall remain in full force and effect after collection of such foreclosure or other judgment until such fees and costs are paid in full. Such fees or costs shall be added to Mortgagee's lien on the Mortgaged Property that which shall also survive post foreclosure or other judgment and post collection of said judgment.

Section 4-10. Surrender of Note. In the event of foreclosure of this Mortgage, Mortgagor hereby agrees that the Court may, and the Mortgagee may request the Court to, enter a special order directing the Clerk of the Court to enter and record the judgment contained in the foreclosure decree on the Note or other written evidence of indebtedness secured by this Mortgage ("**Instruments**") without requiring that the Instruments be first filed with the Clerk of

Court for cancellation. Mortgagor further agrees, because the Instruments secured by this Mortgage are also secured by other collateral and will be necessary for any realization upon such collateral, that notwithstanding Iowa Rule of Civil Procedure 1.961, as presently enacted or as hereinafter amended or replaced, the Clerk of Court may, in the event of foreclosure of this Mortgage, enter and record the judgment contained in the foreclosure decree on the Instruments secured by this Mortgage without requirement that the Instruments be first filed with the Clerk of Court for cancellation.

ARTICLE FIVE

MORTGAGEE

Section 5-1. Right of Inspection. At any and all reasonable times, Mortgagee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right fully to inspect any and all of the property herein conveyed, including all books and records of Mortgagor pertaining to the Mortgaged Property, and to take such memoranda from and in regard thereto as may be desired.

Section 5-2. Right of Mortgagee to Pay Taxes and Other Charges. In case any tax, assessment or governmental or other charge upon any part of the Mortgaged Property or any insurance premium with respect thereto is not paid, to the extent, if any, that the same is legally payable, Mortgagee may pay such tax, assessment, governmental charge or premium, without prejudice, however, to any rights of Mortgagee hereunder arising in consequence of such failure; and any amount at any time so paid under this Section (whether incurred before or after judgment of foreclosure), with interest thereon from the date of payment at a rate equal to twelve percent (12%) per annum or, if less, the highest legal rate permitted under applicable law, until paid, shall be repaid to Mortgagee upon demand and shall become so much additional indebtedness secured by this Mortgage, and the same shall be given a preference in payment over principal of or interest on the Note, but Mortgagee shall be under no obligation to make any such payment.

Section 5-3. Reimbursement of Mortgagee. If any action or proceeding be commenced (except an action to foreclose this Mortgage), to which action or proceeding Mortgagee is made a party, or in which it becomes necessary, in Mortgagee's reasonable opinion, to defend or uphold the lien of this Mortgage, or to protect the Mortgaged Property or any part thereof, all reasonable sums paid by Mortgagee to establish or defend the rights and lien of this Mortgage or to protect the Mortgaged Property or any part thereof (including reasonable attorneys' fees, and costs and allowances) and whether suit be brought or not, shall be paid, upon demand, to Mortgagee by Mortgagor, together with interest at a rate equal to twelve percent (12%) per annum or, if less, the highest legal rate permitted under applicable law, until paid. Any such sum or sums and the interest thereon shall be secured hereby in priority to the indebtedness evidenced by the Note.

Section 5-4. Release of Mortgaged Property. Mortgagee shall have the right at any time, and from time to time, at its discretion to release from the lien of this Mortgage all or any part of the Mortgaged Property without in any way prejudicing its rights with respect to all of the Mortgaged Property not so released.

ARTICLE SIX

SECURITY AGREEMENT

Section 6-1. Security Agreement and Financing Statement Under Uniform Commercial Code. This Mortgage is also intended to be a security agreement pursuant to the UCC as to the Mortgaged Property, including without limitation, all personal property which under applicable law may be made subject to a security interest (“**Collateral**”). Mortgagor (being a debtor as that term is used in the UCC) hereby grants to Mortgagee (being the secured party as that term is used in the UCC) a security interest in the Collateral in which Mortgagor now or hereafter has any rights, including without limitation, any proceeds generated therefrom (although such coverage shall not be interpreted to mean that Mortgagee consents to the sale of any of the Collateral) as security for payment of the Obligations. Mortgagor hereby authorizes Mortgagee to file financing statements covering the Collateral. This Mortgage constitutes a security agreement and a financing statement, including a fixture financing statement, under the UCC, to be filed or recorded in the Office of the Recorder of the County in which the Land is located. For this purpose, the name and address of the debtor is the name and address of Mortgagor as set forth in the introductory paragraph to this Mortgage and the name and address of the secured party is the name and address of Mortgagee as set forth in the introductory paragraph to this Mortgage. Mortgagor is a record owner of the real estate described herein. All of the terms, provisions, conditions and agreements contained in this Mortgage pertain and apply to the Collateral as fully and to the same extent as to any other property comprising the Mortgaged Property; and the following provisions of this Article shall not limit the generality or applicability of any other provision of this Mortgage but shall be in addition thereto.

Section 6-2. Defined Terms. The terms and provisions contained in this Article shall, unless the context otherwise requires, have the meanings and be construed as provided in the UCC.

Section 6-3. Mortgagor’s Representations and Warranties. Mortgagor represents that:

(a) It has rights in, or the power to transfer, the Collateral, and the Collateral is subject to no liens, charges or encumbrances other than the lien hereof.

(b) As of the date of this Mortgage, no other party has a perfected interest in any of the Collateral.

(c) It is an organization, being a limited liability company organized under the laws of the State of Iowa.

(d) Its chief executive office and principal place of business is located at c/o Azria Health Management, LLC, 702 S. Highway 6, Gretna, NE 68028.

Section 6-4. Mortgagor's Obligations. Mortgagor agrees that until its Obligations hereunder are paid and performed in full:

(a) It shall not change its legal name, its type of organization or its state of organization, and shall not merge or consolidate with any other person or entity without at least thirty (30) days prior written notice to Mortgagee.

(b) It shall not pledge, mortgage or create, or suffer to exist a security interest in the Collateral in favor of any person other than Mortgagee.

(c) It shall keep the Collateral in good order and repair and will not use the same in violation of law or any policy of insurance thereon.

(d) It shall use the Collateral solely for business purposes, being installed upon the Mortgaged Property for Mortgagor's own use or as the equipment and furnishings furnished by Mortgagor, as landlord, to tenants of the Mortgaged Property.

(e) It shall keep the Collateral at the Land and shall not remove, sell, assign or transfer it therefrom, nor allow a third party to do so, without the prior written consent of Mortgagee, which may be withheld in Mortgagee's sole and absolute discretion, unless disposed of in the ordinary course of business and replaced with items of comparable utility and/or quality and value free and clear of all liens or title retention devices except purchase money security interests. The Collateral may be affixed to such real estate but will not be affixed to any other real estate.

(f) It will, on its own initiative, or as Mortgagee may from time to time reasonably request, and at its own cost and expense, take all steps necessary and appropriate to establish and maintain Mortgagee's perfected security interest in the Collateral subject to no adverse liens or encumbrances, including, but not limited to, furnishing to Mortgagee additional information, delivering possession of the Collateral to Mortgagee, executing and delivering to Mortgagee financing statements and other documents in a form satisfactory to Mortgagee, placing a legend that is acceptable to Mortgagee on all chattel paper created by Mortgagor indicating that Mortgagee has a security interest in the chattel paper and assisting Mortgagee in obtaining executed copies of any and all documents required of third parties. Mortgagee is authorized to file a financing statement with respect to the Collateral.

Section 6-5. Right of Inspection. At any and all reasonable times, Mortgagee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right to inspect the Collateral fully to ensure compliance with this Mortgage.

Section 6-6. Remedies.

(a) Upon an Event of Default hereunder and at any time thereafter, Mortgagee at its option may declare the indebtedness and Obligations hereby secured immediately due and payable, and thereupon Mortgagee shall have the remedies of a secured party under the UCC, including without limitation, the right to take immediate and exclusive possession of the

Collateral, or any part thereof, and for that purpose may, so far as Mortgagor can give authority therefor, with or without judicial process, enter (if this can be done without breach of the peace) upon any place where the Collateral or any part thereof may be situated and remove the same therefrom (provided that if the Collateral is affixed to real estate, such removal shall be subject to the conditions stated in the UCC); and Mortgagee shall be entitled to hold, maintain, preserve and prepare the Collateral for sale, until disposed of, or may propose to retain the Collateral subject to Mortgagor's right of redemption in satisfaction of Mortgagor's obligations, as provided in the UCC. Mortgagee, without removal, may render the Collateral unusable and dispose of the Collateral on the Mortgaged Property. Mortgagee may require Mortgagor to assemble the Collateral and make it available to Mortgagee for its possession at a place to be designated by Mortgagee which is reasonably convenient to both parties. Mortgagee will give Mortgagor at least ten (10) days' notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is made. The requirements of reasonable notice shall be met if such notice is mailed, by certified mail or equivalent, postage prepaid, to the address of Mortgagor hereinabove set forth and at least ten (10) days before the time of the sale or disposition. Mortgagee may buy at any public sale and, if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations, Mortgagee may buy at private sale. To the extent allowed by applicable law, any such sale may be held as part of and in conjunction with any foreclosure sale of the real estate comprised within the Mortgaged Property, the Collateral and real estate to be sold as one lot if Mortgagee so elects. The net proceeds realized upon any such disposition, after deduction for the expenses of retaking, holding, preparing for sale, selling or the like and the reasonable attorneys' fees and legal expenses incurred by Mortgagee, shall be applied in satisfaction of the indebtedness and other Obligations hereby secured. Mortgagee will account to Mortgagor for any surplus realized on such disposition.

(b) The remedies of Mortgagee and Lenders hereunder are cumulative and the exercise of any one or more of the remedies provided for herein or under the UCC shall not be construed as a waiver of any of the other remedies of Mortgagee, including having the Collateral deemed part of the realty upon and foreclosure thereof so long as any part of the indebtedness or other Obligations hereby secured remains unsatisfied.

Section 6-7. Fixture Filing. This Mortgage creates a security interest in goods which are or are to become fixtures related to the real estate described in Exhibit A, shall be effective as a fixture filing and is to be filed in the real estate records.

ARTICLE SEVEN

MISCELLANEOUS

Section 7-1. Additions to Mortgaged Property. In the event any additional improvements, Equipment, or property not herein specifically identified shall be or in the future become a part of the Mortgaged Property by location or installation on the Mortgaged Property or otherwise, then this Mortgage shall immediately attach to and constitute a lien or security interest against such additional items without further act or deed of Mortgagor.

Section 7-2. Additional Notes. Mortgagor may also issue additional notes (the “**Additional Notes**”) from time to time in order to evidence additional indebtedness of Mortgagor to Mortgagee. The Additional Notes shall be equally and proportionately secured by the lien of this Mortgage with the Note, without preference, priority or distinction as to lien or otherwise, notwithstanding the date of issuance thereof. From and after the issuance of any Additional Notes, the term Note shall be deemed to include the Additional Notes in respect to all matters of benefits and security under and in the enforcement of this Mortgage.

Section 7-3. Defined Terms. Capitalized terms used and not specifically defined herein have the meanings given to such terms in the Loan Agreement.

Section 7-4. Supplements or Amendments. This Mortgage may not be supplemented or amended except by written agreement between Mortgagee and Mortgagor.

Section 7-5. Successors and Assigns. All provisions hereof shall inure to and bind the respective successors, and assigns of the parties hereto. The word Mortgagor shall include all persons claiming under or through Mortgagor and all persons liable for the payment of indebtedness or any part thereof, whether or not such persons shall have executed the Note or this Mortgage. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

Section 7-6. Notices. All notices, demands, consents or requests which are either required or desired to be given or furnished hereunder (a “**Notice**”) shall be in writing and shall be deemed to have been properly given if either delivered personally or by overnight commercial courier or sent by United States registered or certified mail, postage prepaid, return receipt requested, to the address of the parties hereinabove set out. Such Notice shall be effective upon receipt or refusal if by personal delivery, the first Business Day (a day other than a Saturday, Sunday or holiday on which national banks are authorized to be closed) after the deposit of such Notice with an overnight courier service by the time deadline for next Business Day delivery if by commercial courier, and upon the earliest of receipt or refusal (which shall include a failure to respond to notification of delivery by the U.S. Postal Service) or five (5) Business Days following mailing if sent by U.S. Postal Service mail. By Notice complying with the foregoing, each party may from time to time change the address to be subsequently applicable to it for the purpose of the foregoing.

Section 7-7. Severability. If any provision of this Mortgage shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or render the same invalid, inoperative, or unenforceable to any extent whatever.

Section 7-8. Choice of Law. This Mortgage shall be construed and enforced according to and governed by the laws of Iowa (excluding conflicts of laws and choice of laws rules) and applicable federal law.

Section 7-9. Captions. All captions and headings in this Mortgage are included for convenience or reference only and shall in no respect constitute a part of the terms hereof nor describe, define or in any manner limit the scope of this Mortgage, any interest granted hereby or

any term or provision hereof.

Section 7-10. Counterparts. This Mortgage may be executed in any number of counterparts, each of which shall be deemed an original (except an original will be required for recording), but all of which when taken together shall constitute but one and the same instrument. Executed copies of the signature pages of this Mortgage sent by facsimile or transmitted electronically in Portable Document Format (“**PDF**”) shall be treated as originals, fully binding and with full legal force and effect, and the parties waive any rights they may have to object to such treatment. Any party delivering an executed counterpart of this Mortgage by facsimile or PDF also shall deliver a manually executed counterpart of this Mortgage, but the failure to deliver a manually executed counterpart should not affect the validity, enforceability, and binding effect of this Mortgage. The pages of any counterpart of this Mortgage containing any party’s signature or the acknowledgement of such party’s signature hereto may be detached therefrom without impairing the effect of the signature or acknowledgement provided such pages are attached to any other counterpart identical thereto except having additional pages containing the signatures or acknowledgements thereof of other parties.

Section 7-11. Further Assurances. Mortgagor will, from time to time, upon ten (10) business days’ prior written request from Mortgagee, make, execute, acknowledge and deliver to Mortgagee such supplemental mortgages, certificates and other documents, as may be necessary for better assuring and confirming unto Mortgagee any of the Mortgaged Property, or for more particularly identifying and describing the Mortgaged Property, or to preserve or protect the priority of the lien of this Mortgage, and generally do and perform such other acts and things and execute and deliver such other instruments and documents as may reasonably be deemed necessary or advisable by Mortgagee to carry out the intentions of this Mortgage.

Section 7-12. Discrete Premises. Mortgagor shall not by act or omission permit any building or other improvement on any premises not subject to the lien of this Mortgage to rely on the Mortgaged Property or any part thereof or any interest therein to fulfill any municipal or governmental requirement, and Mortgagor hereby assigns to Mortgagee any and all rights to give consent for all or any portion of the Mortgaged Property or any interest therein to be so used. Similarly, no building or other improvement on the Mortgaged Property shall rely on any premises not subject to the lien of this Mortgage or any interest therein to fulfill any governmental or municipal requirement. Mortgagor shall not by act or omission impair the integrity of the Mortgaged Property as a single zoning lot separate and apart from all other premises. Any act or omission by Mortgagor which would result in a violation of any of the provisions of this paragraph shall be void.

Section 7-13. Certificates. Mortgagor and Mortgagee each will, from time to time, upon ten (10) business days’ prior written request by the other party, execute, acknowledge and deliver to the requesting party, a certificate signed by an appropriate officer, stating that this Mortgage is unmodified and in full force and effect (or, if there have been modifications, that this Mortgage is in full force and effect as modified and setting forth such modifications) and stating the principal amount secured hereby and the interest accrued to date on such principal amount. Such estoppel certificate from Mortgagee shall also state either that, to the actual knowledge of the signer of such certificate and based on no independent investigation, no Event of Default or

occurrence which with the passage of time or the giving of notice would be or become an Event of Default exists hereunder or, if any Event of Default or such occurrence shall exist hereunder, specify such Event of Default or such occurrence of which Mortgagee has actual knowledge. The estoppel certificate from Mortgagor shall also state to the best knowledge of Mortgagor whether any offsets or defenses to the indebtedness exist and if so shall identify them.

Section 7-14. Usury Savings. All agreements between Mortgagor and Mortgagee (including, without limitation, those contained in this Mortgage, the Note or any other Loan Document) are expressly limited so that in no event whatsoever shall the amount paid or agreed to be paid to Mortgagee exceed the highest lawful rate of interest permissible under the laws of the State of Iowa. If, from any circumstances whatsoever, fulfillment of any provision hereof or the Note or any other documents securing the indebtedness at the time performance of such provision shall be due, shall involve the payment of interest exceeding the highest rate of interest permitted by law which a court of competent jurisdiction may deem applicable hereto, then, ipso facto, the obligation to be fulfilled shall be reduced to the highest lawful rate of interest permissible under the laws of Iowa; and if for any reason whatsoever Mortgagee shall ever receive as interest an amount which would be deemed unlawful, such interest shall be applied to the payment of the last maturing installment or installments of the principal indebtedness secured hereby (whether or not then due and payable) and not to the payment of interest.

Section 7-15. Regulation U. Mortgagor covenants and agrees that it shall constitute an Event of Default hereunder if any of the proceeds of the loan for which the Note is given will be used, or were used, as the case may be, for the purpose (whether immediate, incidental or ultimate) of "purchasing" or "carrying" any "margin security" as such terms are defined in Regulation U of the Board of Governors of the Federal Reserve System (12 CFR Part 221) or for the purpose of reducing or retiring any indebtedness which was originally incurred for any such purpose.

Section 7-16. Waiver of Co-Tenancy Rights. Mortgagor, and each party comprising Mortgagor, hereby waives all of their respective co-tenancy rights provided at law or in equity for tenants in common between, among or against each other, including, without limitation, any right to partition the Mortgaged Property.

Section 7-17. ERISA. Mortgagor hereby represents, warrants and agrees that as of the date hereof, none of the investors in or owners of Mortgagor is an employee benefit plan as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974 as amended, a plan as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986 as amended, nor an entity the assets of which are deemed to include plan assets pursuant to Department of Labor regulation Section 2510.3-101 (the "**Plan Asset Regulation**"). Mortgagor further represents, warrants and agrees that at all times during the term of the Note, Mortgagor shall satisfy an exception to the Plan Asset Regulation, such that the assets of Mortgagor shall not be deemed to include plan assets. If at any time during the entire term of the Note any of the investors in or owners of Mortgagor shall include a plan or entity described in the first sentence of this Section, Mortgagor shall as soon as reasonably possible following an investment by such a plan or entity, provide Mortgagee with an opinion of counsel reasonably satisfactory to Mortgagee indicating that the assets of Mortgagor are not deemed to include plan assets pursuant to the Plan Asset

Regulation. In lieu of such an opinion, Mortgagee may in its sole discretion accept such other assurances from Mortgagor as are necessary to satisfy Mortgagee in its sole discretion that the assets of Mortgagor are not deemed to include plan assets pursuant to the Plan Asset Regulation. Mortgagor understands that the representations and warranties herein are a material inducement to Mortgagee in the making of the loan evidenced by the Note, without which Mortgagee would have been unwilling to proceed with the closing of the loan.

Section 7-18. Certain Disclosures. Mortgagee (and its mortgage servicer and their respective assigns) shall have the right to disclose in confidence such financial information regarding Mortgagor, any guarantor or the Mortgaged Property as may be necessary (i) to complete any sale or attempted sale of the Note or participations in the Mortgage Loan (or any transfer of the mortgage servicing thereof) evidenced by the Note and any Loan Documents, (ii) to service the Note or (iii) to furnish information concerning the payment status of the Note to the holder or beneficial owner thereof, including, without limitation, all Loan Documents, financial statements, projections, internal memoranda, audits, reports, payment history, appraisals and any and all other information and documentation in Mortgagee's files (and such servicer's files) relating to Mortgagor, any guarantor and the Mortgaged Property. This authorization shall be irrevocable in favor of Mortgagee (and its mortgage servicer and their respective assigns), and Mortgagor and any guarantor waive any claims that they may have against Mortgagee, its mortgage servicer and their respective assigns or the party receiving information from Mortgagee pursuant hereto regarding disclosure of information in such files and further waive any alleged damages which they may suffer as a result of such disclosure.

Section 7-19. Integration. This Mortgage is intended by the parties hereto to be the final, complete and exclusive expression of the agreement between them with respect to the matters set forth herein. This Mortgage supersedes any and all prior oral or written agreements relating to the subject matter hereof and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no oral agreements between the parties.

Section 7-20. No Merger. It being the desire and intention of the parties hereto that this Mortgage and the lien hereof do not merge in fee simple title to the Mortgaged Property, it is hereby understood and agreed that should Mortgagee acquire an additional or other interests in or to the Mortgaged Property or the ownership thereof, then, unless a contrary intent is manifested by Mortgagee as evidenced by an express statement to that effect in appropriate document duly recorded, to the extent allowed by applicable law, this Mortgage and the lien hereof shall not merge in the fee simple title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title. Further, it is not the intention of the parties that any obligation of Mortgagor to pay or to reimburse Mortgagee for costs and expenses, including attorneys' fees and costs, be merged in any foreclosure judgment or the conclusion of any other enforcement action, and, to the extent allowed by applicable law, all such obligations shall survive the entry of any foreclosure judgment or the conclusion of any other enforcement action.

Section 7-21. Construction. Each of the parties hereto has been represented by counsel and the terms of this Mortgage have been fully negotiated. This agreement shall not be construed more strongly against any party regardless of which party may be considered to have

been more responsible for its preparation.

Section 7-22. Waiver. THE PARTIES HERETO, AFTER CONSULTING OR HAVING HAD THE OPPORTUNITY TO CONSULT WITH COUNSEL, KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE, TO THE FULL EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED ON OR ARISING OUT OF THIS MORTGAGE, OR ANY RELATED INSTRUMENT OR AGREEMENT, OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR ANY COURSE OF CONDUCT, DEALING, STATEMENTS, WHETHER ORAL OR WRITTEN, OR ACTION OF ANY PARTY HERETO. NO PARTY SHALL SEEK TO CONSOLIDATE BY COUNTERCLAIM OR OTHERWISE, ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THESE PROVISIONS SHALL NOT BE DEEMED TO HAVE BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY ANY PARTY HERETO EXCEPT BY A WRITTEN INSTRUMENT EXECUTED BY ALL PARTIES.

Section 7-23. Inconsistencies. In the event of any inconsistency between this Mortgage and the Loan Agreement, the terms hereof shall be controlling as necessary to create, preserve and/or maintain a valid security interest upon the Mortgaged Property, otherwise the provisions of the Loan Agreement shall be controlling.

Section 7-24. The Mortgagor agrees that notwithstanding the fact that the Mortgage contains matters which may not be appropriate, available or enforceable in Iowa, the inclusion of such matters does not affect the validity or enforceability of the Mortgage as appropriate and available under Iowa law. To the extent that the law of the State of Iowa limit (i) the availability of the exercise of any of the remedies set forth herein, including, without limitation, remedies such as a power of sale and taking possession of the property, or (ii) the enforcement of waivers and indemnities made by Mortgagor, such remedies, waivers, or indemnities shall be exercisable or enforceable, any provisions in this Mortgage to the contrary notwithstanding, if, and to the extent, permitted by the laws that enforce at the time of the exercise of such remedies or the enforcement of such waivers or indemnities without regard to the enforceability of such remedies, waiver or indemnities at the time of the execution and delivery of this Mortgage.

Mortgagor acknowledges receipt of a copy of this instrument at the time of the execution thereof.

[remainder of page intentionally left blank, signature page follows]

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT.

IN WITNESS WHEREOF, Mortgagor has duly executed this Mortgage on the date stated in the acknowledgement set forth below, to be effective as of the day and year first above written.

MORTGAGOR:

SNF WINTERSET PROPCO, LLC,
an Iowa limited liability company

By: _____

Name: Steven Hornung

Title: Manager

STATE OF New Jersey)
COUNTY OF Ocean) SS:

This instrument was acknowledged before me on August 26th, 2019, by, Steven Hornung, Manager of SNF Winterset PropCo, LLC, an Iowa limited liability company.

Notary Public in and for said State

(Stamp or Seal)

Tzipora Marks
Notary Public, State of New Jersey
My Commission Expires May 18, 2020

[SIGNATURE PAGE TO MORTGAGE]

Exhibit "A"

Legal Description

The East 459.65 feet of the Southwest Quarter of the Southeast Quarter of the Southwest Quarter, except the North 25 feet of the East 25 feet thereof, and except the South 165 feet of the East 132 feet thereof, of Section 36, Township 76 North, Range 28 West of the 5th P.M., Madison County, Iowa.