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DELORES HELTON
DELAWARE CO RECORDER

151.00

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This Mortgage contains an after-acquired property clause.

99-121/282-1811/126-262

MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS AND FIXTURE FINANCING STATEMENT

GOOD NEIGHBOR SOCIETY

as Mortgagor

and

COMMUNITY SAVINGS BANK

as Mortgagee

Dated as of December 1, 2003

This Mortgage secures credit in the amount of $1,089,000. Loans and advances to this amount, together with interest, all senior to indebtedness to their creditors under subsequently recorded or filed mortgages and liens.

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THIS MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS AND FIXTURE FINANCING STATEMENT (the "Mortgage"), made as of the first day of December, 2003, by and between Good Neighbor Society (the "Mortgagor"), as Mortgagor, and Community State Bank (the "Mortgagee").

WITNESSETH:

WHEREAS, pursuant to the provisions of Chapter 419 of the Code of Iowa, 2003, as amended (the "Act"), the City of Manchester, Iowa (the "Issuer") has entered into a Loan Agreement, dated as of even date herewith (as amended from time to time, the "Loan Agreement" or "Agreement") with the Mortgagor pursuant to which the Issuer has agreed to issue its $1,089,000 Care Facility Revenue Refunding Bond, Series 2003 (Good Neighbor Society Project) (the "Series 2003 Bond") to provide funds for the purpose of (1) refunding the Issuer's previous issue of a Care Facility Revenue Bonds (Good Neighbor Society Project) Series 1999 (the "Series 1999 Bonds") which were issued for financing the construction of a 24 unit assisted living facility owned by the Mortgagor; and (2) paying for costs of issuance and certain other costs associated with the issuance of the Series 2003 Bond; and

WHEREAS, the Agreement provides that the Issuer will lend the proceeds from the sale of the Series 2003 Bond to the Mortgagor and the Mortgagor will pay the Issuer sums sufficient to pay the principal of, interest, and premium, if any, on the Bond as and when the same become due; and

WHEREAS, the Agreement further provides that as a condition to the issuance of the Series 2003 Bond to secure performance by the Mortgagor of its obligations under the Agreement, including the payment of sums sufficient to pay the Series 2003 Bond and any Additional Bonds under certain conditions described in the Loan Agreement, as hereinafter defined (together, the "Bonds"), and as an inducement to the purchase of the Bond by all who shall at any time become holders thereof, the Mortgagor will execute and deliver this Mortgage to the Mortgagee; and

WHEREAS, the Agreement further provides for the issuance and sale from time to time by the Issuer of Additional Bonds (the "Additional Bonds") and the issuance or incurrence from time to time by the Mortgagor of Parity Obligations (the "Parity Obligations") to be of equal standing with the Bond under certain conditions described in the Agreement and the Mortgagor's obligations under the Agreement and secured as a payment and performance by a lien equal to and on a parity with the lien of this Mortgage; and

WHEREAS, the last stated maturity of the Series 2003 Bond is May 1, 2011.

GRANTING CLAUSES

NOW, THEREFORE, for the purposes of securing the payment of all amounts now or hereafter advanced under the Agreement, owing under the Bond, the Agreement, any Parity Obligations or this Mortgage and the faithful performance of all covenants, conditions, stipulations and agreements of the Bond, any Parity Obligation secured by this Mortgage, the Agreement and this Mortgage contained, and in consideration of the premises, and as an inducement to the purchase of the Bond by all who shall at any time become holders thereof, and other good and valuable consideration the receipt whereof is hereby acknowledged, the Mortgagor has executed and delivered this Mortgage to the Mortgagee and the Mortgagor does hereby grant, bargain, sell, convey, transfer, assign, set over, mortgage, grant a security interest in, and warrant to the Mortgagee, its successors and assigns forever, all and singular the following described properties, whether now owned or hereafter acquired (herein collectively called the "Mortgaged Property") excepting therefrom any and all fixtures, machinery, equipment, furnishings and articles of personal property belonging to any lessees of the Mortgaged Property:

(a) All of the Mortgagor's interest in and to the tracts or parcels of land (the "Land") located in Delaware County, Iowa, and more particularly described in Exhibit A attached hereto;

(b) All buildings, structures, additions, improvements and appurtenances now standing or at any time hereafter constructed or placed on the Land;

(c) All building materials, building equipment, fixtures and supplies of every kind and nature now or hereafter located on the Land and suitable or intended to be incorporated in any building, structure or other improvement now or hereafter standing on the Land;

(d) All fixtures and articles of personal property of every kind and nature that may integrally belong to, be or hereafter become an integral part of the Land, and whether attached or detached, and whether now owned or hereafter acquired by Mortgagor, including, but without limiting the generality of the foregoing, any and all partitions, carpeting, drapes, dynamos, screens, awnings, storm windows, floor coverings, 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 the Mortgagor in and to any fixtures which may be subject to any title retention or security agreement superior in lien to the lien of this Mortgage, and all 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 be conclusively construed, intended and presumed to be a part of the foregoing, whether or not permanently affixed to the Land, shall for the purpose of this Mortgage be deemed conclusively to be conveyed hereby, and as to all of the foregoing, whether personal

property or fixtures, or both, a security interest is hereby granted by the Mortgagor and hereby attaches thereto, all as provided by the Iowa Uniform Commercial Code;

(e) All and singular the tenements, hereditaments, easements, rights of way, rights, privileges and appurtenances to the Land, belonging or in any way appertaining thereto, and all claims or demands whatsoever of the Mortgagor either in law or in equity, in possession or expectancy of, in and to the Land;

(f) 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 building and improvements to be constructed on the Land;

(g) All the rents, issues, uses, profits, condemnation awards, insurance proceeds and other rights and interests now or hereafter belonging or in any way pertaining to the Mortgagor's interest in the Land and each and every lease, sublease and agreement described in the foregoing paragraph (e) and every right, title and interest thereunder, from the date of this Mortgage until the terms hereof are complied with and fulfilled; and

(h) All machinery, apparatus, equipment, furnishings and personal property which may or might now or hereafter be or be deemed to be personalty and not an integral party of the Land (hereinafter called the "Equipment") and all additions, accessions, increases, parts, fittings, accessories, replacements, substitutions, betterments, repairs and proceeds of all of the foregoing, and a security interest is hereby granted by the Mortgagor and hereby attached thereto, all as provided by the Iowa Uniform Commercial Code.

TOGETHER 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 the 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 above described Mortgaged Property is hereby declared to be subject to the lien of this Mortgage as security for the payment of the aforementioned indebtedness.

TO HAVE AND TO HOLD all and singular, the Mortgaged Property, whether now owned or hereafter acquired, unto the Mortgagee, its successors and assigns forever; provided, however, that this Mortgage is upon the express condition that if the Mortgagor shall pay or cause to be paid all indebtedness secured hereby and shall keep, perform and observe all and singular the covenants and promises in the Agreement expressed to be kept, performed and observed by the Mortgagor, then this Mortgage and the rights hereby granted shall cease, determine and be void, otherwise to remain in full force and effect.

As security for the payment of the Bond and the amounts due under the Agreement and the payment of any Parity Obligations, the Mortgagor hereby further covenants, warrants and agrees with the Mortgagee as follows:

SECTION 1. Terms Defined.

All words and phrases defined in the Agreement shall have the same meaning in this Mortgage, unless the context clearly otherwise requires. In addition, the following words and phrases shall have the following meanings:

"Default Rate" means an interest rate of 6.675% per annum.

"Net Proceeds" when used with respect to any insurance or condemnation award, means the gross proceeds from the insurance or condemnation award remaining after payment of all expenses (including attorneys, fees and any extraordinary expenses of the Mortgagee) incurred in the collection of such gross proceeds.

"Permitted Encumbrances" means, as of any particular time:

(i) liens for ad valorem taxes and special assessments or installments thereof not then delinquent;

(ii) presently recorded utility, access and other easements and rights of way which do not underlie any existing or contemplated improvements, restrictions and exceptions that will not materially interfere with or impair any activities permitted under applicable zoning ordinances or the operations currently being conducted on the Mortgaged Property or elsewhere on the Land;

(iii) such minor defects, irregularities, encumbrances (exclusive of liens and judgments) and clouds on title as normally exist with respect to properties similar in character to the Mortgaged Property and as do not in the aggregate render title unmarketable or materially impair (a) the property affected thereby for the purpose for which it was acquired or is held by the Mortgagor or (b) the value of the Mortgaged Property as security for any other obligations secured hereby;

(iv) zoning and building laws, ordinances or regulations and similar restrictions which are not violated by the Mortgaged Property or its current or contemplated uses;

(v) liens arising in connection with taxes, assessments, or statutory obligations or liens which are not delinquent;

(vi) undetermined or inchoate liens and charges incidental to construction, which have not at the time been filed pursuant to law, including those of contractors,

subcontractors, materialmen and suppliers with respect to the Project or any Improvements, expressly excluding any such liens or charges as and when same are filed, become determined or a choate lien or encumbrance upon the Mortgaged Property unless such liens are being contested in good faith by appropriate negotiations or proceedings and in a manner not to jeopardize any of the Mortgaged Property or subject the Mortgagee to any liability and adequate reserves as agreed upon by the Mortgagor and the Mortgagee are maintained by the Mortgagor with the Mortgagee in escrow to assure full payment thereof;

(vii) such other liens and charges at the time required by law as a condition precedent to the exercise of any privileges or licenses necessary to the normal operations of the Mortgagor which are not delinquent;

(viii) this Mortgage and any financing statements showing the Mortgagor as the debtor and the Mortgagee as the secured party;

(ix) any purchase money security interest in personal property acquired by the Mortgagor and any financing statement showing the Mortgagor as debtor and the holder of such purchase money security interest as the secured party;

(x) any capital lease for personal property being acquired by the Mortgagor and any financing statement showing the Mortgagor as debtor and the lessor of such personal property as the secured party;

(xi) liens on property received by the Mortgagor through gifts, grants or bequests, such liens being due to restrictions on such gifts, grants or bequests of property or income thereon; and

(xii) any lien or security interest created in connection with the issuance of Additional Bonds or Parity Obligations under the conditions described in the Loan Agreement.

SECTION 2. Title to the Mortgaged Property and the Status of the Lien of this Mortgage; Maintenance of Lien; Recording; Further Assurance; After-Acquired Property.

(a) The Mortgagor is lawfully seized of fee simple title in and to the Land and the lien created by this Mortgage is a first, prior and paramount lien on the Mortgagor's interest in and to the Land and the remainder of the above described Mortgaged Property, except for Permitted Encumbrances, and Mortgagor will keep said premises and the rights, privileges and appurtenances thereto free from all lien claims of every kind on a parity with or superior to the lien of this Mortgage and free from all subordinate financings of every kind and any liens thereof, except Permitted Encumbrances. The Mortgagor further agrees to protect and defend the title and possession of the Mortgaged Property so that this Mortgage shall be and remain a lien thereon prior to all liens other than Permitted Encumbrances until the Bond, any Parity

Obligations and the indebtedness secured hereby have been fully paid, or if foreclosure sale be had hereunder so that the purchaser at said sale shall acquire good title in and to said premises free and clear of all liens and encumbrances, except Permitted Encumbrances;

(b) The Mortgagor will, at its expense, take all necessary action to maintain and preserve the lien and security interest of this Mortgage so long as the Bond, any Parity Obligations and any of the indebtedness secured hereby remain outstanding;

(c) The Mortgagor will, forthwith after the execution and delivery of this Mortgage and thereafter from time to time, cause this Mortgage and any financing statements in respect thereof to be filed, registered and recorded in such manner and in such places as may be required by law in order to publish notice of and fully to protect the lien hereof upon, and the title of the Mortgagor to, the Mortgaged Property; and from time to time will perform or cause to be performed any other act as provided by law and will execute or cause to be executed any and all continuation statements and further instruments for such publication and protection. Except to the extent that it is exempt therefrom, the Mortgagor will pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of this assurance, and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Mortgage and such instruments of further assurance;

(d) The Mortgagor will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, all such further acts, deeds, conveyances, mortgages, assignments, transfers, financing statements, continuation statements and assurances as the Mortgagee reasonably may require for the better assuring, conveying, mortgaging, assigning and confirming unto the Mortgagee all and singular the Mortgaged Property as now or hereafter constituted; and

(e) All right, title and interest of the Mortgagor in and to all improvements, betterments, renewals, substitutions, replacements and proceeds of the Mortgaged Property or any part thereof, hereafter constructed or acquired by the Mortgagor, which shall become a part of the Mortgaged Property, immediately upon such construction or acquisition, and without any further mortgaging, conveyance or assignment, shall become and be part of the Mortgaged Property and shall be subject to the lien of this Mortgage as fully and completely and with the same effect as though now owned by the Mortgagor, but at any and all times the Mortgagor will execute and deliver to the Mortgagee any and all such further assurances, mortgages, conveyances or assignments therefor and other instruments with respect thereto as the Mortgagee may reasonably require for the purpose of expressly and specifically subjecting the same to the lien of this Mortgage.

SECTION 3. Taxes and Assessments.

The Mortgagor agrees to promptly pay before the same become delinquent:

(a) All taxes, liabilities, charges, impositions and assessments of every type or nature at any time levied and assessed upon or against the Mortgaged Property;

(b) All other claims which might or could become a lien on the Mortgaged Property or any part thereof equal to or prior to the lien of this Mortgage except for Permitted Encumbrances unless approved in writing by the Mortgagee;

(c) All taxes, assessments or impositions upon this Mortgage or on the interest of the Mortgagee herein.

Provided, however, that no such tax, liability, charge, imposition, assessment or claim need be paid so long as the validity thereof is being contested in good faith by appropriate negotiations or proceedings and in a manner not to jeopardize any of the Mortgaged Property or subject the Mortgagee to any liability and adequate reserves as agreed upon by the Mortgagor and the Mortgagee are maintained by the Mortgagor with the Mortgagee in escrow to assure full payment thereof.

The Mortgagor will not allow to arise or exist any lien of whatsoever kind or nature equal to or prior to the lien of this Mortgage, or create, allow to arise or exist any subordinate financing of any kind or any lien thereof upon the Mortgaged Property, or any part thereof, save and except for Permitted Encumbrances which, as herein provided, are permitted to remain unpaid.

The Mortgagor agrees to exhibit to the Mortgagee, at least annually and at any time upon request, official receipts showing payment of all taxes, assessments and charges which the Mortgagor is required or elects to pay hereunder prior to the respective delinquency dates.

SECTION 4. Representations in the Loan Agreement; Maintenance and Repair.

The Mortgagor agrees that the representations contained in Section 2.02 of the Agreement are true and correct as related to the Mortgagor or the Mortgaged Property and agrees to comply with the covenants and representations contained therein and in Section 4.04 thereof.

The Mortgagor shall at all times maintain, preserve and keep the Mortgaged Property and every part thereof in good condition, repair and working order and will from time to time make all needful and proper repairs thereto and renewals, replacements, additions, betterments and improvements thereto so that the value and the operating efficiency thereof shall at all times be maintained and preserved. The Mortgagor will not commit or permit waste of the Mortgaged Property or any part thereof, and shall not remove or demolish nor alter or impair the design or structural character of any building, structure, fixture, or other improvements now or hereafter

situated upon the Land without the prior written consent of the Mortgagee, and shall not do or permit any other act or thing that will damage the Mortgaged Property or cause the same or any part thereof to depreciate in value, reasonable and ordinary wear and tear excepted.

SECTION 5. Insurance Required to be Carried.

The Mortgagor shall take up and continuously maintain in effect at its sole cost and expense, insurance on the Mortgaged Property as follows:

(a) Insurance covering all buildings, structures and improvements now situated or which hereinafter may be erected on the Land and other Mortgaged Property conveyed hereby covering such risks as are ordinarily insured against by similar facilities, including without limiting the generality of the foregoing, fire, lightning, windstorms, hurricane, windblown rain, hail, explosion, riot, riot attending a strike, civil commotion, damage from aircraft, smoke and uniform standard extended coverage and vandalism and malicious mischief endorsements, limited only as may be provided in the standard form of such endorsements at the time in use in the State of Iowa. Such insurance coverage shall be in an amount not less than one hundred percent (100%) of the full insurable value thereof, as such amount may be or appear from time to time. Such policy shall be endorsed with a standard mortgage clause with loss payable to the Mortgagor and the Mortgagee as their respective interests may appear. Any such policy may have a deductible amount of not more than the deductible amount customary for the type of business of the Mortgagor. Such insurance policy shall provide that all proceeds of insurance resulting from any loss or damage covered thereby shall be paid to the Mortgagor unless such amount exceeds $100,000, in which case such proceeds shall be paid to the Mortgagee, and that all claims may be adjusted by the Mortgagor without the approval of the Mortgagee except that claims in an amount in excess of $100,000 may be adjusted by the Mortgagor only with the approval of the Mortgagee. No policy of insurance shall be written so that the proceeds thereof shall be less than the minimums required by this paragraph, whether by co-insurance or otherwise.

All Net Proceeds of insurance remaining after payment in full of all sums due or advanced under or secured by this Mortgage, the Agreement, or the Bond shall be paid to Mortgagor.

(b) Comprehensive general public liability insurance and property damage liability insurance in amounts of at least $1,000,000 per person and $3,000,000 per occurrence to protect the Mortgagor from claims (including all costs and expenses of defending the same) for personal injury, sickness, disease or death or for damage or injury to or destruction of property (including loss of use thereof) occurring in, on or about the Mortgaged Property, which may arise from the Mortgagor's operation, including any use or occupancy of the Mortgaged Property, structures or vehicles; and

(c) Workers' compensation insurance respecting all employees of the Mortgagor as required by law.

All such insurance policies shall be issued by one or more recognized, financially sound and responsible insurance companies which are qualified under the laws of the State of Iowa to assume the risk covered by such policy and shall provide that coverage evidenced thereby shall not be cancelled, reduced or materially modified without thirty (30) days prior written notice to the Mortgagee.

Upon delivery of this Mortgage and thereafter not less than ten (10) days prior to the expiration dates of any policies, a certificate evidencing such policies or duplicate copies of the original policies and any additional, replacement or renewal policies issued by the respective insurers provided for in this Section shall be delivered by the Mortgagor to the Mortgagee. If requested in writing by the Mortgagee, the Mortgagor shall furnish the Mortgagee with a schedule of premium payment dates and receipted bills or other evidence satisfactory to such mortgagee of the payment when due of all premiums for all policies of insurance at any time required to be maintained hereunder. Upon reasonable prior written notice, the Mortgagor will permit the Mortgagee to visit the offices of the Mortgagor and inspect the Mortgagor's insurance records.

Any insurance maintained by the Mortgagor pursuant hereto may be evidenced by one or more blanket insurance policies covering the Mortgaged Property and other property or assets of the Mortgagor, provided that any such policy shall in all other respects comply with the requirements of this Section.

Upon the happening of any loss or damage covered by any such policy, from one or more of the causes insured against, the Mortgagor shall make due proof of loss containing a power of attorney in favor of the Mortgagee to endorse all drafts drawn for the payment thereof to the order of the Mortgagor, and to sign receipts therefor, and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the Mortgagee.

SECTION 6. Damage, Destruction and Condemnation; Application of Net Proceeds.

If prior to full payment of the Bond (or provision for payment thereof) (i) the Mortgaged Property or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty, or (ii) title to, or the temporary use of, the Mortgaged Property or any portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, the Mortgagee and the Mortgagor shall cause the Net Proceeds received by the Mortgagor of any insurance proceeds or condemnation award resulting from any event described above to be paid to the Mortgagor unless such amount exceeds $100,000 in which case such proceeds shall be paid to the Mortgagee. If and only if no default or event of default exists under this Mortgage, such Net Proceeds may, at the option of the Mortgagor, be applied (i) to the repair or replacement of the

damaged or taken Mortgaged Property if the Mortgaged Property, in the reasonable judgment of the Mortgagor, can be repaired or replaced in such a manner as to allow the Mortgagor to carry on its normal operations thereat, (ii) to the partial repair or replacement of the damaged or taken Mortgaged Property if the Mortgaged Property, in the reasonable judgment of the Mortgagor, can be repaired or replaced in such a manner as to allow the Mortgagor to carry on its normal operations thereat in which case any Net Proceeds not spent shall be applied as provided in (iii), or (iii) to the prepayment or partial prepayment of installments payable under the Agreement for prepayment or partial prepayment of principal of the Bond in accordance with its terms and to the prepayment of any Parity Obligation secured by this Mortgage on a pro rata basis. If an event of default has occurred and is continuing under this Mortgage, such Net Proceeds shall be applied to the options set forth in the immediately preceding sentence as may be determined by the Mortgagee. If the Net Proceeds are to be applied to the repair, restoration or improvement of the Mortgaged Property by the Mortgagor, the Mortgagee shall make payments from the amount of any Net Proceeds held by it for such purposes or to reimburse the Mortgagor for costs paid by it in connection therewith upon written order of the Mortgagor, and such disbursements shall be to (i) the Mortgagor to reimburse it for costs of repair, restoration or improvement of the Mortgaged Property paid by the Mortgagor, (ii) the general contractor with respect to any such repair, restoration or improvement, and (iii) any other person designated by the Mortgagor. Any balance of the Net Proceeds remaining after such work has been completed or the prepayment of all installments payable under the Agreement shall be paid to the Mortgagor.

If the Mortgagor proceeds to repair, restore or improve the Mortgaged Property as provided and the Net Proceeds are insufficient to pay in full the cost of any such repair, restoration or improvement, the Mortgagor shall pay, prior to any disbursement of Net Proceeds by the Mortgagee, any cost in excess of the Net Proceeds held by the Mortgagee in which case the work will proceed to completion.

SECTION 7. Inspection of the Mortgaged Property.

The Mortgagee is authorized by itself, its agents or workmen to enter at any reasonable time upon any part of the Mortgaged Property for the purpose of inspecting the same and for the purpose of performing any of the acts it is authorized to perform under the terms of this Mortgage.

SECTION 8. Compliance with Laws.

The Mortgagor shall furnish and keep in force a certificate of occupancy, or its equivalent, and shall comply with all laws, ordinances, regulations, covenants, conditions and restrictions from time to time affecting the Mortgaged Property and shall not suffer or permit any act to be done in or upon the Mortgaged Property in violation thereof, unless and to the extent the same are being contested in good faith by appropriate proceedings and in a manner not to jeopardize the Mortgaged Property or the lien or priority of this Mortgage or the Bond or subject the Mortgagee to any liability.

Except as heretofore disclosed by the Mortgagor to Mortgagee in writing, the Mortgagor has no knowledge of any public health, environmental or other land-use action or proceeding, either instituted or threatened, which would or might detrimentally affect the use or operation of the Mortgaged Property or adversely affect the value thereof. Promptly upon learning of any such action or proceeding, whether threatened or initiated, the Mortgagor will notify the Mortgagee thereof in writing.

All public health and environmental permits, licenses and authorizations required by law, ordinance or regulation, if any, in connection with the intended use or operation of the Mortgaged Property have been obtained; and the Mortgagor and any lessee claiming by, through or under the Mortgagor at all times hereafter will be in full compliance with all requirements of all such permits, licenses, authorities, laws, regulations and ordinances.

If any of the foregoing covenants or representations are breached or prove to be inaccurate in any material respect, then, in addition to all rights, powers and remedies granted to the Mortgagee by law hereunder (including rights of acceleration of indebtedness as in the case of any other default or Event of Default hereunder or under any obligation secured hereby) the Mortgagee, upon failure of the Mortgagor to do so and in exercise of its reasonable judgment, may (but shall not be required to) do any or all of the following, at the expense of the Mortgagor:

(a) Appear in and defend any such action or proceeding; and

(b) Retain such legal and technical advice and counsel as the Mortgagee believes necessary to protect itself and the security of this instrument.

The Mortgagor hereby agrees to indemnify, protect and hold the Mortgagee harmless of and from all loss or damage (including reasonable attorneys' fees and expenses) which the Mortgagee may incur by reason of any material breach or inaccuracy in any of the covenants or representations contained in this Section.

If any action has occurred in the past which would constitute a violation of any of the laws, ordinances and regulations referred to in this Section, the Mortgagor hereby agrees to indemnify, protect and hold the Mortgagee harmless of and from all loss or damage (including reasonable attorneys' fees and expenses) which the Mortgagee may incur by reason thereof.

SECTION 9. Advances.

Upon the Mortgagor's failure to comply with the preceding covenants and agreements, the payment of prior liens, liens on a parity with this Mortgage, taxes, assessments and charges, maintenance of insurance and repairs as required by this Mortgage, the Mortgagee without prejudice to any rights given herein, may make advances to perform the same in behalf of the Mortgagor, and in furtherance thereof, the Mortgagee may place or cause the Mortgaged Property to be placed in good condition, repair and working order; pay, settle or contest any such taxes, liabilities, charges and assessments; redeem the Mortgaged Property from any sale or

forfeiture for any tax or assessment; purchase any tax title obtained or that shall be obtained thereon; pay any judgments based on such tax or assessment; pay, settle or contest any unpermitted lien on the Mortgaged Property and procure such insurance as may be necessary to comply with the provisions of this Mortgage, and the Mortgagor hereby agrees to repay all sums so advanced, on demand, with interest thereon, to the extent permitted by law, from the date advanced until paid at the Default Rate, and all sums so advanced with interest as aforesaid until paid by the Mortgagor shall be immediately due and payable and be added to and become a part of any indebtedness or obligation secured hereby in such manner or order as the Mortgagee may desire or determine, having the benefit of the lien hereby created as a part thereof, and of its priority, but no such advances shall be deemed to relieve the Mortgagor from any default hereunder or impair any right or remedy consequent thereon, and the exercise of the rights to make advances granted in this Section shall be optional with the Mortgagee and not obligatory, and the Mortgagee shall not in any case be liable to the Mortgagor for failure to exercise any such right.

SECTION 10. Mortgage, Sale, Lease, etc. of the Mortgaged Property; Release of Unimproved Land.

Except as hereinafter provided, the Mortgagor will not, now or in the future, mortgage, pledge or encumber or place any lien or encumbrance (or permit same to exist) on the Mortgaged Property, or any part thereof without the prior written consent of the Mortgagee, except for Permitted Encumbrances.

Except as hereinafter provided and except as provided in Section 4 hereof, the Mortgagor shall not sell, convey, transfer or otherwise alienate in any manner, whether directly or indirectly, any right, title or interest in the Mortgaged Property or any part thereof having a value in excess of [$100,000], without the prior written consent of the Mortgagee. The Mortgagee may, however, lease any portion or all of the Mortgaged Property.

Notwithstanding anything in this Mortgage to the contrary, the Mortgagor reserves the right at any time and from time to time to release from this Mortgage any unimproved portion of the Land which does not include any existing buildings or related parking or other improvements.

The Mortgagee agrees to cooperate with the Mortgagor in effectuating such release, including the execution and delivery of the release form and such other documentation as may be necessary.

SECTION 11. Defaults, Events of Default.

If any of the following defaults occur, it is hereby declared to constitute an "Event of Default":

(a) The occurrence of an Event of Default under the Agreement or an event of default under any Parity Obligations; or

(b) The failure of the Mortgagor to observe and perform any covenant, condition or agreement on its part to be observed or performed in this Mortgage (other than an occurrence which may sooner constitute an Event of Default under the Agreement or an event of default under any Parity Obligations) for a period of sixty (60) days after written notice specifying such failure and requesting that it be remedied, given to the Mortgagor by the Mortgagee, unless the Mortgagee shall agree in writing to an extension of such time prior to its expiration.

SECTION 12. Remedies on Default.

Upon the occurrence of an Event of Default:

(a) The Mortgagee may, at its option, by notice in writing to the Mortgagor, declare the installments under the Agreement and in the Bond remaining unpaid immediately due and payable and accelerate the Bond, upon the same terms and conditions and in the manner provided for in the Agreement;

(b) The Mortgagee may, at its option, after notice in writing to the Mortgagor, institute proceedings for the collection at law or in equity of any and all indebtedness due under the provisions of the Agreement secured by this Mortgage;

(c) The Mortgagee may, at its option, after notice in writing to the Mortgagor, immediately cause this Mortgage to be foreclosed in the manner prescribed by law and, upon the commencement of foreclosure proceedings, shall be entitled to have a receiver appointed at once or at any time thereafter, either before or after sale, without notice and without requiring bond, and without regard to the solvency or insolvency of any person liable for payment of the indebtedness secured hereby, and without regard to the then value of the Mortgaged Property (the provisions for the appointment of a receiver and assignment of rents hereby granted to the Mortgagee being an express condition upon which the loans and payments hereby secured are made) for the benefit of the Mortgagee, with power to rent the same and to collect the rents, issues and profits of the Mortgaged Property, due and to become due, during the pendency of such foreclosure suit and in the case of a sale and deficiency, during the full statutory period of redemption whether there be redemption or not, as well as during any future times when the Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits and shall have all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property during the whole of said period. Any amount so collected by such receiver, whether prior to or following foreclosure, shall be applied under direction of the court upon the costs and expenses of foreclosure and receivership, expense of insurance on the improvements, expense of repairs, taxes, assessments, and the balance shall be paid to the Mortgagee to be applied on the

indebtedness secured by this Mortgage in accordance with the Agreement and any Parity Obligation secured by this Mortgage, pro rata, according to their outstanding principal amounts.

(d) The Mortgagee may, at its option, after 10 days notice in writing to the Mortgagor, at any time either by its agents, attorneys, employees or by a receiver to be appointed by a court and without regard to the adequacy of any security for the indebtedness hereby secured, either with or without process of law, forcibly or otherwise, enter upon and take possession of the Mortgaged Property or any part thereof, expel and remove any persons, goods or chattels occupying or upon the same, do and perform any act that the Mortgagee may deem necessary or proper to conserve the value thereof, and to collect and receive all rents, issues and profits therefrom, including those past due and unpaid, as well as those accruing thereunder, to manage and control the same, and to lease the same or any part thereof. The Mortgagor further agrees that the Mortgagee may also take possession of, and use any and all personal property contained in the Mortgaged Property and used by the Mortgagor in the rental or leasing of the Mortgaged Property or any part thereof. The expense (including receiver's fees, if any, and compensation to any agent appointed by the Mortgagee, and counsel fees and costs and disbursements) incurred in taking possession and effecting such collection, shall be deemed a portion of the expense of this Mortgage secured hereby. Neither the collection of such rents, issues and profits and the application or release thereof as aforesaid shall cure or waive any default. After deducting all attorneys fees and expenses incurred in connection herewith, the remaining net income shall be paid to the Mortgagee to be applied upon the indebtedness secured hereby in accordance with the Agreement and any Parity Obligation secured by this Mortgage, pro rata, according to their outstanding principal amounts.

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 proceeds of such sale:

(i) All of the principal remaining unpaid on the Bond, and the principal balance of any Parity Obligation secured by this Mortgage, plus all interest accrued thereon and which will accrue thereon to the date of payment, plus interest on the foregoing amounts of principal and interest (to the extent permitted by law) from their respective due dates until paid;

(ii) All items advanced or paid by the Mortgagee pursuant to this Mortgage, with interest thereon at the Default Rate per annum from the date of advancement until paid; and

(iii) All court costs, attorneys' fees, appraisers' fees, 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 guarantee or insurance policies, and similar data with respect to title which the Mortgagee may deem necessary in connection with any proceeding, including probate and bankruptcy

proceedings, to which the Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness 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, and all such expenses shall become so much additional indebtedness secured hereby and immediately due and payable, with interest thereon at the Default Rate per annum from the date when paid or incurred by the Mortgagee until paid.

The proceeds of any foreclosure shall be distributed and applied to the items described in (ii) and (iii) of this Section, in the order of their listing, then to (i) and any surplus of the proceeds of such sale shall be paid to the Mortgagor.

In case of any sale under this Mortgage by virtue of judicial proceedings or otherwise, the Mortgaged Property may be sold in one parcel, as an entirety, or in such parcels, manner or order as the Mortgagee in its sole discretion may elect, and the Mortgagor waives any and all rights which the Mortgagor may have to insist upon the sale of the Mortgaged Property in one parcel or separate parcels.

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 Mortgagor which may arise out of the foreclosure proceedings; all to be consistent with the provisions of Chapter 628 of the Code of Iowa, 2003, as amended (the "Iowa Code"). 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 Iowa Code 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) Mortgagee in such action files an election to waive any deficiency judgment against Mortgagor or its 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. Entry of appearance by pleading or docket entry by or on

behalf of 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 Iowa Code.

This Section shall not be construed to limit or otherwise affect any other redemption provisions contained in Chapter 628 of the Iowa Code. This Section also shall not be construed to limit 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 Iowa Code. Mortgagor agrees that, in the event of a foreclosure of the Mortgage, under any provision of Iowa law, Mortgagee shall be entitled to sole possession and use of the 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 the 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.

SECTION 13. Assignment of Rents, Issues and Profits; Receiver.

All of the rents, issues, proceeds and profits and any and all leases, subleases and the rights of management of the Mortgaged Property are hereby assigned to the Mortgagee as further security for the payment of the indebtedness and performance of the Bond and any Parity Obligations, covenants, promises and agreements secured hereby in granting clauses (e) and (f) hereof. Such assignment, grant and conveyance is intended by the parties hereto to be a present conveyance of and security interest in and chattel mortgage upon such collateral, subject to the right of the Mortgagor to receive the same prior to any default hereunder, and is not a mere pledge of such collateral to be given effect as a lien upon default, foreclosure and the appointment of a receiver. The Mortgagor agrees that it will duly perform and observe all of the terms and provisions of 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 subleases 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 the Mortgagee to perform or discharge any obligation, duty or liability of landlord under any lease of the Mortgaged Property, and the Mortgagor shall and does hereby agree to indemnify and hold the Mortgagee harmless from any and all liability, loss or damage which the Mortgagee may or might incur under any lease of the Mortgaged Property, and any and all such liability, loss or damage incurred by the Mortgagee, together with the costs and expenses, including reasonable attorneys' fees, incurred by the Mortgagee in the defense of any claims or demands therefor (whether successful or not), shall be so much additional indebtedness hereby secured, and the Mortgagor shall reimburse the Mortgagee therefor on demand, together with interest at the Default Rate per annum, from the date of demand to the date of payment.

SECTION 14. Litigation.

If any action or proceedings be commenced, to which action or proceeding the Mortgagee is made a party by reason of the execution of this Mortgage or in which the Mortgagee deems it necessary to appear or answer in order to uphold the lien of this Mortgage or the priority thereof or the possession of the Mortgaged Property, or otherwise to protect the interest of the Bondholders, the holders of the Parity Obligations, or the Mortgagee or security hereunder, all sums paid or incurred by the Mortgagee for attorneys fees and other expenses in such action or proceeding shall be repaid by the Mortgagor, together with interest thereon to the extent permitted by law from the date of payment by the Mortgagee at the Default Rate per annum until paid and all such sums and the interest thereon shall be immediately due and payable and shall be added to and become a part of the indebtedness secured hereby, and be secured hereby, having the benefit of the lien hereby created and of its priority.

SECTION 15. Non-Waiver.

Acceptance by the Mortgagee of any sum in payment or part payment of any indebtedness secured hereby after the same is due or after foreclosure proceedings are filed shall not constitute a waiver of the right to require prompt payment when due of all the sums so secured nor shall such acceptance cure or waive any remaining default or invalidate any foreclosure proceedings for any such remaining default or prejudice any of the rights of the Lender, holders of any Parity Obligations or the Mortgagee under this Mortgage. Further, the failure of the Mortgagee to insist upon the strict performance of any of the covenants or agreements of the Mortgagor contained in this Mortgage, or the delay by the Mortgagee in the enforcement of any of its remedies herein contained upon any default of the Mortgagor, shall never constitute a waiver of any requirement or obligation of the Mortgagor or right or remedy of the Mortgagee contained in or based upon said covenants or agreements.

SECTION 16. Remedies Cumulative.

No remedy herein or in the Agreement conferred upon or reserved to the Mortgagee is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. In addition, no recovery of any judgment by the Mortgagee and no levy of any execution under any judgment upon the Mortgaged Property or upon any other property shall affect the lien created by this Mortgage upon the Mortgaged Property or any part thereof or any lien, rights, powers or remedies of the Mortgagee hereunder, but such lien, rights, powers or remedies of the Mortgagee shall continue unimpaired as before.

SECTION 17. Waiver of Certain Rights and Remedies.

If applicable and if permitted by law, the Mortgagor hereby waives and releases any and all rights and remedies related to redemption or marshalling of liens and assets under the Mortgage.

SECTION 18. Attorneys' Fees.

The Mortgagor hereby agrees in the event of foreclosure to pay to the Mortgagee such reasonable attorneys' fees as are authorized by law, together with the cost of extending the abstract and all court costs.

SECTION 19. Usury.

Notwithstanding any provision herein or in the Indenture, the total liability for payments in the nature of interest shall not exceed the limits imposed by the usury laws of the State of Iowa, if any.

SECTION 20. Severability.

If any provision hereof should be held unenforceable or void, then such provision shall be deemed separable from the remaining provisions and shall in no way affect the validity of this Mortgage.

All rights, remedies and powers provided by this Mortgage may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Mortgage are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Mortgage invalid or unenforceable under the provisions of any applicable law.

SECTION 21. Security Interest; Financing Statement.

Mortgagor executes this instrument as a Debtor under the Iowa Uniform Commercial Code, it being intended that this Mortgage shall constitute and be a security agreement and financing statement under the laws of the State of Iowa.

This Mortgage constitutes a financing statement filed as a fixture filing under the Iowa Uniform Commercial Code, as amended or recodified from time to time, covering any of the collateral which now is or later may become fixtures attached to the Land or the improvements thereon. Pursuant to the provisions of Section 554.9403 subparagraph 6 of the Iowa Code, such fixture filing remains in effect until this Mortgage is released or satisfied of record or its effectiveness otherwise terminates as to the Land. The following addresses are the mailing

addresses of Mortgagor, as debtor under the Iowa Uniform Commercial Code, and Mortgagee, as secured party under the Iowa Uniform Commercial Code, respectively:

Name and Address of Debtor:	Good Neighbor Society 105 McCarren Drive Manchester, Iowa 52057 Attention: Administrator Fax:(563) 927-3740 Federal I.D. No. 42-0846668
Type of Organization:	Nonprofit Corporation
Jurisdiction of Organization:	Iowa
Organizational Number:	70970
Name and Address of Secured Party:	Community Savings Bank P.O. Box 77 101 E. Union Edgewood, Iowa 52042 Attention: President
Description of the types (or items) of property covered by this Fixture Filing:	See granting clauses (c) & (d) on pages 2 and 3 hereof.
Description of real estate to which the collateral is attached or upon which it is or will be located:	See Exhibit A hereto.

Upon the occurrence of an Event of Default hereunder in addition to the other rights and remedies available to it, the Mortgagee may exercise all other rights and remedies with respect to such property that are available to a secured party under the Iowa Uniform Commercial Code. In the event notice of intended disposition of such property is required by law in any particular instance, the Mortgagor agrees that notice given in the manner and place provided in Section 24 hereunder and sent ten (10) days prior to a disposition of collateral is commercially reasonable notification within the meaning of the Iowa Uniform Commercial Code. Information concerning the security interests may be obtained from the parties at the addresses set forth above.

The Mortgagor warrants and agrees that no financing statement or security agreement covering any of the Mortgaged Property is or will be placed on file in any public office or delivered to any secured party except pursuant hereto, except for Permitted Encumbrances.

SECTION 22. Construction.

This Mortgage shall be construed according to the laws of the State of Iowa.

SECTION 23. Amendments, Changes and Modifications.

The Mortgagor and the Mortgagee may from time to time enter into amendments, changes and modifications of this Mortgage, but only in writing signed by Mortgagor and Mortgagee.

SECTION 24. Addresses for Notice and Demands.

All notices, demands, certificates or other communications hereunder shall be personally delivered or mailed by registered or certified mail, postage prepaid, with proper address as indicated below. The Mortgagor and the Mortgagee may, by written notice given by each to the other, designate any address or addresses to which notices, demands, certificates or other communications to them shall be sent when required as contemplated by this Mortgage. Until otherwise provided by the respective parties, all notices, demands, certificates and communications to each of them shall be addressed as follows:

To the Mortgagor:

Good Neighbor Society
105 McCarren Drive
Manchester, Iowa 52057
Attention: Administrator
Fax: (563) 927-3740

To the Mortgagee:

Community Savings Bank
P.O. Box 77
101 E. Union
Edgewood, Iowa 52042
Attention: President
Fax: (563) 928-6240

All such notices and other communications shall be deemed given when delivered or, if mailed, three days after the date of deposit in the mails, addressed as aforesaid, or upon receipt thereof, whichever is earlier.

SECTION 25. Discharge of Lien.

If the Mortgagor shall pay and discharge or provide, in a manner satisfactory to the Mortgagee, for the payment and discharge of the whole amount of all sums payable hereunder and under the Agreement and the Bond and any Parity Obligations, or shall make arrangements satisfactory to the Mortgagee for such payment and discharge, then and in that case all property, rights and interest hereby conveyed or assigned or pledged shall revert to the Mortgagor, and the estate, right, title and interest of the Mortgagee therein shall thereupon cease, terminate and

become void; and this Mortgage, and the covenants of the Mortgagor contained herein, shall be discharged and the Mortgagee in such case on demand of the Mortgagor and at the Mortgagor's cost and expense, shall execute and deliver to the Mortgagor a proper instrument or proper instruments acknowledging the satisfaction and termination of this Mortgage, and shall convey, assign and transfer or cause to be conveyed, assigned or transferred, and shall deliver or cause to be delivered, to the Mortgagor, all property, including money, then held by the Mortgagee hereunder.

SECTION 26. Indemnification of the Mortgagee.

The Mortgagor agrees to indemnify and save harmless the Mortgagee not in possession of the Mortgaged Property against any and all losses, injuries, claims, damages or injuries to persons or property, demands and expenses, including legal expenses, of whatsoever kind and nature and by whomsoever made arising from or in any manner directly or indirectly growing out of (a) the use and occupancy or nonuse of the Mortgaged Property or any equipment or facilities thereon or used in connection therewith by anyone whomsoever, (b) any repairs, construction, restoration, replacements, alterations, remodeling on or to the Mortgaged Property, or any part thereof, or any equipment or facilities therein or thereon, and (c) the condition of the Mortgaged Property including any adjoining sidewalks, ways or alleys and any equipment or facilities at any time located thereon or used in connection therewith.

SECTION 27. Execution of Counterparts.

This Mortgage may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 28. Special Notice in Accordance with Section 654.12A of the Iowa Code.

Notice: This Mortgage secures credit in the amount of $1,089,000. Loans and advances up to this amount together with interest are senior indebtedness to other creditors under subsequently recorded or filed mortgages and liens.

IN WITNESS WHEREOF, the Mortgagor has caused these presents to be signed and sealed in their names and behalf by their duly authorized officers, all as of the day and year first above written.

GOOD NEIGHBOR SOCIETY

By _____
Gary E. Evarts, President

By _____
Jane L. Murphy, Secretary

(No Seal)

[Execution Page for Mortgage and Security Agreement, Assignment of Leases and Rents and Fixture Financing Statement]

STATE OF IOWA)
) SS:
COUNTY OF DELAWARE)

On this 12th day of December, 2003, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Gary E. Evarts, to me personally known, who being by me duly sworn did say that he is the President of Good Neighbor Society, the corporation executing the within and foregoing Mortgage to which this is attached; that said corporation has no seal; that said instrument was signed on behalf of said corporation by authority of its Board of Directors and that Gary E. Evarts as such officer, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it and by him voluntarily executed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

By _____
Notary Public

(Seal)

WILLIAM D. WERGER
COMMISSION NO. 129812
MY COMMISSION EXPIRES
11-6-04

[Notary Page for Mortgage and Security Agreement, Assignment of Leases and Rents and Fixture Financing Statement]

STATE OF IOWA)
) SS:
COUNTY OF DELAWARE)

On this 11th day of December, 2003, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Jane L. Murphy, to me personally known, who being by me duly sworn did say that she is the Secretary of Good Neighbor Society, the corporation executing the within and foregoing Mortgage to which this is attached; that said corporation has no seal; that said instrument was signed on behalf of said corporation by authority of its Board of Directors and that Jane L. Murphy as such officer, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it and by her voluntarily executed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

By Terri L. Philgreen
Notary Public

(Seal)

NOTARIAL SEAL IOWA
TERRI L. PHILGREEN
COMMISSION # 703495
MY COMMISSION EXPIRES
06-05-06

[Notary Page for Mortgage and Security Agreement and Fixture Financing Statement]

IN WITNESS WHEREOF, the Mortgagee has caused these presents to be signed and sealed in its name and behalf by its duly authorized officer, all as of the day and year first above written.

COMMUNITY SAVINGS BANK

By _____
Steven A. Brady, President and CEO

(Seal)

STATE OF IOWA)

) SS:

COUNTY OF DELAWARE)

On this 11 day of December, 2003, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Steven A. Brady, to me personally known, who being by me duly sworn did say that he the a President and CEO of Community Savings Bank, the state banking corporation executing the within and foregoing Mortgage to which this is attached; that the seal affixed thereto is the seal of the said state banking corporation; that said instrument was signed and sealed on behalf of said state banking corporation by authority of its Board of Directors and that the said Steven A. Brady, as such officer, acknowledged the execution of said instrument to be the voluntary act and deed of said state banking corporation by it and by him voluntarily executed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

LINDA M. BURKLE
Commission Number 172325
My Commission Expires
12-14-05

By _____
Notary Public

(Seal

[Notary Page for Mortgage and Security Agreement and Fixture Financing Statement]

EXHIBIT A

DESCRIPTION OF THE LAND

The following described real estate located in Delaware County, Iowa:

The Northwest Quarter (NW ¼) of the Southwest Quarter (SW ¼) of the Southeast Quarter (SE ¼) of Section Twenty Eight (28), Township Eighty Nine (89) North, Range Five (5), West of the Fifth P.M.,