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DEBORAH L PEYTON, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

2013-3747

ASSIGNMENT OF LEASE AGREEMENT
Recorder's Cover Sheet

Preparer Information (Name and Complete Address):

Jeffrey L. Walters 2080 Southpark Court Dubuque, IA 52003 563/582-2926

Taxpayer Information (Name and Complete Address):

Dardis Properties, LLC
2403 Muddy Creek Lane
Coralville, IA 52241

Return Document To: (name and complete address)

EW Jerome P. Schroeder
E.C.I.A. Business Growth, Inc.
7600 Commerce Park
Dubuque, IA 52002

GRANTORS	GRANTEES
DARDIS PROPERTIES, L.L.C.	**E.C.I.A BUSINESS GROWTH, INC.**

Legal Description: See Page 2

Document or instrument number of previously recorded documents: _____

ASSIGNMENT OF LEASE AGREEMENT

THIS AGREEMENT, entered into this 24th day of January, 2014, between ***DARDIS CLOTHIERS, L.L.C.*** (hereinafter referred to as "TENANT"), and ***DARDIS PROPERTIES, L.L.C.*** (hereinafter referred to as "LANDLORD"), and ***E.C.I.A. BUSINESS GROWTH, INC.***, an Iowa corporation, Dubuque, Iowa, (hereinafter referred to as "LENDER").

WHEREAS, TENANT is the Lessee of the following described real estate, to-wit:

> Lot One (1) of 20 West Industrial Center Second Addition in the City of Dyersville, Delaware County, Iowa, according to plat recorded in Book 2012, Page 1264.

and LENDER is the owner and holder of a note and mortgage in the principal sum of **$742,000.00** made by DARDIS PROPERTIES, L.L.C., as Borrower, dated November 22, 2013, and GREGORY A. DARDIS; DARDIS COMMUNICATIONS, INC.; and DARDIS CLOTHIERS, L.L.C., as Guarantors, to E.C.I.A BUSINESS GROWTH, INC. dated January 27, 2014.

WHEREAS, LENDER, as a condition to granting the aforesaid mortgage loan, has required the execution of this Assignment of Lease Agreement of the business premises by TENANTS and LANDLORD.

NOW, THEREFORE, in order further to secure the payment of the indebtedness of TENANTS and LANDLORD to LENDER, and in consideration of the making of the loan represented by the aforesaid note secured thereby, and in further consideration of the sum of One Dollar paid by LENDER to TENANTS and LANDLORD, the receipt of which is hereby acknowledged, TENANTS and LANDLORD do hereby sell, assign, transfer, and set over unto LENDER all of the rights under the **Lease - Business Property dated** January 1**, 2014.** A copy is attached hereto.

1. In furtherance of the foregoing Assignment, TENANTS and LANDLORD hereby authorize LENDER, by its employees or agents, at its option, to enter upon the leased premises, to take over and assume the management and operation and maintenance of the said leased premises and to perform all acts necessary and proper and to expend such sums out of the income of the leased premises as may be needful in connection therewith, in the same manner and to the same extent as TENANTS and LANDLORD theretofore might do, including the right to effect new leases, to cancel or surrender existing leases, to alter or amend the terms of existing leases, to renew existing leases, or to make concessions to the Landlord; TENANTS and LANDLORD hereby release all claims against LENDER arising out of such management, operation and maintenance, excepting the liability of LENDER to account as hereinafter set forth, except negligent and willful misconduct of LENDER.

2. LENDER shall, after payment of all proper charges and expenses, including reasonable compensation to such Managing Agent as it shall select and employ, and after the accumulation of a reserve to meet taxes, assessments, water, sewer, and utility expense and fire and liability insurance in requisite amounts, credit the net amount of income received by it from the leased premises by virtue of this assignment, to any amounts due and owing to it by TENANTS and LANDLORD under the terms of the note secured thereby, but the manner of the application of such net income and what items shall be credited, shall be determined in the sole discretion of LENDER. LENDER shall not be accountable for more moneys than it actually received from the leased premises.

3. TENANTS and LANDLORD hereby covenant and warrant to LENDER that neither they nor any previous TENANTS executed any prior assignment or pledge of the rentals of the leased premises, nor any prior assignment or pledge of his landlord's interest in any lease of the whole or any part of the leased premises, other than prior Assignments and Mortgages to **AMERICAN TRUST & SAVINGS BANK**. TENANTS and LANDLORD also hereby covenants and agrees not to do any other act which would destroy or impair the benefits of LENDER of this assignment, except for any assignment by TENANTS to

AMERICAN TRUST & SAVINGS BANK to cure the obligations of TENANTS pursuant to the Intercreditor Agreement between LENDER and **AMERICAN TRUST & SAVINGS BANK**.

4. It is not the intention of the parties hereto that any entry by LENDER upon the leased premises under the terms of this instrument shall constitute LENDER a "mortgagee in possession" in contemplation of law, except at the option of LENDER.

5. This assignment shall remain in full force and effect as long as the mortgage debt to LENDER remains unpaid in whole or in part.

6. The provisions of this instrument shall be binding upon TENANTS and LANDLORD and their legal representatives, successors or assigns and upon LENDER and its successors or assigns. The word "TENANTS and LANDLORD " shall be construed to mean any one or more persons or parties who are holders of the legal title or equity of redemption to or in the aforesaid mortgage premises. The word "note" shall be construed to mean the instrument, whether note or bond, given to evidence the indebtedness held by LENDER against the leased premises; and the word "mortgage" shall be construed to mean the instrument securing the said indebtedness, owned and held by LENDER, whether such instrument be mortgage, loan deed, trust deed, vendor's lien or otherwise.

It is understood and agreed that a full and complete release of the aforesaid mortgage shall operate as a full and complete release of all LENDER'S rights and interest hereunder, and that after said mortgage has been fully released this instrument shall be void and of no further effect.

IN WITNESS WHEREOF, TENANTS and LANDLORD have executed this agreement the day and year first above stated.

DARDIS CLOTHIERS, L.L.C., Tenant

By: _____
GREGORY A. DARDIS, Sole Member

DARDIS PROPERTIES, L.L.C., Landlord

By: _____
GREGORY A. DARDIS, Sole Member

STATE OF IOWA }
SS:
COUNTY OF Dubuque

On this 27th day of January, 2014, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared **Gregory A. Dardis**, to me personally known, who being by me duly sworn, did say that he is Sole Member of said limited liability company, executing the within and foregoing instrument; that no seal has been procured by the said company; and that said instrument was signed on behalf of said company by authority of its managers and members; and that said **DARDIS CLOTHIERS, L.L.C.** acknowledged the execution of said instrument to be the voluntary act and deed of said company by it voluntarily executed.

MATTHEW J. SPECHT
Commission Number 723662
My Comm. Exp. 7-29-15

NOTARY PUBLIC IN AND FOR SAID
COUNTY AND STATE

STATE OF IOWA }
SS:
COUNTY OF Dubuque

On this 27th day of January, 2014, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared **Gregory A. Dardis** to me personally known, who, being by me duly sworn, did say that he is Sole Member of said **DARDIS PROPERTIES, L.L.C.** executing the within and foregoing instrument; that said instrument was signed on behalf of said limited liability company by authority of its Managers; and that the said **Gregory A. Dardis** as such member acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company, by it and by him voluntarily executed.

MATTHEW J. SPECHT
Commission Number 723662
My Comm. Exp. 7-29-15

NOTARY PUBLIC IN AND FOR SAID
COUNTY AND STATE

LEASE - BUSINESS PROPERTY—SHORT FORM

THIS LEASE, made and entered into this _____, by and between **DARDIS PROPERTIES, L.L.C.**, ("Landlord"), whose address for the purpose of this lease is: 2330 Industrial Parkway, Dyersville, Iowa 52040 and **DARDIS CLOTHIERS, L.L.C.** ("Tenant"), whose address for the purpose of this Lease is: 2330 Industrial Parekway - Dyersville, Iowa 52040.

The parties agree as follows:

1. PREMISES AND TERM. Landlord leases to Tenant the following real estate, situated in Delaware County, Iowa:

Lot One (1) of 20 West Industrial Center Second Addition in the City of Dyersville, Delaware County, Iowa, according to plat recorded in Book 2012, Page 1264.

together with all improvements thereon, and all rights, easements and appurtenances thereto belonging, for a term beginning on the January 1, 2014, and ending on the December 31, 2014, upon the condition that Tenant performs as provided in this lease.

2. RENT. Tenant agrees to pay Landlord as rent $ 2,500.00 per month, in advance commencing on the January 1, 2014, and on the 1st day of each month thereafter, during the term of this lease. Rent for any partial month shall be prorated as additional rent. Tenant shall also pay:

All sums shall be paid at the address of Landlord, or at such other place as Landlord may designate in writing. Delinquent payments shall draw interest at _____ % per annum.

3. POSSESSION. Tenant shall be entitled to possession on the first day of the lease term, and shall yield possession to Landlord at the termination of this lease. SHOULD LANDLORD BE UNABLE TO GIVE POSSESSION ON SAID DATE, TENANT'S ONLY DAMAGES SHALL BE A PRO RATA ABATEMENT OF RENT.

4. USE. Tenant shall use the premises only for _____.

5. CARE AND MAINTENANCE.

(a) Tenant takes the premises as is, except as herein provided.

(b) Landlord shall keep the following in good repair: (strike inapplicable words) (roof) (exterior walls) (foundation) (sewer) (plumbing) (heating) (wiring) (air conditioning) (plate glass) (windows and window glass) (parking area) (driveways) (sidewalks) (exterior decorating) (interior decorating)

Landlord shall not be liable for failure to make any repairs or replacements unless Landlord fails to do so within a reasonable time after written notice from Tenant.

(c) Tenant shall maintain the premises in a reasonable safe, serviceable, clean and presentable condition, and except for the repairs and replacements provided to be made by Landlord in subparagraph (b) above, shall make all repairs, replacements and improvements to the premises, INCLUDING ALL CHANGES, ALTERATIONS OR ADDITIONS ORDERED BY ANY LAWFULLY CONSTITUTED GOVERNMENT AUTHORITY DIRECTLY RELATED TO TENANT'S USE OF THE PREMISES. Tenant shall make no structural changes or alterations without the prior written consent of Landlord. Unless

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otherwise provided, and if the premises include the ground floor, Tenant agrees to remove all snow and ice and other obstructions from the sidewalk on or abutting the premises.

6. UTILITIES AND SERVICES. Tenant shall pay for all utilities and services which may be used on the premises, except the following to be furnished by Landlord: _____

_____.

Landlord shall not be liable for damages for failure to perform as herein provided, or for any stoppage for needed repairs or for improvements or arising from causes beyond the control of Landlord, provided Landlord uses reasonable diligence to resume such services.

7. SURRENDER. Upon the termination of this lease, Tenant will surrender the premises to Landlord in good and clean condition, except for ordinary wear and tear or damage without fault or liability of Tenant. Continued possession, beyond the term of this Lease and the acceptance of rent by Landlord shall constitute a month-to-month extension of this lease.

8. ASSIGNMENT AND SUBLETTING. No assignment or subletting, either voluntary or by operation of law, shall be effective without the prior written consent of Landlord, which consent shall not unreasonably be withheld.

9. INSURANCE.

A. PROPERTY INSURANCE. Landlord and Tenant agree to insure their respective real and personal property for the full insurable value. Such insurance shall cover losses included in the special form causes of loss (formerly all risks coverage). To the extent permitted by their policies the Landlord and Tenant waive all rights of recovery against each other.

B. LIABILITY INSURANCE. Tenant shall obtain commercial general liability insurance in the amounts of $_____ each occurrence and $_____ annual aggregate per location. This policy shall be endorsed to include the Landlord as an additional insured.

10. LIABILITY FOR DAMAGE. Each party shall be liable to the other for all damage to the property of the other negligently, recklessly or intentionally caused by that party (or their agents, employees or invitees), except to the extent the loss is insured and subrogation is waived under the owner's policy.

11. INDEMNITY Except for any negligence of Landlord, Tenant will protect, defend, and indemnify Landlord from and against any and all loss, costs, damage and expenses occasioned by, or arising out of, any accident or other occurrence causing or inflicting injury or damage to any person or property, happening or done in, upon or about the premises, or due directly or indirectly to the tenancy, use or occupancy thereof, or any part thereof by Tenant or any person claiming through or under Tenant.

12. DAMAGE. In the event of damage to the premises, so that Tenant is unable to conduct business on the premises, this lease may be terminated at the option of either party. Such termination shall be effected by notice of one party to the other within 20 days after such notice; and both parties shall thereafter be released from all future obligations hereunder.

13. MECHANICS' LIENS. Neither Tenant, nor anyone claiming by, through, or under Tenant, shall have the right to file any mechanic's lien against the premises. Tenant shall give notice in advance to all contractors and subcontractors who may furnish, or agree to furnish, any material, service or labor for any improvement on the premises.

14. DEFAULT, NOTICE OF DEFAULT AND REMEDIES.

EVENTS OF DEFAULT

A. Each of the following shall constitute an event of default by Tenant: (1) Failure to pay rent when due; (2) failure to observe or perform any duties, obligations, agreements, or conditions imposed on Tenant pursuant to the terms of the lease; (3) abandonment of the premises. "Abandonment" means the Tenant has failed to engage in its usual and customary business activities on the premises for more than fifteen (15) consecutive business days; (4) institution of voluntary bankruptcy proceedings by Tenant; institution of involuntary bankruptcy proceedings in which the Tenant thereafter is adjudged a bankruptcy; assignment for the benefit of creditors of the interest of Tenant under this lease agreement; appointment of a receiver for the property or affairs of Tenant, where the receivership is not vacated within ten (10) days after the appointment of the receiver.

NOTICE OF DEFAULT

B. Landlord shall give Tenant a written notice specifying the default and giving the Tenant ten (10) days in which to correct the default. If there is a default (other than for nonpayment of a monetary obligation of Tenant, including rent) that cannot be remedied in ten (10) days by diligent efforts of the Tenant, Tenant shall propose an additional period of time in which to remedy the default. Consent to additional time shall not be unreasonably withheld by Landlord. Landlord shall not be required to give Tenant any more than three notices for the same default within any 365 day period.

REMEDIES

C. In the event Tenant has not remedied a default in a timely manner following a Notice of Default, Landlord may proceed with all available remedies at law or in equity, including but not limited to the following: (1) Termination. Landlord may declare this lease to be terminated and shall give Tenant a written notice of such termination. In the event of termination of this lease, Landlord shall be entitled to prove claim for and obtain judgment against Tenant for the balance of the rent agreed to be paid for the term herein provided, plus all expenses of Landlord in regaining possession of the premises and the reletting thereof, including attorney's fees and court costs, crediting against such claim, however, any amount obtained by reason of such reletting; (2) Forfeiture. If a default is not remedied in a timely manner, Landlord may then declare this lease to be forfeited and shall give Tenant a written notice of such forfeiture, and may, at the time, give Tenant the notice to quit provided for in Chapter 648 of the Code of Iowa.

15. SIGNS. Landlord, during the last 90 days of this lease, shall have the right to maintain on the premises either or both a "For Rent" or "For Sale" sign. Tenant will permit prospective tenants or buyers to enter and examine the premises.

16. NOTICES AND DEMANDS. All notices shall be given to the parties hereto at the addresses designated unless either party notifies the other, in writing, of a different address. Without prejudice to any other method of notifying a party in writing or making a demand or other communication, such notice shall be considered given under the terms of this lease when it is deposited in the U.S. Mail, registered or certified, properly addressed, return receipt requested, and postage prepaid.

17. PROVISIONS BINDING. Each and every covenant and agreement herein contained shall extend to and be binding upon the respective successors, heirs, administrators, executors and assigns of the parties hereto.

18. CERTIFICATION. Tenant certifies that it is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and it is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Tenant hereby agrees to defend, indemnify and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

19. ADDITIONAL PROVISIONS. Said Lease is automatically renewable on a yearly basis, with the parties agreeing to adjust rent payment each year,

DARDIS PROPERTIES, L.L.C.

By: _____

LANDLORD **GREGORY A. DARDIS, Sole Member**

DARDIS CLOTHIERS, L.L.C.

By: _____

TENANT **GREGORY A. DARDIS, Sole Member**