



Document 2022 1461

Book 2022 Page 1461 Type 04 001 Pages 27

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Rec Amt \$147.00

INDX
ANNO
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LISA SMITH, COUNTY RECORDER
MADISON COUNTY IOWA

CHEK

Prepared by and Recording Requested By
Anchor Loans, LP
One Baxter Way, Suite 220
Thousand Oaks, CA 91362
(310) 395-0010

When Recorded Mail To

Anchor Loans, LP
One Baxter Way, Suite 220
Thousand Oaks, CA 91362
(310) 395-0010

Title Order No. C-220023244
RECORDER: INDEX FOR SPECIAL NOTICE

407 East Benton Street, Winterset, IA 50273

Mortgagor/Taxpayer:

D&D CONSTRUCTION OF IOWA, INC.

414 Wilson Street,

Van Meter, IA 50261

Grantee:

ANCHOR LOANS, LP

One Baxter Way, Suite 220,

Thousand Oaks, CA 91362

Legal Description: See Schedule A

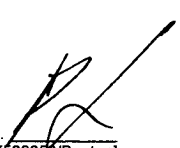
**COMMERCIAL MORTGAGE, ASSIGNMENT OF LEASES AND RENTS,
SECURITY AGREEMENT AND FIXTURE FILING**

NOTICE: THIS SECURITY INSTRUMENT SECURES CREDIT IN THE AMOUNT OF \$70,500.00. LOANS AND ADVANCES UP TO THIS AMOUNT, TOGETHER WITH INTEREST, ARE SENIOR TO INDEBTEDNESS TO OTHER CREDITORS UNDER SUBSEQUENTLY RECORDED OR FILED MORTGAGES AND LIENS.

This Security Instrument contains an after-acquired property clause.

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

Mortgager: D&D CONSTRUCTION OF IOWA, INC.
Loan Amount: \$70,500.00
Date: May 10, 2022
Loan No. 500053
Original Principal Amount: \$70,500.00
Maturity Date: May 20, 2052

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[500053/Benton]

This Commercial Mortgage ("Mortgage" or "Security Instrument"), made this 10th day of May, 2022, is executed by **D&D CONSTRUCTION OF IOWA, INC., an Iowa Corporation**, who acquired title as **D & D Construction of Iowa, Inc.**, having an address at **414 Wilson Street, Van Meter, IA 50261** ("Borrower" or "Mortgagor"), to and for the benefit of **ANCHOR LOANS, LP, a Delaware Limited Partnership** having its principal place of business at **One Baxter Way, Suite 220, Thousand Oaks, CA 91362** ("Lender" or "Mortgagee").

MORTGAGEE IS SPECIFICALLY PERMITTED, AT ITS OPTION AND IN ITS DISCRETION, TO MAKE ADDITIONAL LOANS AND FUTURE ADVANCES UNDER THIS MORTGAGE.

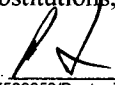
Mortgagor does hereby give, grant, bargain, sell, and confirm unto the said Mortgagee, its successors and assigns forever, the following:

(A) All right, title and interest in and to those premises more commonly known as **407 East Benton Street, Winterset, IA 50273** which is more particularly described in **SCHEDULE A** (the "Premises") which is attached hereto and made a part hereof;

(B) TOGETHER WITH (1) all buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Premises, and (2) all building materials, supplies and other property stored at or delivered to the Premises or any other location for incorporation into the improvements located or to be located on the Premises, and all fixtures, machinery, appliances, equipment, furniture and personal property of every nature whatsoever now or hereafter owned by Mortgagor and located in or on, or attached to, and used or intended to be used in connection with, or with the operation of, or the occupancy of, the Premises, buildings, structures or other improvements, or in connection with any construction being conducted or which may be conducted thereon, and owned by Mortgagor, and all extensions, additions, improvements, betterments, renewals, substitutions and replacements to any of the foregoing, and all of the right, title and interest of Mortgagor in and to such personal property which, to the fullest extent permitted by law, shall be conclusively deemed fixtures and a part of the real property encumbered hereby (the "Improvements");

(C) TOGETHER WITH (1) all estate, right, title and interest of Mortgagor, of whatever character, whether now owned or hereafter acquired, in and to (a) all streets, roads and public places, open or proposed, in front of or adjoining the Premises, and the land lying in the bed of such streets, roads and public places, and (b) all other sidewalks, alleys, ways, passages, strips and gores of land adjoining or used or intended to be used in connection with any of the property described in **paragraphs (A) and (B)** hereof, or any part thereof; and (2) all water courses, water rights, easements, rights-of-way and rights of use or passage, public or private, and all estates, interest, benefits, powers, rights (including, without limitation, any and all lateral support, drainage, slope, sewer, water, air, mineral, oil, gas and subsurface rights), privileges, licenses, profits, rents, royalties, tenements, hereditaments, reversions and subreversions, remainders and subremainders and appurtenances whatsoever in any way belonging, relating or appertaining to any of the property described in **paragraphs (A) and (B)** hereof, or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Mortgagor; and

(D) TOGETHER WITH (a) all estate, right, title and interest of Mortgagor of, in and to all judgments, insurance proceeds, awards of damages and settlements hereafter made resulting from condemnation proceedings or the taking of the property described in **paragraphs (A), (B) and (C)** hereof or any part thereof under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the property described in **paragraphs (A), (B) or (C)** hereof or any part thereof, or to any rights appurtenant thereto, and all proceeds of any sales or other dispositions of the property described in **paragraphs (A), (B) or (C)** hereof, or any part thereof; and Mortgagee is hereby authorized to collect and receive said awards and proceeds and to give proper receipts and acquittances therefor, and (if it so elects) to apply the same, after deducting therefrom any expenses incurred by Mortgagee in the collection and handling thereof, toward the payment of the indebtedness and other sums secured hereby, notwithstanding the fact that the amount owing thereon may not then be due and payable; and (b) all contract rights, general intangibles, governmental permits, licenses and approvals, actions and rights in action, including without limitation all rights to insurance proceeds and unearned premiums, arising from or relating to the property described in **paragraphs (A), (B) and (C)** above; and (c) all proceeds, products, replacements additions, substitutions, renewals and accessions of and to the property described in **paragraphs (A), (B) and (C)**.

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All of the property described in **paragraphs (A), (B), (C) and (D)** above, and each item of property therein described, is herein referred to as the "Mortgaged Property".

TO HAVE AND TO HOLD the above granted and bargained Premises, with the appurtenances thereof, unto it, the said Mortgagee, its successors and assigns forever, to it and their own proper use and behoof. And also, the said Mortgagor does for itself, its successors and assigns, covenant with the said Mortgagee, its successors and assigns, that at and until the ensembling of these presents, they are well seized of the Premises as a good indefeasible estate in FEE SIMPLE; and have good right to bargain and sell the same in manner and form as is above written; and that the same is free and clear of all encumbrances whatsoever.

AND FURTHERMORE, Mortgagor does by these presents bind itself, its legal representatives and its successors and assigns forever to WARRANT AND DEFEND the above granted and bargained Mortgaged Property to Mortgagee, its successors and assigns, against all claims and demands whatsoever.

THE CONDITION OF THIS MORTGAGE IS SUCH THAT:

WHEREAS, Mortgagor is indebted to Mortgagee by virtue of a commercial loan transaction (the "Loan") in the sum of **Seventy Thousand Five Hundred Dollars** as evidenced by that certain Note Secured by Mortgage in the principal amount of **\$70,500.00** (as same may be amended, restated, or modified from time to time, the "Note") dated **May 10, 2022** executed by Mortgagor and delivered to Mortgagee, with all amounts remaining unpaid thereon being finally due and payable on **May 20, 2052** of even date herewith;

WHEREAS, the terms and repayment of such obligations of the Mortgagor are set forth in the Note;

WHEREAS, to secure payment and performance of the indebtedness and obligations represented by the Note, the Mortgagor is hereby executing this Mortgage in favor of the Mortgagee;

WHEREAS, Mortgagor represents and warrants that it has full power and authority to execute and deliver the Note, this Mortgage, and all other documents, agreements and instruments required of it by Mortgagee in connection with the making of the Loan (the Note, this Mortgage, and all such other documents, agreements and instruments executed and delivered by Mortgagor in connection with the Loan being sometimes collectively referred to herein as the "Loan Documents").

NOW, THEREFORE, Mortgagor hereby covenants and agrees with Mortgagee as follows:

ARTICLE ONE: COVENANTS OF MORTGAGOR

1.01 Performance of Loan Documents. Mortgagor shall cause to be performed, observed and complied with all provisions hereof, of the Note and each of the Loan Documents, and will promptly pay to Mortgagee the principal, with interest thereon, and all other sums required to be paid by Mortgagor under the Note and pursuant to the provisions of this Mortgage and of the Loan Documents when payment shall become due (the entire principal amount of the Note, all accrued interest thereon and all obligations and indebtedness thereunder and hereunder and under all of the Loan Documents described being referred to herein as the "Indebtedness"). Mortgagor will be required to pay a prepayment premium in connection with certain prepayments of the Indebtedness, including a payment made after Lender's exercise of any right of acceleration of the Indebtedness as provided in the Note.

1.02 General Representations, Covenants and Warranties. Mortgagor represents and covenants that **(a)** Mortgagor is now able to meet its debts as they mature, the fair market value of its assets exceeds its liabilities and no bankruptcy or insolvency case or proceeding is pending or contemplated by or against Mortgagor; **(b)** all reports, statements and other data furnished by Mortgagor to Mortgagee in connection with the Loan are true, correct and complete in all material respects and do not omit to state any fact or circumstance necessary to make the statements contained therein not misleading; **(c)** this Mortgage, the Note and all other Loan Documents are legal, valid and binding obligations of Mortgagor enforceable in accordance with their respective terms and the execution and delivery thereof do not contravene any contract or agreement to which Mortgagor is a party or by which Mortgagor may be bound and do not


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contravene any law, order, decree, rule or regulation to which Mortgagor is subject; **(d)** there are no actions, suits or proceedings pending, or to the knowledge of Mortgagor threatened, against or affecting Mortgagor or any part of the Mortgaged Property; **(e)** all costs arising from construction of any improvements and the purchase of all equipment located on the Mortgaged Property which have been incurred prior to the date of this Mortgage have been paid; **(f)** the Mortgaged Property has frontage on, and direct access for, ingress and egress to the street(s) described in any survey submitted to Mortgagee; **(g)** electric, sewer, water facilities and any other necessary utilities are, or will be, available in sufficient capacity to service the Mortgaged Property satisfactorily during the term of the Note, and any easements necessary to the furnishing of such utility service by Mortgagor have been or will be obtained and duly recorded (evidence satisfactory to Mortgagee that all utility services required for the use, occupancy and operations of the Mortgaged Property shall be provided to Mortgagee immediately upon Mortgagee's request); **(h)** there has not been, is not presently and will not in the future be any activity conducted by Mortgagor or any tenant at or upon any part of the Mortgaged Property that has given or will give rise to the imposition of a lien on any part of the Mortgaged Property; **(i)** Mortgagor is not in default under the terms of any instrument evidencing or securing any indebtedness of Mortgagor, and there has occurred no event which would, if uncured or uncorrected, constitute a default under any such instrument with the giving of notice, or the passage of time or both; and **(j)** Mortgagee has legal capacity to enter into the Loan and to execute and deliver the Loan Documents, and the Loan Documents have been duly and properly executed on behalf of Mortgagee.

1.03 Compliance with Laws; Permits; Notice. Mortgagor covenants and warrants that the Mortgaged Property presently complies with and shall continue to comply with all applicable restrictive covenants, applicable zoning, wetlands and subdivision ordinances and building codes, all applicable health and environmental laws and regulations and all other applicable laws, statutes, rules, ordinances, codes, and regulations, and Mortgagor has not received any notice that the Mortgaged Property is not in compliance with any such laws, statutes, rules, ordinances, codes and regulations. If Mortgagor receives notice from any federal, state or other governmental body that it is not in compliance with any such laws, statutes, rules, ordinances, codes and regulations, Mortgagor shall provide Mortgagee with a copy of such notice promptly. Mortgagor agrees to comply with all federal, state and municipal local laws, statutes, rules, ordinances, codes and regulations in connection with the construction and development of the Mortgaged Property. Mortgagor has obtained all licenses, permits, authorizations, consents and approvals necessary for the construction and development of the Mortgaged Property, and all such licenses, permits, authorizations, consents and approvals are in full force and effect and all appeal periods have expired. Unless required by applicable law or unless Mortgagee has otherwise agreed in writing, Mortgagor shall not allow changes in the nature of the occupancy for which the Premises were intended at the time this Mortgage was executed. Mortgagor shall not initiate or acquiesce in a change in the zoning classification of the Mortgaged Property without Mortgagee's prior written consent. Mortgagor warrants and represents that its use, and the use by any of its tenants, of the Mortgaged Property is in accordance and compliance with the terms and conditions of any and all rules, regulations, and laws that may be applicable to the Mortgaged Property, including, without limitation, all federal, state and local laws, ordinances, rules and regulations regarding hazardous and toxic materials and that Mortgagor shall maintain and continue such compliance and shall require and ensure its tenants' compliance with the same. Mortgagor shall maintain or shall cause their agent to maintain in its possession, available for the inspection of the Mortgagee, and shall deliver to the Mortgagee, upon three (3) business days' request, evidence of compliance with all such requirements. Mortgagor hereby indemnifies and holds Mortgagee free of and harmless from and against any and all claims, demands, damages or liabilities that Mortgagee may incur with regard thereto.

1.04 Taxes and Other Charges.

1.04.1 Impositions. Subject to the provisions of this **Section 1.04**, Mortgagor shall pay, at least five (5) days before the date due, all real estate taxes, personal property taxes, assessments, water and sewer rates and charges, license fees, all charges which may be imposed for the use of vaults, chutes, areas and other space beyond the lot line and abutting the public sidewalks in front of or adjoining the Premises, and all other governmental levies and charges (collectively, the "Impositions"), of every kind and nature whatsoever, general and special, ordinary and extraordinary, foreseen and unforeseen, which shall be assessed, levied, confirmed, imposed or become a lien upon or against the Mortgaged Property or any part thereof, or which shall become payable with respect thereto. Mortgagor shall deliver to Mortgagee, within twenty (20) days after the due date of each payment in connection with the Impositions or any assessment for local improvements ("Assessment"), the original or a true photostatic copy of the official receipt evidencing such payment or other proof of payment satisfactory to Mortgagee. Pursuant to Section 1.04.3, Mortgagee

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shall require an Impound Account for payment of regular and recurring real estate taxes, assessments, and other governmental levies. All other Impositions described herein shall be paid by Mortgagor at least 5 days prior to the date due and failure by Mortgagor to tender such payment timely shall be an Event of Default under this Mortgage.

1.04.2 Insurance.

(a) Mortgagor shall keep all buildings erected on or to be erected on the Mortgaged Property insured against loss by fire and such other hazards as the Mortgagee may require and Mortgagor shall obtain and maintain insurance with respect to other insurable risks and coverage relating to the Mortgaged Property including, without limitation, fire, builder's risk, worker's compensation, physical damages, loss of rentals or business interruption, earthquake (if applicable), and liability insurance, all such insurance to be in such sums and upon such terms and conditions as Mortgagee reasonably may require, with loss proceeds by the terms of such policies made payable to the Mortgagee as its interest may appear. Mortgagor covenants that all insurance premiums shall be paid not later than fifteen (15) days prior to the date on which such policy could be cancelled for non-payment. If, to Mortgagor's knowledge, any portion of the Mortgaged Property is in an area identified by any federal governmental authority as having special flood hazards, and flood insurance is available, a flood insurance policy meeting the current guidelines of the Federal Insurance Administration is in effect with a generally acceptable insurance carrier, in an amount representing coverage not less than the least of (1) the outstanding principal balance of the Loan, (2) the full insurable value of the Mortgaged Property, and (3) the maximum amount of insurance available under the Flood Disaster Protection Act of 1973, as amended. All such insurance policies (collectively, the "hazard insurance policy") shall contain a standard mortgagee clause naming the Mortgagee and its successors and assigns as beneficiary, and may not be reduced, terminated, or canceled without thirty (30) days' prior written notice to the Mortgagee.

(b) Such insurance companies shall be duly qualified as such under the laws of the states in which the Mortgaged Property is located, duly authorized and licensed in such states to transact the applicable insurance business and to write the insurance provided, and companies whose claims paying ability is rated in the two highest rating categories by A.M. Best with respect to hazard and flood insurance. Such insurance shall be in amounts not less than the greater of: (i) the outstanding principal balance of the Loan, or (ii) the amount necessary to avoid the operation of any co-insurance provisions with respect to the Premises.

(c) All such policies shall provide for a minimum of thirty (30) days prior written cancellation notice to Mortgagee. Mortgagee, upon its request to Mortgagor, shall have the custody of all such policies and all other policies which may be procured insuring said Mortgaged Property, the same to be delivered to Mortgagee at its office and all renewal policies to be delivered and premiums paid to Mortgagee at its office at least twenty (20) days before the expiration of the old policies; and Mortgagor agrees that upon failure to maintain the insurance as above stipulated or to deliver said renewal policies as aforesaid, or to pay the premiums therefor, Mortgagee may, without obligation to do so, procure such insurance and pay the premiums therefor and all sums so expended shall immediately be paid by Mortgagor and unless so paid, shall be deemed part of the debt secured hereby and shall bear interest at the rate set forth in the Note, and thereupon the entire principal sum unpaid, including such sums as have been paid for premiums of insurance as aforesaid, and any and all other sums which shall be payable hereunder shall become due and payable forthwith at the option of Mortgagee, anything herein contained to the contrary notwithstanding. In case of loss and payment by any insurance company, the amount of insurance money received shall be applied either to the Indebtedness secured hereby, or in rebuilding and restoring the damaged property, as Mortgagee may elect.

(d) Mortgagor has not engaged in and shall not engage in any act or omission which would impair the coverage of any such policy, the benefits of the endorsement provided for herein, or the validity and binding effect of either including, without limitation, no unlawful fee, commission, kickback, or other unlawful compensation or value of any kind has been or will be received, retained, or realized by any attorney, firm, or other person, and no such unlawful items have been received, retained, or realized by Mortgagor.

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(e) No action, inaction, or event has occurred and no state of facts exists or has existed that has resulted or will result in the exclusion from, denial of, or defense to coverage under any applicable special hazard insurance policy or bankruptcy bond, irrespective of the cause of such failure of coverage.

1.04.3 Deposits for Impositions and Insurance. Mortgagor shall deposit with Mortgagee on the first day of each month, concurrent with Mortgagor's periodic payment under the Note, an amount equal to one twelfth (1/12th) of the sum of: (i) the aggregate annual payments for the Impositions; (ii) the annual insurance premiums on the policies of insurance required to be obtained and kept in force by Mortgagor under this Mortgage; and (iii) all other periodic charges (other than interest and principal under the Note) arising out of the ownership of the Mortgaged Property or any portion thereof which are or with notice or the passage of time or both will become a lien against the Mortgaged Property or any part thereof ((i), (ii), and (iii), collectively, the "Annual Payments"). Such sums will not bear interest, unless required by applicable law, and are subject to adjustment or additional payments in order to assure Mortgagee that it will have the full amount of any payment on hand at least one (1) month prior to its due date. Mortgagee shall hold said sums in escrow to pay said Annual Payments in the manner and to the extent permitted by law when the same become due and payable. Notwithstanding anything herein to the contrary, however, such deposits shall not be, nor be deemed to be, trust funds but may be commingled with the general funds of Mortgagee. If the total payments made by Mortgagor to Mortgagee, on account of said Annual Payments up to the time when the same become due and payable, shall exceed the amount of payment for said Annual Payments actually made by Mortgagee, such excess shall be credited by Mortgagee against the next payment or payments due from Mortgagor to Mortgagee on account of said Annual Payments. If, however, said payments made by Mortgagor shall not be sufficient to pay said Annual Payments when the same become due and payable, Mortgagor agrees to promptly pay to Mortgagee the amount necessary to make up any deficiency.


In case of default in the performance of any of the agreements or provisions contained in the Note, Mortgagee may, at its option, at any time after such default, apply the balance remaining of the sums accumulated, as a credit against the principal or interest of the mortgage Indebtedness, or both.

1.04.4 Late Charge. Mortgagee may collect a "late charge" of ten percent (10%) on any payment or installment due or required to be paid pursuant to the terms of this Mortgage or the Note which is not paid within ten (10) days of when the same is required to be paid to cover the extra expenses involved in handling such delinquent payment.

1.04.5 Proof of Payment. Upon request of Mortgagee, Mortgagor shall deliver to Mortgagee, within twenty (20) days after the due date of any payment required in this **Section 1.04**, proof of payment satisfactory to Mortgagee.

1.05 Condemnation. Mortgagee shall be entitled to all compensation awards, damages, claims, rights of action and proceeds of, or on account of, any damage or taking through condemnation, eminent domain or the like, and Mortgagee is hereby authorized, at its option, to commence, appear in and prosecute in its own or Mortgagor's name any action or proceeding relating to any such condemnation, taking or the like and to settle or compromise any claim in connection therewith.

1.06 Care of Mortgaged Property; Demolition and Alteration. Mortgagor shall maintain the Mortgaged Property in good condition and repair, shall not commit or suffer any waste of the Mortgaged Property, and shall comply with or cause to be complied with, all statutes, laws, rules, ordinances and requirements of any governmental authority relating to the Mortgaged Property. Mortgagor's failure, refusal or neglect to pay any taxes or assessments levied against the Mortgaged Property or any insurance premiums due upon policies of insurance covering the Mortgaged Property will constitute waste under the laws of the jurisdiction where the Mortgaged Property is located, and the Mortgagee shall have a right to appointment of a receiver of the Mortgaged Property and of the rents and income from the Mortgaged Property, with such powers as the order from the court making such appointment confers. Mortgagor shall promptly repair, restore, replace or rebuild any part of the Mortgaged Property now or hereafter subject to the lien of this Mortgage which may be damaged or destroyed by any casualty whatsoever or which may be affected by any proceeding of the character referred to in **Section 1.05**. Mortgagor shall complete and pay for, within a reasonable time, any structure in the process of construction on the Mortgaged Property at any time during the term of the Loan; and Mortgagor shall not initiate, join in, or consent to any change in any private restrictive covenants, or private restrictions, limiting or defining the uses which may be made of the Mortgaged Property or any part thereof, without the written consent of Mortgagee. Mortgagor agrees that no building or

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other property now or hereafter covered by the lien of this Mortgage shall be removed, demolished, or materially altered, without the prior written consent of Mortgagee, except that Mortgagor shall have the right, without such consent, to remove and dispose of, free from the lien of this Mortgage, such equipment as from time to time may become worn out or obsolete, provided that simultaneously with or prior to such removal any such equipment shall be replaced with other equipment of value at least equal to that of the replaced equipment and free from any title retention or security agreement or other encumbrance, and by such removal and replacement Mortgagor shall be deemed to have subjected such equipment to the lien of this Mortgage.

1.07 Transfer and Encumbrance of Mortgaged Property; Transfer and Encumbrance of Mortgagor.

(a) Mortgagor shall not sell, convey, transfer, suffer any type of change in title or ownership, lease, assign or further encumber any interest in any part of the Mortgaged Property (including any land sale leaseback, installment sale contract, lease-option leaseback, contract for deed or conditional sales contract financing), without the prior written consent of Mortgagee, without the prior written consent of Mortgagee. For purposes of this Mortgage, an encumbrance shall also include (but is not limited to) any encumbrance related to PACE/HERO loans, any "clean energy" lien or loan designated to assist with "clean energy" upgrades, renovations, or products, any loans where payments are collected through property tax assessments, and super-voluntary liens which are deemed to have priority over the lien of this Security Instrument. Any such sale, conveyance, transfer, pledge, lease, assignment or encumbrance made without Mortgagee's prior written consent shall be null and void and shall constitute a default hereunder. Mortgagor shall not, without the prior written consent of Mortgagee, permit any further assignment of the rents, royalties, issues, revenues, income, profits or other benefits from the Mortgaged Property, or any part thereof, and any such assignment without the prior written consent of Mortgagee shall be null and void and shall constitute a default hereunder. Mortgagor agrees that in the event the ownership of the Mortgaged Property or any part thereof is permitted by Mortgagee to be vested in a person other than Mortgagor, Mortgagee may, without notice to Mortgagor, deal in any way with such successor or successors in interest with reference to this Mortgage and the Note and other sums hereby secured without in any way vitiating or discharging Mortgagor's liability hereunder or upon the Note and other sums hereby secured. No sale of the Mortgaged Property and no forbearance to any person with respect to this Mortgage and no extension to any person of the time for payment of the Note and other sums hereby secured given by Mortgagee shall operate to release, discharge, modify, change or affect the original liability of Mortgagor either in whole or in part.

(b) If Mortgagor shall sell, convey, assign or transfer all or any part of the Mortgaged Property or any interest therein or any beneficial interest in Mortgagor without Mortgagee's prior written consent, Mortgagee may, at Mortgagee's option, without demand, presentment, protest, notice of protest, notice of intent to accelerate, notice of acceleration or other notice, or any other action, all of which are hereby waived by Mortgagor and all other parties obligated in any manner on the Indebtedness, declare the Indebtedness to be immediately due and payable, which option may be exercised at any time following such sale, conveyance, assignment, lease or transfer, and upon such declaration the entire unpaid balance of the Indebtedness shall be immediately due and payable.

(c) Mortgagor shall keep the Mortgaged Property free from mechanics' liens, materialmen's liens and encumbrances. If any prohibited lien or encumbrance is filed against the Mortgaged Property, Mortgagor shall cause the same to be removed and discharged of record within thirty (30) days after the date of filing thereof.

(d) Mortgagor shall obtain, upon request by Mortgagee, from all persons hereafter having or acquiring any interest in or encumbrance on the Mortgaged Property or the said equipment or accessions, a writing duly acknowledged, and stating the nature and extent of such interest or encumbrance and that the same is subordinate to this Mortgage and no offsets or defenses exist in favor thereof against this Mortgage or the Note hereby secured, and deliver such writing to Mortgagee.

1.08 Further Assurances. At any time and from time to time upon Mortgagee's request, Mortgagor shall make, execute and deliver, or cause to be made, executed and delivered, to Mortgagee and, where appropriate, shall cause to be recorded or filed, and from time to time thereafter to be re-recorded and refiled, at such time and in such offices and places as shall be deemed desirable by Mortgagee, any and all such further mortgages, instruments of further assurance, certificates and such other documents as Mortgagee may consider necessary or desirable in order to effectuate, complete or perfect, or to continue and preserve, the obligations of Mortgagor under the Note and this Mortgage, the lien of this Mortgage as a lien upon all of the Mortgaged Property, and unto all and every person or persons deriving any estate, right, title or interest under this Mortgage. Upon any failure by Mortgagor to do so, Mortgagee may make, execute, record, file, re-record or refile any and all such mortgages, instruments, certificates

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and documents for and in the name of Mortgagor, and Mortgagor hereby irrevocably appoints Mortgagee the agent and attorney-in-fact of Mortgagor to do so.

1.09 Uniform Commercial Code Security Agreement and Fixture Filing. This Mortgage is intended to be a security agreement and fixture filing which is to be filed for record in the real estate records pursuant to the Uniform Commercial Code in effect from time to time in the jurisdiction where the Mortgaged Property is located for any of the goods specified above in this Mortgage as part of the Mortgaged Property which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code and Mortgagor hereby agrees to execute and deliver any additional financing statements covering said goods from time to time and in such form as Mortgagee may require to perfect a security interest with respect to said goods ("UCC Collateral"). Mortgagor shall pay all costs of filing such financing statements and renewals and releases thereof and shall pay all reasonable costs and expenses of any record searches for financing statements which Mortgagee may reasonably require. Without the prior written consent of Mortgagee, Mortgagor shall not create or suffer to be created, pursuant to the Uniform Commercial Code, any other security interest in said goods, including replacements and additions thereto. Upon Mortgagor's breach of any covenant or agreement of Mortgagor contained in this Mortgage, including the covenants to pay when due all sums secured by this Mortgage, Mortgagee shall have the remedies of a secured party under the Uniform Commercial Code and, at Mortgagee's option, may also invoke the remedies permitted by applicable law as to such goods.

AS IT IS RELATED HERETO:

Mortgagor Is: D&D CONSTRUCTION OF IOWA, INC., 414 Wilson Street, Van Meter, IA 50261


Secured Party Is: Anchor Loans, LP, One Baxter Way, Suite 220, Thousand Oaks, CA 91362

Mortgagor represents, covenants, and warrants that as of the date hereof as follows: Mortgagor's full, correct, and exact legal name is set forth immediately above in this **Section 1.09**. Mortgagor is an organization of the type and is incorporated in, organized, or formed under the laws of the state specified in the introductory paragraph to this Mortgage. In the event of any change in name or identity of Mortgagor, Mortgagor hereby authorizes Mortgagee to file such Uniform Commercial Code forms as are necessary to maintain the priority of Mortgagee's lien upon the Mortgaged Property which may be deemed personal property or fixtures, including future replacement thereof, which serves as collateral under this Mortgage.

1.10 Lease Covenants. To secure to Mortgagee the repayment of the Indebtedness, and all renewals, extensions and modifications thereof, and the performance of the covenants and agreements of Mortgagor contained in the Loan Documents, Mortgagor hereby pledges to Mortgagee all of Mortgagor's right, title and interest in and to all current and future Leases and Rents. Each and every covenant on the part of Mortgagor contained in any assignment of lessor's interest in leases or any assignment of rents, royalties, issues, revenues, profits, income or other benefits made collateral hereto is made an obligation of Mortgagor hereunder as if fully set forth herein. Mortgagor further agrees that following the occurrence of an Event of Default, Mortgagee will have all of the rights and remedies of a secured party, including the right to notify affected tenants to make all Rent payments directly to Mortgagee or its designee.

1.11 After-Acquired Property. To the extent permitted by and subject to applicable law, the lien of this Mortgage will automatically attach, without further act, to all after-acquired property located in, on, or attached to, or used, or intended to be used, in connection with, or with the renovation of, the Mortgaged Property or any part thereof; provided, however, that, upon request of Mortgagee, Mortgagor shall execute and deliver such instrument or instruments as shall reasonably be requested by Mortgagee to confirm such lien, and Mortgagor hereby appoints Mortgagee its attorney-in-fact to execute all such instruments, which power is coupled with an interest and is irrevocable.

1.12 Expenses. Unless otherwise agreed in writing, Mortgagor will pay when due and payable all appraisal fees, recording fees, taxes, brokerage fees and commissions, abstract fees, title policy fees, escrow fees, attorneys' fees, court costs, fees of inspecting architect(s) and engineer(s) and all other costs and expenses of every character which have been incurred or which may hereafter be incurred by Mortgagee in connection with: (a) the preparation and execution of the Loan Documents; (b) the funding of the Loan; (c) in the event an Event of Default occurs hereunder or under the Note or any of the Loan Documents, all costs, fees and expenses, including, without limitation, all reasonable attorneys' fees in connection with the enforcement under the Note or foreclosure under this Mortgage,

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
preparation for enforcement of this Mortgage or any other Loan Documents, whether or not suit or other action is actually commenced or undertaken; **(d)** enforcement of this Mortgage or any other Loan Documents; **(e)** court or administrative proceedings of any kind to which Mortgagee may be a party, either as plaintiff or defendant, by reason of the Note, the Mortgage or any other Loan Documents; **(f)** preparation for and actions taken in connection with Mortgagee's taking possession of the Mortgaged Property; **(g)** negotiations with Mortgagor, its beneficiary, or any of its agents in connection with the existence or cure of any Event of Default or default; **(h)** any proposed refinancing by Mortgagor or any other person or entity of the debt secured hereby; **(i)** the transfer of the Mortgaged Property in lieu of foreclosure; **(j)** inspection of the Mortgaged Property pursuant to **Section 1.15**; and **(k)** the approval by Mortgagee of actions taken or proposed to be taken by Mortgagor, its beneficiary, or other person or entity which approval is required by the terms of this Mortgage or any other of the Loan Document. Mortgagor will, upon demand by Mortgagee, reimburse Mortgagee or any takeout lender for all such expenses which have been incurred or which shall be incurred by either of them; and will indemnify and hold harmless Mortgagee from and against, and reimburse it for, the same and for all claims, demands, liabilities, losses, damages, judgments, penalties, costs and expenses (including, without limitation, attorneys' fees) which may be imposed upon, asserted against, or incurred or paid by it by reason of, on account of or in connection with any bodily injury or death or property damage occurring in or upon or in the vicinity of the Mortgaged Property through any cause whatsoever or asserted against it on account of any act performed or omitted to be performed hereunder or on account of any transaction arising out of or in any way connected with the Mortgaged Property, or with this Mortgage or the Indebtedness.

1.13 Mortgagee's Performance of Defaults. If Mortgagor defaults in the payment of any tax, Assessment, encumbrance or other Imposition, in its obligation to furnish insurance hereunder, or in the performance or observance of any other covenant, condition, agreement or term in this Mortgage, the Note or in any of the Loan Documents, Mortgagee may, without obligation to do so, to preserve its interest in the Mortgaged Property, perform or observe the same, and all payments made (whether such payments are regular or accelerated payments) and costs and expenses incurred or paid by Mortgagee in connection therewith shall become due and payable immediately. The amounts so incurred or paid by Mortgagee, together with interest thereon at the default rate, as provided in the Note, from the date incurred until paid by Mortgagor, shall be added to the Indebtedness and secured by the lien of this Mortgage to the extent permitted by law. Mortgagee is hereby empowered to enter and to authorize others to enter upon the Mortgaged Property or any part thereof for the purpose of performing or observing any such defaulted covenant, condition, agreement or term, without thereby becoming liable to Mortgagor or any person in possession holding under Mortgagor.

1.14 Financial Statements, Books, and Records. Mortgagor will furnish to Mortgagee, within thirty (30) days after a request therefor, a detailed statement in writing, covering the period of time specified in such request, showing all income derived from the operation of the Mortgaged Property, and all disbursements made in connection therewith, and containing a list of the names of all tenants and occupants of the Mortgaged Property, the portion or portions of the Mortgaged Property occupied by each such tenant and occupant, the rent and other charges payable under the terms of their leases or other agreements and the period covered by such leases or other agreements.

1.15 Inspection. Mortgagee, and any persons authorized by Mortgagee, shall have the right, at Mortgagee's option, to enter and inspect the Premises during the fourth (4th) month and at all other reasonable times during the term of the Loan. Mortgagor shall pay any professional fees and expenses, which may be incurred by Mortgagee in connection with such inspection.

1.16 Loan to Value Covenant. If at any one or more time(s) during the term of the Note the then aggregate outstanding and committed principal amount of the Note, plus accrued interest and fees thereon, plus all amounts outstanding under any debts secured by prior liens on the Mortgaged Property, is greater than eighty percent (80%) of the value of the Mortgaged Property, as determined by Mortgagee based upon Mortgagee's review of any appraisal and such other factors as Mortgagee may deem appropriate, then Mortgagor shall within thirty (30) days following a request by Mortgagee, prepay the Note by an amount sufficient to cause the then outstanding principal amount of the Note, plus accrued interest and fees thereon, to be reduced to an amount equal to or less than eighty percent (80%) of the value of the Mortgaged Property. The inability of Mortgagor to reduce the principal balance of the Note within thirty (30) days following request by Mortgagee shall be, at Mortgagee's option, an Event of Default, hereunder.

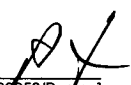
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1.17 Assignment of Rents. (a) As additional security for the Indebtedness and performance of the covenants and agreements set forth in this Mortgage, Mortgagor hereby assigns to Mortgagee, all rents, royalties, issues, profits, revenue, income and proceeds of the Mortgaged Property, whether now due, past due or to become due, including all prepaid rents and security deposits (collectively, the "Rents"), and confers upon Mortgagee the right to collect such Rents with or without taking possession of the Mortgaged Property. If any foreclosure sale results in a deficiency, this assignment of rents shall continue as security during the foreclosure redemption period, if any redemption period shall be applicable. In the event that anyone establishes and exercises any right to develop, bore for or mine for any water, gas, oil or mineral on or under the surface of the Mortgaged Property, any sums that may become due and payable to Mortgagor as bonus or royalty payments, and any damages or other compensation payable to Mortgagor in connection with the exercise of any such rights, shall also be considered Rents assigned under this paragraph. (b) Notwithstanding the provisions of Article 3, Mortgagee hereby confers upon Mortgagor a license ("License") to collect and retain the Rents as they become due and payable, so long as no Event of Default, as defined in paragraph 2.01, shall exist and be continuing. If an Event of Default has occurred and is continuing, Mortgagee shall have the right, which it may choose to exercise in its sole discretion, to terminate this License without notice to or demand upon Mortgagor, and without regard to the adequacy of the security for the Indebtedness.

As further additional security hereunder, in the event that any portion of the subject property is leased to any party, Mortgagor shall provide Mortgagee with a copy of the fully executed Lease and a fully executed Tenant Estoppel Letter for each tenant in possession of any portion of the Property, a full Rent Roll evidencing the nature of any lease of any portion of the Property, including but not limited to an identification of the portion of the Property so leased, the name of the Tenant, the term of the tenancy, and the amount of periodic rent and other funds to be paid to the Borrower under the terms of the Lease.

1.18 Compliance with Environmental Laws. Mortgagor represents and warrants to Mortgagee that: (1) During the period of Mortgagor's ownership of the Mortgaged Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Mortgaged Property; (2) Mortgagor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Mortgagee in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Mortgaged Property by any prior owners or occupants of the Mortgaged Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Mortgagee in writing, (a) neither Mortgagor nor any tenant, contractor, agent or other authorized user of the Mortgaged Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Mortgaged Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Mortgagor authorizes Mortgagee and its agents to enter upon the Mortgaged Property to make such inspections and tests, at Mortgagor's expense, as Mortgagee may deem appropriate to determine compliance of the Mortgaged Property with this section of the Mortgage. Any inspections or tests made by Mortgagee shall be for Mortgagee's purposes only and shall not be construed to create any responsibility or liability on the part of Mortgagee to Mortgagor or to any other person. The representations and warranties contained herein are based on Mortgagor's due diligence in investigating the Mortgaged Property for Hazardous Substances. Mortgagor hereby (1) releases and waives any future claims against Mortgagee for indemnity or contribution in the event Mortgagor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify and hold harmless Mortgagee against any and all claims, losses, liabilities, damages, penalties, and expenses which Mortgagee may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Mortgagor's ownership or interest in the Mortgaged Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Mortgagee's acquisition of any interest in the Mortgaged Property, whether by foreclosure or otherwise.

(a) Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Mortgaged Property or any portion of the Mortgaged Property. Without limiting the generality of the foregoing, Mortgagor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Mortgagee's prior written consent.

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(b) Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

ARTICLE TWO: DEFAULTS

2.01 Event of Default. The term "Event of Default" or "default" wherever used in this Mortgage, shall mean any one or more of the following events: (a) failure by Mortgagor to pay any installment of principal and/or interest under the Note after the same becomes due and payable; (b) failure by Mortgagor to observe or perform, or upon any default in, any other covenants, agreements, obligation, representation, warranty, or provisions in this Security Instrument, the Rider to Security Instrument attached hereto and incorporated by reference herein ("Rider"), in the Note, or in any of the Loan Documents; (c) failure by Mortgagor to pay any Imposition, Assessment, other utility charges on or lien against the Mortgaged Property or tender to monthly payment for same to Lender, as described in paragraph 1.04; (d) failure by Mortgagor to keep in force the insurance required in this Mortgage; (e) failure by Mortgagor to either deliver the policies of insurance described in this Mortgage or to pay the premiums for such insurance as provided herein; (f) failure by Mortgagor to pay any installment, which may not then be due or delinquent, of any Assessment for local improvements for which an official bill has been issued by the appropriate authorities and which may now or hereafter affect the Mortgaged Property, and may be or become payable in installments; (g) the actual or threatened waste, removal or demolition of, or material alteration to, any part of the Mortgaged Property, except as permitted herein; (h) the vesting of title, or any sale, conveyance, transfer, leasing, assignment or further encumbrance in any manner whatsoever of any interest in the Mortgaged Property, or any part thereof, in or to any person or entity other than the present owner, or any change in title or ownership of the Mortgaged Property, or any part thereof, without the prior written consent of Mortgagee; (i) all or a material portion of the Mortgaged Property being taken through condemnation, eminent domain, or any other taking such that Mortgagee has reason to believe that the remaining portion of the Mortgaged Property is insufficient to satisfy the outstanding balance of the Note, or the value of the Mortgaged Property being impaired by condemnation, eminent domain or any other taking, (which term when used herein shall include, but not be limited to, any damage or taking by any governmental authority or any other authority authorized by the laws of any state or the United States of America to so damage or take, and any transfer by private sale in lieu thereof), either temporarily for a period in excess of thirty (30) days, or permanently; (j) the merger or dissolution of Mortgagor or the death of any guarantor of the Note ("Guarantor"); (k) any representation or warranty of Mortgagor or Guarantor made herein or in any such guaranty or in any certificate, report, financial statement, or other instrument furnished in connection with the making of the Note, the Mortgage, or any such guaranty, shall prove false or misleading in any material respect; (l) Maker makes or takes any action to make a general assignment for the benefit of its creditors or becomes insolvent or has a receiver, custodian, trustee in Bankruptcy, or conservator appointed for it or for substantially all or any of its assets; (m) Mortgagor files, or becomes the subject of, a petition in bankruptcy, or upon the commencement of any proceeding or action under any bankruptcy laws, insolvency laws, relief of debtors laws, or any other similar law affecting Mortgagor, provided however, that Mortgagor shall have sixty (60) days from the filing of any involuntary petition in bankruptcy to have the same discharged and dismissed; (n) the Mortgaged Property becomes subject to (1) any tax lien which is superior to the lien of the Mortgage, other than a lien for local real estate taxes and assessments not due and payable or (2) any mechanic's, materialman's, or other lien which is, or is asserted to be, superior to the lien of the Mortgage and such lien shall remain undischarged for thirty (30) days, (o) Mortgagor fails to promptly cure any violations of laws or ordinances affecting or which may be interpreted to affect the Mortgaged Property; (p) in the event of any material adverse change in the financial condition of Mortgagor or if Mortgagor is not a natural person, a Transfer of more than 25% of the stock, limited partnership interests, managing or non-managing membership interests or any other direct or indirect legal or beneficial ownership interests (as the case may be) of Mortgagor or any partner, member, shareholder or any other direct or indirect legal or beneficial owner of Mortgagor shall be sold, conveyed, mortgaged, transferred, hypothecated, assigned or encumbered (each of such foregoing events shall be referred to herein as a "Transfer"); or (q) any of the aforementioned events occur with respect to any Guarantor; (r) any of the aforementioned events occur with respect to any other loan agreement between made by Lender or serviced, arranged or made by Lender or its Affiliates to Mortgagor or Mortgagor's partner, member, subsidiary or Mortgagor's Affiliate (each, a "Related

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Mortgagor”). As used in this Security Instrument, “Affiliate” means any person or entity directly or indirectly controlling, controlled by or under common control with a designated person or entity. Upon the occurrence of any default under this Mortgage, Mortgagee may, at its option, declare such that a default by Mortgagor in connection with this loan is a default by all Related Mortgagors in connection with all other loans made to any Related Mortgagor by Mortgagee or any Affiliate thereof (“Cross-Default”), and in the event of any such default, Mortgagee may accelerate and declare all outstanding loans due.

ARTICLE THREE: REMEDIES

In the event that an Event of Default or default shall have occurred, the remedies available to Mortgagee include, but are not limited to, any and all rights and remedies available hereunder, any and all rights and remedies available at law, in equity, or by statute. Without limiting the foregoing, the rights and remedies available to Mortgagee shall include, but not be limited to, any one or more of the following:

3.01 Acceleration of Maturity. If an Event of Default shall have occurred, Mortgagee may, at its option, declare without demand or notice all of the outstanding Indebtedness to be due and payable immediately, and upon such declaration such Indebtedness shall immediately become and be due and payable without demand or notice.

3.02 Mortgagee’s Right to Enter and Take Possession. If an Event of Default shall have occurred, Mortgagor, upon demand on Mortgagee, shall forthwith surrender to Mortgagee the actual possession of the Mortgaged Property and Mortgagee itself, or by such officers or agents as it may appoint, may enter and take possession of the Mortgaged Property, collect and receive the rents and income therefrom, and to apply so much of said rents and income as may be required in the necessary expenses of running said Premises, including reasonable attorneys' fees, management agents' fees, and if the Mortgagee manages the Premises with its own employees, an amount equal to the customary management agents' fees charged for similar property in the area where the Premises are located, and to apply the balance of said rents and income to the payment of the amounts due upon said Note, or in payment of taxes assessed against the Premises, or both. And for this purpose, and in case of such default, the Mortgagor hereby assigns, transfers and sets over to the Mortgagee the rents and income accruing from said Premises. This is an absolute assignment of rents made in connection with an obligation secured by real property. Nothing contained in the foregoing provisions shall impair or affect any right or remedy which the Mortgagee might now or hereafter have, were it not for such provisions, but the rights herein given shall be in addition to any others which the Mortgagee may have hereunder.

3.03 Foreclosure. Mortgagee may foreclose this Mortgage and sell the Mortgaged Property at public auction or venue pursuant to applicable law or judicially foreclose this Mortgage under the provisions of Applicable Law and Mortgagor agrees to pay all of Mortgagee’s costs and expenses, including reasonable attorney fees, which shall be added to the Indebtedness secured by this Mortgage. Any foreclosure sale may, at the sole option of the Mortgagee, be made en masse or in parcels, any law to the contrary notwithstanding, and Mortgagor hereby knowingly, voluntarily and intelligently waives any right to require any such foreclosure sale to be made in parcels or any right to select which parcels shall be sold.

If an Event of Default has occurred and is continuing, Mortgagee may proceed by suit or suits at law or in equity or any other appropriate proceeding or remedy (1) to enforce payment of the Mortgage Loan; (2) to foreclose this Security Instrument; (3) to enforce or exercise any right under any Loan Document; and (4) to pursue any one (1) or more other remedies provided in this Security Instrument or in any other Loan Document or otherwise as permitted by Applicable Law. Each right and remedy provided in this Security Instrument or any other Loan Document is distinct from all other rights or remedies under this Security Instrument or any other Loan Document or otherwise permitted by Applicable Law, and each shall be cumulative and may be exercised concurrently, independently, or successively, in any order. Mortgagor has the right to bring an action to assert the nonexistence of an Event of Default or any other defense of Mortgagor to acceleration and sale.

In connection with any sale made under or by virtue of this Security Instrument, the whole of the Mortgaged Property may be sold in one (1) parcel as an entirety or in separate lots or parcels at the same or different times, all as Mortgagee may determine in its sole discretion and Mortgagor waives any right to require the sale to be made in parcels or to select which parcel may be sold. Mortgagee shall have the right to become the purchaser at any such sale. In the event of any such sale, the outstanding principal amount of the Mortgage Loan and the other Indebtedness, if not previously due, shall be and become immediately due and payable without demand or notice of any kind. If the Mortgagee

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Property is sold for an amount less than the amount outstanding under the Indebtedness, the deficiency shall be determined by the purchase price at the sale or sales. To the extent not prohibited by Applicable Law, Mortgagee waives all rights, claims, and defenses with respect to Mortgagee's ability to obtain a deficiency judgment.

The proceeds of any foreclosure sale shall be applied in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it. Within a reasonable time after the sale, Mortgagee shall deliver to the purchaser of the Mortgaged Property a deed or such other appropriate conveyance document conveying the Mortgaged Property so sold without any express or implied covenant or warranty. The recitals in such deed or document shall be prima facie evidence of the truth of the statements made in those recitals.

Mortgagor acknowledges and agrees that the proceeds of any sale shall be applied as determined by Mortgagee unless otherwise required by Applicable Law.

3.04 Receiver. If an Event of Default shall have occurred or upon any seizure of the Mortgaged Property, Mortgagee shall be entitled to apply as a matter of right for the appointment of Mortgagee (or Mortgagee's agent or nominee) as receiver of the Mortgaged Property, without regard to the occupancy of the security, consideration of the value of the Mortgaged Property as security for the amounts due Mortgagee, or the solvency of any person liable for the payment of such amounts, to the extent permitted by law. Mortgagor waives any and all defenses to such appointment, and agrees not to oppose any application. Mortgagor agrees to pay the reasonable fees of such receiver and which fees shall be secured by this Security Instrument as an additional expense. Nothing herein is to be construed to deprive the Mortgagee of any other right, remedy or privilege it may have under the law to have a receiver appointed.

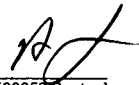
3.05 Waiver of Appraisal, Valuation, Stay, Exemption, and Redemption Laws, etc.; Marshaling. Mortgagor agrees to the full extent permitted by law that after an Event of Default neither Mortgagor nor any person claiming through or under it shall or will set up, claim or seek to take advantage of any appraisal, valuation, stay, exemption, moratorium, or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, and Mortgagor, for itself and all who may at any time claim through or under it, hereby waives, to the full extent that it may lawfully so do, any and all right to have the assets comprising the Mortgaged Property marshaled upon any foreclosure hereof and any right to assert any statute of limitations as a bar to the enforcement of this Security Instrument or to any action brought to enforce any Loan Document.

3.06 Suits to Protect the Property. Mortgagee shall have the power and authority to institute and maintain any suits and proceedings as Mortgagee may deem advisable in order to (a) prevent any impairment of the Mortgaged Property, (b) foreclose this Mortgage, (c) preserve and protect its interest in the Mortgaged Property, and (d) to restrain the enforcement of, or compliance with, any legislation or other governmental enactment, rule, or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order might impair the security hereunder or be prejudicial to Mortgagee's interest.

3.07 Proofs of Claim. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial case or proceeding affecting Mortgagor, its creditors or its property, Mortgagee, to the extent permitted by law, shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have its claims allowed in such case or proceeding for the entire Indebtedness at the date of the institution of such case or proceeding, and for any additional amounts which may become due and payable by Mortgagor after such date.

3.08 Application of Monies by Mortgagee. After the occurrence of an Event of Default, any monies collected or received by Mortgagee shall be applied in such priority as Mortgagee may determine in its sole and absolute discretion, to such matters including, but not limited to, the payment of compensation, expenses and disbursements of the agents, attorneys and other representatives of Mortgagee, to deposits for Impositions and Insurance and insurance premiums due, to the cost of insurance, Impositions, Assessments, and other charges and to the payment of the Indebtedness.

3.09 No Waiver. Notwithstanding any course of dealing or course of performance, neither failure nor delay on the part of Mortgagee to exercise any right, power, or privilege hereunder shall operate as a waiver thereof, nor shall any

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single or partial exercise of any right, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power, or privilege.

3.10 No Waiver of One Default to Affect Another. No waiver of any Event of Default hereunder shall extend to or affect any subsequent or any other Event of Default then existing, or impair any rights, powers or remedies consequent thereon. If Mortgagee **(a)** grants forbearance or an extension of time for the payment of any of the Indebtedness; **(b)** takes other or additional security for the payment thereof; **(c)** waives or does not exercise any right granted in the Note, this Mortgage or any other of the Loan Documents; **(d)** releases any part of the Mortgaged Property from the lien of this Mortgage or any other of the Loan Documents or releases any party liable under the Note; **(e)** consents to the filing of any map, plat or replat of the Premises; **(f)** consents to the granting of any easement on the Premises; or **(g)** makes or consents to any agreement changing the terms of this Mortgage or subordinating the lien or any charge hereof, no such act or omission shall release, discharge, modify, change or affect the original liability under this Mortgage or otherwise of Mortgagor, or any subsequent purchaser of the Mortgaged Property or any part thereof or any maker, co-signer, endorser, surety or guarantor. No such act or omission shall preclude Mortgagee from exercising any right, power or privilege herein granted or intended to be granted in case of any Event of Default then existing or of any subsequent Event of Default nor, except as otherwise expressly provided in an instrument or instruments executed by Mortgagee, shall the lien of this Mortgage be altered thereby.

3.11 Remedies Cumulative. No right, power or remedy conferred upon or reserved to Mortgagee by the Note, this Mortgage or any other of the Loan Documents is exclusive of any other right, power and remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or under the Note or any other of the Loan Documents, or now or hereafter existing at law, in equity or by statute.

3.12 Interest after Event of Default; Default Rate. If an Event of Default shall have occurred, all sums outstanding and unpaid under the Note and this Mortgage shall, at Mortgagee's option, bear interest at the default rate set forth in the Note.

ARTICLE FOUR: MISCELLANEOUS PROVISIONS

4.01 Heirs, Successors and Assigns Included in Parties. Whenever one of the parties hereto is named or referred to herein, the heirs, successors and assigns of such party shall be included and all covenants and agreements contained in this Mortgage, by or on behalf of Mortgagor or Mortgagee shall bind and inure to the benefit of their respective heirs, successors and assigns, whether so expressed or not.

4.02 Addresses for Notices, etc.

(a) Any notice, report, demand or other instrument authorized or required to be given or furnished under this Mortgage shall be in writing, signed by the party giving or making the same, and shall be sent by certified mail, return receipt requested, as follows:

MORTGAGOR:


Copy to: D&D CONSTRUCTION OF IOWA, INC., 414 Wilson Street, Van Meter, IA 50261

MORTGAGEE:

Copy to: Anchor Loans, LP, One Baxter Way, Suite 220, Thousand Oaks, CA 91362

(b) Either party may change the address to which any such notice, report, demand or other instrument is to be delivered or mailed, by furnishing written notice of such change to the other party, but no such notice of change shall be effective unless and until received by such other party.

4.03 Headings. The headings of the articles, sections, paragraphs and subdivisions of this Mortgage are for convenience of reference only, are not to be considered a part hereof and shall not limit or expand or otherwise affect any of the terms hereof.

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4.04 Provisions Subject to Applicable Laws; Severability All rights, powers and remedies provided herein may be exercised only to the extent that the exercise thereof does not violate any law and are intended to be limited to the extent necessary so that they will not render this Mortgage invalid or unenforceable. In the event that any of the covenants, agreements, terms or provisions contained in the Note, or in this Mortgage or in any other Loan Documents shall be deemed invalid, illegal or unenforceable in any respect by a court with appropriate jurisdiction, the validity of the remaining covenants, agreements, terms or provisions contained herein or in the Note or in any other Loan Documents shall be in no way affected, prejudiced or disturbed thereby.

4.05 Modification. This Mortgage, the Note, and all other Indebtedness are subject to modification. Neither this Mortgage, nor any term hereof, may be changed, waived, discharged or terminated orally, or by any action or inaction, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge, or termination is sought.

4.06 Governing Law. THIS MORTGAGE IS MADE BY MORTGAGOR AND ACCEPTED BY MORTGAGEE IN THE STATE WHERE THE MORTGAGED PROPERTY IS LOCATED. THIS MORTGAGE SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE WHERE THE MORTGAGED PROPERTY IS LOCATED WITHOUT REGARD TO CONFLICTS OF LAW PROVISIONS ("Applicable Law").


4.07 Effects of Changes and Laws Regarding Taxation. In the event of an enactment of any law deducting from the value of the Mortgaged Property any mortgage lien thereon, or imposing upon Mortgagee the payment of any or part of the Impositions, charges, or Assessments previously paid by Mortgagor pursuant to this Mortgage, or change in the law relating to the taxation of mortgages, debts secured by mortgages or Mortgagee's interest in the Mortgaged Property so as to impose new incidents of taxes on Mortgagee, then Mortgagor shall pay such Impositions or Assessments or shall reimburse Mortgagee therefor; provided that, however, if in the opinion of counsel to Mortgagee such payment cannot lawfully be made by Mortgagor, then Mortgagee may, at Mortgagee's option, declare all of the sums secured by this Mortgage to be immediately due and payable without prior notice to Mortgagor, and Mortgagee may invoke any remedies permitted by applicable law.

4.08 Purpose of Loan. Mortgagor represents and warrants that the proceeds from this Loan are to be used solely for business and commercial purposes and not at all for any personal, family, household, or other noncommercial or farming or agricultural purposes. Mortgagor further represents and warrants that Mortgagor will not occupy, or permit any person related to or affiliated with Mortgagor (including but not limited to, any principal, member, owner, partner, or manager of Mortgagor, or any spouse, former spouse, child, parent, sibling, or the like of any principal, member, owner, or manager) to occupy any portion of the Mortgaged Property as a principal or secondary residence.. Mortgagor acknowledges that Mortgagee has made this Loan to Mortgagor in reliance upon the above representations. These representations will survive the closing and repayment of the Loan.

4.09 Duplicate Originals. This Mortgage may be executed in any number of duplicate originals and each such duplicate original shall be deemed to be an original.

4.10 Usury Laws. This Mortgage, the Note, and the other Loan Documents are subject to the express condition that at no time shall Mortgagor be obligated or required to pay interest on the debt at a rate which could subject the holder of the Note to either civil or criminal liability as a result of being in excess of the maximum interest rate permitted by applicable law. If, by the terms of this Mortgage, the Note, or any of the Loan Documents, Mortgagor is at any time required or obligated to pay interest on the debt at a rate in excess of such maximum rate, the rate of interest under the same shall be deemed to be immediately reduced to such maximum rate and the interest payable shall be computed at such maximum rate and all prior interest payments in excess of such maximum rate shall be applied and shall be deemed to have been payments in reduction of the principal balance of the Note.

4.11 Construction. This Mortgage and the Note shall be construed without regard to any presumption or other rule requiring construction against the party causing this Mortgage and the Note to be drafted.

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4.12 Release of Mortgage. If all of Mortgagor's obligations under the Loan Documents are paid in full in accordance with the terms of the Loan Documents, no Default then exists hereunder and no Event of Default then exists under any other Loan Document, and if Mortgagor shall well and truly perform all of Mortgagor's covenants contained herein, then this conveyance shall become null and void and be released, and the Mortgaged Property shall be released to Mortgagor, at Mortgagor's request and expense.

4.13 Time is of the Essence. Borrower acknowledges and agrees that time is of the essence with respect to the obligations under this Mortgage, the Rider, and the Note secured by this Mortgage.

4.14 Waiver of Jury Trial. MORTGAGEE AND MORTGAGOR EACH ACKNOWLEDGE AND AGREE THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE LENDING RELATIONSHIP ESTABLISHED HEREBY WOULD BE BASED UPON DIFFICULT AND COMPLEX ISSUES, AND THEREFORE, BORROWER AND LENDER EACH HEREBY WAIVE, TO THE MAXIMUM EXTENT PERMITTED BY LAW, ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING (INCLUDING ACTIONS SOUNDING IN TORT) TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT RELATING HERETO OR ARISING FROM THE TRANSACTION CONTEMPLATED HEREUNDER OR THE LENDING RELATIONSHIP ESTABLISHED HEREBY AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE AND NOT BY A JURY.

4.15 Entire Agreement. This Mortgage, together with the other Loan Documents executed in connection herewith, constitutes the entire agreement and understanding among the parties relating to the subject matter hereof and supersedes all prior proposals, negotiations, agreements, and understandings relating to such subject matter. In entering into this Mortgage, Mortgagor acknowledges that it is not relying on any representation, warranty, covenant, promise, assurance, or other statement of any kind made by the Mortgagee or by any employee or agent of the Mortgagee.


4.16 State Specific Provisions.

(a) **Payment During Foreclosure.** Mortgagor agrees that Mortgagee may accept rents, hazard insurance proceeds, condemnation awards or any other amounts produced by the Mortgaged Property or paid by Mortgagor, of whatever nature or origin, even though Mortgagee has demanded payment in full and commenced foreclosure proceedings as set forth herein. Mortgagee may apply such amounts to pay off any part of the sums due or secured under the Note and this Security Instrument after the commencement of foreclosure proceedings, prior to the expiration of any right of redemption, without affecting Mortgagee's right to continue foreclosure and sale or otherwise waiving such foreclosure.

(b) Mortgagor relinquishes all right of dower and waives all right of distributive share in and to the Mortgaged Property. Mortgagor waives any right of exemption as to the Mortgaged Property.

(c) **Acknowledgment of Receipt.** Mortgagor acknowledges receipt of a copy of this Security Instrument, the Note and the other Loan Documents.

(d) **Redemption Period.** It is agreed that if the Mortgaged Property is less than 10 acres in size and Mortgagee waives in any foreclosure proceeding any right to a deficiency judgment against Mortgagor, the period of redemption from sheriff's sale in a foreclosure proceeding shall be reduced to 6 months. If the court finds that the Property has been abandoned by Mortgagor and Mortgagee waives any right to a deficiency judgment against Mortgagor, the period of redemption from judicial sale shall be reduced to 60 days. If the redemption period is so reduced, Mortgagor or its successor in interest or the owner will have the exclusive right to redeem for the first 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 will be reduced to 40 days. The provisions of this paragraph shall be construed to conform to the provisions of Chapter 628 of the Iowa Code, however, this paragraph will not be construed to limit or otherwise affect any other redemption provisions contained in Chapter 628 of the Iowa Code. For the avoidance of doubt, Mortgagor represents and warrants to Mortgagee that the Mortgaged Property will be used solely for the purpose of carrying on a business or commercial enterprise (not including agriculture), and not for agricultural purposes or as the Mortgagor's residence.

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(e) The execution and delivery of this Security Instrument and the Loan Documents is in the ordinary course of business of Mortgagor.

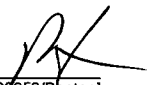
WAIVERS. TO THE EXTENT PERMITTED BY LAW, MORTGAGOR IS HEREBY RELEASING AND WAIVING ALL RIGHTS UNDER AND BY VIRTUE OF THE HOMESTEAD EXEMPTION LAWS OF THIS STATE, AND STATUTORY OR EQUITABLE REDEMPTION OF THE PROPERTY, AND ALL RIGHT OF APPRAISEMENT OF THE PROPERTY AND RELINQUISHES ALL RIGHTS OF CURTESY AND DOWER IN THE PROPERTY. MORTGAGOR AGREES NOT TO OCCUPY, OR TO PERMIT ANY PERSON, INCLUDING MORTGAGOR'S SPOUSE (IF ANY) TO OCCUPY, ANY PORTION OF THE MORTGAGED PROPERTY AS A PRINCIPAL RESIDENCE OR PRIMARY DWELLING.

WAIVER OF TRIAL BY JURY. MORTGAGOR AND MORTGAGEE EACH (A) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS SECURITY INSTRUMENT OR THE RELATIONSHIP BETWEEN THE PARTIES AS MORTGAGOR AND MORTGAGEE THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.

NOW, THEREFORE, If the Note and any Indebtedness secured by this Mortgage shall be well and truly paid according to their tenor and if all the terms, covenants, conditions, and agreements of the Mortgagor contained herein and in the Note and Loan Documents, shall be fully and faithfully performed, observed, and complied with, then this mortgage deed shall be void, but shall otherwise remain in full force and effect.

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.


[No further text on this page; signatures appear on the following page]

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[500053/Benton]

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the 17th day of May, 2022.

MORTGAGOR:

D&D CONSTRUCTION OF IOWA, INC., an Iowa Corporation (SEAL)



By: Paul L. Scieszinski, President

5-17-22
Date

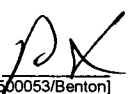
The name, chief executive office and organizational identification number of Mortgagor (as Debtor under any applicable Uniform Commercial Code) are:

Debtor Name/Record Owner: **D&D CONSTRUCTION OF IOWA, INC.**
Debtor Chief Executive Office Address: **414 Wilson Street, Van Meter, 50261**
Debtor Organizational ID Number: _____

The name and chief executive office of Mortgagee (as Secured Party) are:

Secured Party Name: ANCHOR LOANS, LP
Secured Party Chief Executive Office Address: One Baxter Way, Suite 220, Thousand Oaks, CA 91362

HOMESTEAD EXEMPTION WAIVER. I UNDERSTAND THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM THE CLAIMS OF CREDITORS AND EXEMPT FROM JUDICIAL SALE; AND THAT BY SIGNING THIS MORTGAGE, I VOLUNTARILY GIVE UP MY RIGHT TO THIS PROTECTION FOR THIS MORTGAGED PROPERTY WITH RESPECT TO CLAIMS BASED UPON THIS MORTGAGE.

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[500053/Benton]

D&D CONSTRUCTION OF IOWA, INC., an Iowa Corporation

By: Paul L. Scieszinski, President

5-17-22
Date

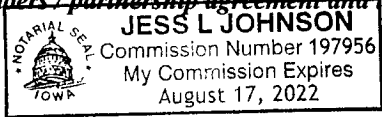
STATE OF Iowa)

COUNTY OF Polk) ss.:

I certify that on May 17, 2022, Paul L. Scieszinski came before me in person and stated to my satisfaction that he/she:

(a) made the attached instrument; and

(b) was authorized to and did execute this instrument on behalf of and as President of D&D Construction of Iowa, Inc. (the "Company"), the entity named in this instrument, as the free act and deed of the Company, by virtue of the authority granted by its *[bylaws and its board of directors / operating agreement and its members / partnership agreement and its partners]*.



[Signature]
NOTARY PUBLIC

RECORDING RETURN TO:
Anchor Loans, LP
One Baxter Way, Suite 220, Thousand Oaks, CA 91362

INIT. [Signature]
[500053/Benton]


SCHEDULE A
PROPERTY DESCRIPTION

LOT SIX (6) IN BLOCK TWO (2) OF NORTH ADDITION TO THE CITY OF WINTERSET, MADISON COUNTY, IOWA

Commonly known as: **407 East Benton Street, Winterset, IA 50273**

Pin No.: **820003102040000**



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[500053/Benton]

RIDER TO SECURITY INSTRUMENT

Loan No. 500053

This Rider to Security Instrument is made this **10th day of May, 2022** and is incorporated into and amends and supplements the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") of the same date given by **D&D CONSTRUCTION OF IOWA, INC., an Iowa Corporation** who acquired title as **D & D Construction of Iowa, Inc.** (herein "Borrower") to secure Borrower's Note to **Anchor Loans, LP, a Delaware Limited Partnership** (herein "Lender") of the same date and covering the Property described in the Security Instrument and located at: **407 East Benton Street, Winterset, IA 50273**

Any reference to Lender herein shall include Lender's designated Servicing Agent.

1. NOTICE OF MATERIAL CHANGES AND CONTINUING OBLIGATIONS

Borrower acknowledges and agrees that Borrower has a continuing obligation to provide written notice to Lender of any of the following material changes regarding the property encumbered by the Security Instrument:

- a. **Property Manager.** If the Property is not directly managed by Borrower but is or will be managed by a third-party ("Property Manager"), any engagement of or change in the Property Manager, including, but not limited to termination, name change, or any other material change.
 - i. Upon request by Lender, Borrower shall also provide to Lender, a fully executed copy of any Property Management Agreement for the management of the Property by any third party.
 - ii. Borrower shall execute an Assignment of Management Agreement and Subordination of any change in the Management Fees ("Assignment of Management Agreement") in form and substance to be approved by Lender and any such further Assignment of Management Agreement as may be required from time to time.
 - iii. Borrower shall at all times comply with the terms of such Assignment of Management Agreement, including but not limited to providing Lender advance written notice of any termination, modification or amendment according as may be required and executing an Assignment of Management Agreement for any Replacement Manager as provided therein.
- b. **Occupancy and Vacancy Rate.** Any change in the vacancy rate of the Property according to the schedule set forth in this Rider.
 - i. Upon request of Lender, Borrower shall promptly provide a copy of all executed Leases or rental agreements ("Lease") between tenants and Borrower or the Property Manager.
 - ii. All Leases shall be reduced to writing.
- c. **Rent Roll.** Upon request of Lender, Borrower shall, within 5 days of such request, provide to Lender a true and correct rent roll, in such form and substance as Lender determines acceptable. Said rent roll shall include a complete listing of any Leases or rental agreements pertaining to of any portion of the Property, the address subject to the Lease, the name of the Tenant, the term of the tenancy, the amount of periodic rent and other funds paid to the Borrower under the terms of the Lease and the status of the rental payments
- d. **Other Changes.** Any material change that affects the value of the Property, including but not limited to cosmetic renovations or upgrades such as replacement of appliances, fixtures, flooring, and the like.
- e. **Transfer of Property or Beneficial Ownership of Borrower without Consent.** Borrower shall provide advance written notice of and obtain Lender's written consent prior to the transfer or sale of any interest in the Property or any direct or indirect legal or beneficial ownership interest of Borrower of more than 25%.

2. ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION;

- a. As part of the consideration for the Indebtedness, Borrower absolutely and unconditionally assigns, conveys, and transfers to Lender all Rents, notwithstanding anything to the contrary in the Note or Security Instrument.
 - i. It is the intention of Borrower to establish a present, absolute and irrevocable transfer and assignment to Lender of all Rents and to authorize and empower Lender to collect and receive all Rents without the necessity of further action on the part of Borrower.

- ii. Promptly upon request by Lender, Borrower agrees to execute and deliver such further assignments as Lender may from time to time require. Borrower and Lender intend this assignment of Rents to be immediately effective and to constitute an absolute present assignment and not an assignment for additional security only.
 - iii. For purposes of giving effect to this absolute assignment of Rents, and for no other purpose, Rents will not be deemed to be a part of the Property. However, if this present, absolute and unconditional assignment of Rents is not enforceable by its terms under the laws of the Property Jurisdiction, then the Rents will be included as a part of the Property and it is the intention of Borrower that in this circumstance this Rider create and perfect a Lien on Rents in favor of Lender, which Lien will be effective as of the date of this Rider.
 - b. Until the occurrence of an Event of Default (as that term is defined in the Security Instrument),
 - i. Lender hereby grants to Borrower a revocable license to collect and receive all Rents, to hold all Rents in trust for the benefit of Lender and to apply all Rents to pay the installments of interest and principal then due and payable under the Note and the other amounts then due and payable under the other Loan Documents, including Imposition Reserve Deposits, and to pay the current costs and expenses of managing, operating and maintaining the Property, including utilities, Taxes and insurance premiums (to the extent not included in Imposition Reserve Deposits), tenant improvements and other capital expenditures.
 - ii. So long as no Event of Default has occurred and is continuing, the Rents remaining after application pursuant to the preceding sentence may be retained by Borrower free and clear of, and released from, Lender's rights with respect to Rents under this Rider.
 - c. After the occurrence of an Event of Default, and during the continuance of such Event of Default,
 - i. Borrower authorizes Lender to collect, sue for and compromise Rents and directs each tenant of the Property to pay all Rents to, or as directed by, Lender.
 - ii. From and after the occurrence of an Event of Default, and during the continuance of such Event of Default, and without the necessity of Lender entering upon and taking and maintaining control of the Property directly, or by a receiver, Borrower's license to collect Rents will automatically terminate and Lender will without Notice be entitled to all Rents as they become due and payable, including Rents then due and unpaid. Borrower will pay to Lender upon demand all Rents to which Lender is entitled.
 - d. At any time on or after the date of Lender's demand for Rents, Lender may give, and Borrower hereby irrevocably authorizes Lender to give, notice to all tenants of the Property instructing them to pay all Rents to Lender. No tenant will be obligated to inquire further as to the occurrence or continuance of an Event of Default. No tenant will be obligated to pay to Borrower any amounts which are actually paid to Lender in response to such a notice. Any such notice by Lender will be delivered to each tenant personally, by mail or by delivering such demand to each rental Property. Borrower will not interfere with and will cooperate with Lender's collection of such Rents. **BORROWER SHALL HAVE NO RIGHT OR CLAIM AGAINST ANY TENANT FOR THE PAYMENT OF ANY RENT TO LENDER HEREUNDER, AND BORROWER HEREBY INDEMNIFIES AND AGREES TO HOLD FREE AND HARMLESS EACH TENANT FROM AND AGAINST ALL LIABILITY, LOSS, COST, DAMAGE OR EXPENSE SUFFERED OR INCURRED BY SUCH TENANT BY REASON OF SUCH TENANT'S COMPLIANCE WITH ANY DEMAND FOR PAYMENT OF RENT MADE BY LENDER.**

3. ASSIGNMENT OF LEASES; LEASES AFFECTING THE PROPERTY.

- a. As part of the consideration for the Indebtedness, Borrower absolutely and unconditionally assigns and transfers to Lender all of Borrower's right, title and interest in, to and under the Leases, including Borrower's right, power and authority to modify the terms of any such Lease, or extend or terminate any such Lease.
 - i. It is the intention of Borrower to establish a present, absolute and irrevocable transfer and assignment to Lender of all of Borrower's right, title and interest in, to and under the Leases. Borrower and Lender intend this assignment of the Leases to be immediately effective and to constitute an absolute present assignment and not an assignment for additional security only.
 - ii. For purposes of giving effect to this absolute assignment of the Leases, and for no other purpose, the Leases will not be deemed to be a part of the Property.

- iii. However, if this present, absolute and unconditional assignment of the Leases is not enforceable by its terms under the laws of the Property Jurisdiction, then the Leases will be included as a part of the Property and it is the intention of Borrower that in this circumstance this Rider create and perfect a Lien on the Leases in favor of Lender, which Lien will be effective as of the date of this Rider.
- b. Until Lender gives Notice to Borrower of Lender's exercise of its rights under this Rider or the Security Instrument, Borrower will have all rights, power and authority granted to Borrower under any Lease (except as otherwise limited by this Section or any other provision of this Rider), including the right, power and authority to modify the terms of any Lease or extend or terminate any Lease. Upon the occurrence of an Event of Default, and during the continuance of such Event of Default, the permission given to Borrower pursuant to the preceding sentence to exercise all rights, power and authority under Leases will automatically terminate. Borrower will comply with and observe Borrower's obligations under all Leases, including Borrower's obligations pertaining to the maintenance and disposition of tenant security deposits.
- c. Borrower acknowledges and agrees that the exercise by Lender, either directly or by a receiver, of any of the rights conferred under this Section will not be construed to make Lender a mortgagee-in-possession of the Property so long as Lender has not itself entered into actual possession of the Land and the Improvements.
 - i. The acceptance by Lender of the assignment of the Leases pursuant to this Rider or the Security Instrument will not at any time or in any event obligate Lender to take any action under this Rider or to expend any money or to incur any expenses.
 - ii. Except to the extent of Lender's gross negligence or willful misconduct, Lender will not be liable in any way for any injury or damage to person or property sustained by any Person or Persons in or about the Property.
 - iii. Prior to Lender's actual entry into and taking possession of the Property, Lender will not be obligated for any of the following:
 - A. Lender will not be obligated to perform any of the terms, covenants and conditions contained in any Lease (or otherwise have any obligation with respect to any Lease).
 - B. Lender will not be obligated to appear in or defend any action or proceeding relating to the Lease or the Property.
 - C. Lender will not be responsible for the operation, control, care, management or repair of the Property or any portion of the Property. The execution of this Rider by Borrower will constitute conclusive evidence that all responsibility for the operation, control, care, management and repair of the Property is and will be that of Borrower, prior to such actual entry and taking of possession.
- d. Upon delivery of Notice by Lender to Borrower of Lender's exercise of Lender's rights under this Section at any time after the occurrence of an Event of Default, and during the continuance of such Event of Default, and without the necessity of Lender entering upon and taking and maintaining control of the Property directly, by a receiver, or by any other manner or proceeding permitted by the laws of the Property Jurisdiction, Lender immediately will have all rights, powers and authority granted to Borrower under any Lease, including the right, power and authority to modify the terms of any such Lease, or extend or terminate any such Lease.
- e. Borrower will, promptly upon Lender's request, deliver to Lender an executed copy of each residential Lease then in effect.

4. LENDER'S RIGHT TO INSPECT PROPERTY.

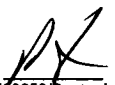
Lender shall have the right to inspect the Property, including an inspection of all interior spaces (as deemed necessary in Lender's sole discretion) at any time the Indebtedness is outstanding, subject to the notice requirements set forth below. Borrower shall take all steps necessary to facilitate such inspection (i.e. noticing tenants of the inspection and entry into their leaseholds; providing access to rental units, common areas, crawlspaces, etc.). Borrower understands and agrees that Lender's continued right to inspect the Property is a material term necessary to make the Loan and, as such, it shall be deemed an Event of Default under the Note and the Security Instrument securing the Note if Lender, for any reason, is not permitted to make the Initial Inspection or Subsequent Inspections (as set forth in detail below).

- a. Initial Inspection. Lender shall fully inspect the Property within the first forty-five (45) calendar days after the Loan is funded. Lender may, in its discretion, waive this requirement if such inspection was performed prior to the Loan being made or if Lender otherwise deems such post-funding inspection unnecessary. Lender shall provide Borrower with seven (7) calendar days' notice prior to the date of inspection
- b. Subsequent Inspections. Lender shall be granted access to inspect any or all of the Property (as Lender deems necessary) upon Lender's request. Lender shall provide Borrower with seven (7) calendar days' notice prior to the date of inspection.

5. ADDITIONAL REMEDIES.

If an Event of Default has occurred and is continuing, then Lender will have each of the following rights and may take any of the following actions:

- a. Lender may, regardless of the adequacy of Lender's security or the solvency of Borrower and even in the absence of waste, enter upon and take and maintain full control of the Property in order to perform all acts that Lender in its discretion determines to be necessary or desirable for the operation and maintenance of the Property, including the execution, cancellation or modification of Leases, the collection of all Rents, the making of Repairs to the Property and the execution or termination of contracts providing for the management, operation or maintenance of the Property, for the purposes of enforcing the assignment of Rents pursuant to this Rider and the Loan Documents, protecting the Property or the security of this Rider, or for such other purposes as Lender in its discretion may deem necessary or desirable.
- b. Alternatively, if an Event of Default has occurred and is continuing, regardless of the adequacy of Lender's security, without regard to Borrower's solvency and without the necessity of giving prior notice (oral or written) to Borrower, Lender may apply to any court having jurisdiction for the appointment of a receiver for the Property to take any or all of the actions set forth in the preceding sentence. If Lender elects to seek the appointment of a receiver for the Property at any time after an Event of Default has occurred and is continuing, Borrower, by its execution of this Rider, expressly consents to the appointment of such receiver, including the appointment of a receiver *ex parte* if permitted by applicable law.
- c. Lender or the receiver, as the case may be, will be entitled to receive a reasonable fee for managing the Property.
- d. Immediately upon appointment of a receiver or immediately upon Lender's entering upon and taking possession and control of the Property, Borrower will surrender possession of the Property to Lender or the receiver, as the case may be, and will deliver to Lender or the receiver, as the case may be, all documents, records (including records on electronic or magnetic media), accounts, surveys, plans, and specifications relating to the Property and all security deposits and prepaid Rents.
- e. If Lender takes possession and control of the Property, then Lender may exclude Borrower and its representatives from the Property. Borrower acknowledges and agrees that the exercise by Lender of any of the rights conferred under this Rider will not be construed to make Lender a mortgagee-in-possession of the Property so long as Lender has not itself entered into actual possession of the Land and Improvements.
- f. If Lender enters the Property, Lender will be liable to account only to Borrower and only for those Rents actually received. Except to the extent of Lender's gross negligence or willful misconduct, Lender will not be liable to Borrower, anyone claiming under or through Borrower or anyone having an interest in the Property, by reason of any act or omission of Lender and Borrower hereby releases and discharges Lender from any such liability to the fullest extent permitted by law.
- g. If the Rents are not sufficient to meet the costs of taking control of and managing the Property and collecting the Rents, any funds expended by Lender for such purposes will become an additional part of the Indebtedness as provided in the Note and Security Instrument.

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Any entering upon and taking of control of the Property by Lender or the receiver, as the case may be, and any application of Rents as provided in this Rider will not cure or waive any Event of Default or invalidate any other right or remedy of Lender under applicable law or provided for in this Rider.

6. ADDITIONAL EVENTS OF DEFAULT

In addition to any Event of Default identified in the Note or Security Instrument, any of the following events shall be deemed a default under the Security Instrument:

- a. any increase in the "Vacancy Rate" as follows:
 - i. If the Property is a single family residence consisting of one rental unit, any vacancy greater than sixty (60) consecutive days.
 - ii. If the Property consists of two (2) or more rental units, a Vacancy Rate of 50% or more, lasting for more than sixty (60) consecutive days, beginning as of the date the Vacancy Rate equaled or exceeds 50%.
 - iii. For purposes of this provision, "Vacancy rate" shall mean the number of units vacant compared to the total number of rental units in each Property secured by the Security Instrument. If the Security Instrument encumbers more than one Property, the Vacancy Rate shall be calculated per Property.
 - iv. Lender may, in its sole and absolute discretion, allow for a temporary increase in the Vacancy Rate. Borrower shall submit a written request for such allowance to Lender setting forth the grounds for the request and the estimated length of time the units are anticipated to remain vacant.
- b. any decrease in rents collected, due to nonpayment by a Tenant for a period of sixty (60) consecutive days without the commencement of legal action to obtain possession
- c. Borrower's failure to timely provide to Lender any document or notice Borrower is obligated to provide under this Rider, including but not limited to: (a) a copy of any Property Management Agreement; (b) a copy of any Lease for any portion of the Property; (c) a complete rent roll for the Property; or (d) any other document or notice Borrower is obligated to provide to Lender, as set forth in this Rider.

7. NO PRIOR ASSIGNMENT; PREPAYMENT OF RENTS.

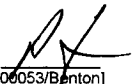
Borrower represents and warrants that Borrower has (a) not executed any prior assignment of Rents (other than an assignment of Rents securing any prior indebtedness that is being assigned to Lender, or that is being paid off and discharged with the proceeds of the Loan evidenced by the Note or, if this Loan Agreement is entered into in connection with a Supplemental Loan, other than an assignment of Rents securing any Senior Indebtedness), and (b) not performed any acts nor executed, and will not execute, any instrument which would prevent Lender from exercising its rights under any Loan Document. At the time of execution of this Loan Agreement, unless otherwise approved by Lender in writing, Borrower represents and warrants that there has been no prepayment of any Rents for more than 2 months prior to the due dates of such Rents other than the last month's rent, if collected at the time a tenant enters into a Lease.

Borrower shall not receive or accept Rent under any Lease (whether a residential Lease or a Non-Residential Lease) for more than 2 months in advance. In no event will Borrower receive or collect Prepaid Rent for more than one year in advance. Every month in which Borrower has received Prepaid Rent, Borrower will provide Lender with a monthly report showing any Lease as to which Borrower has received Prepaid Rent

8. INDEMNIFICATION.

Borrower will indemnify and hold harmless Lender and, if applicable, Trustee from and against, and reimburse them on demand for, any and all claims, liabilities (including strict liability), losses, damages (including consequential damages), causes of action, judgments, costs and expenses (including reasonable fees and expenses of attorneys) of every kind, known or unknown, foreseeable or unforeseeable, which may be imposed upon, asserted against or incurred or paid by Lender or Trustee at any time and from time to time, whenever imposed, asserted or incurred, in connection with or arising out of any transaction, act, omission, event or circumstance in any way connected with the Property or with this Deed of Trust. For purposes of this Section, the terms "Lender" and "Trustee" shall include the directors, officers, partners, employees, and agents of each of them, as applicable, and any persons and entities owned or controlled by, owning or controlling, or under common control or affiliated with Lender or, if applicable, Trustee. WITHOUT LIMITATION, THE FOREGOING INDEMNITIES SHALL APPLY TO EACH INDEMNIFIED PERSON AND ENTITY WITH RESPECT TO MATTERS WHICH IN WHOLE OR IN PART ARE CAUSED BY, ARISE OUT OF, OR ARE CLAIMED TO BE CAUSED BY OR ARISE OUT OF, THE NEGLIGENCE OR STRICT LIABILITY OF SUCH (AND/OR ANY OTHER) INDEMNIFIED

PERSON OR ENTITY, BUT SUCH INDEMNITIES SHALL NOT APPLY TO A PARTICULAR INDEMNIFIED PERSON OR ENTITY TO THE EXTENT THAT THE SUBJECT OF THE INDEMNIFICATION IS CAUSED BY OR ARISES OUT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THAT INDEMNIFIED PERSON OR ENTITY. The indemnities in this Section 8 shall not terminate upon the release of the Deed of Trust but shall survive such release.

INIT. 

D&D CONSTRUCTION OF IOWA, INC., an Iowa Corporation

[Handwritten Signature]

5-17-22

Borrower By: Paul L. Scieszinski, President

Date

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF Iowa)
COUNTY OF Polk) ss.:

I certify that on May 17, 2022, Paul Scieszinski came before me in person and stated to my satisfaction that he/she:

- (a) made the attached instrument; and
- (b) was authorized to and did execute this instrument on behalf of and as President of D&D Construction of Iowa, Inc. (the "Company"), the entity named in this instrument, as the free act and deed of the Company, by virtue of the authority granted by its bylaws and its board of directors / operating agreement and its members / partnership agreement and its partners.

[Handwritten Signature]
NOTARY PUBLIC



RECORDING RETURN TO:
Anchor Loans, LP
One Baxter Way, Suite 220, Thousand Oaks, CA 91362