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Revenue Tax:
LISA SMITH RECORDER
Madison County, Iowa

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

Recorder's Cover Sheet

Preparer Information: (name, address and phone number)

Jeff W. Courter
Nyemaster Goode, P.C.
700 Walnut St, Ste 1600
Des Moines, Iowa 50309
515-283-3100

Taxpayer Information: (name and complete address)

Blue Care PropCo Winterset - West, LLC, an Iowa limited liability company, 36 Airport Rd s206,
Lakewood, NJ 08701

Return Document To: (name and complete address)

Jeff W. Courter
Nyemaster Goode, P.C.
700 Walnut St, Ste 1600
Des Moines, Iowa 50309

Mortgagor: Blue Care PropCo Winterset - West, LLC, 36 Airport Rd s206, Lakewood,
NJ 08701

Mortgagee: QHC Facilities, LLC, 8350 Hickman Road, Suite 15, Clive, IA 50325

Legal Description: See Exhibit A attached to Mortgage.

Document or instrument number of previously recorded documents: N/A

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

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING encumbers both real and personal property, assigns all leases and rents from the real property described herein, contains an after acquired property clause and secures present and future loans and advances.

NOTICE: This Mortgage secures credit in the amount of \$2,000,000.00. Loans and advances up to this amount, together with interest are senior to indebtedness to other creditors under subsequently recorded or filed mortgages and liens.

This Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing ("Mortgage") is dated November 15, 2022 and is made between Blue Care PropCo Winterset - West, LLC ("Mortgagor") and QHC Facilities, LLC and its successors and assigns ("Mortgagee").

1. Grant of Mortgage and Security Interest. Mortgagor hereby sells, conveys and mortgages unto Mortgagee, and grants a security interest to Mortgagee in:

a. Real Property. The property described on Exhibit A (the "Land").

b. Improvements. All buildings, structures, tenant and resident improvements and other improvements of every nature whatsoever now or hereafter situated on the Land, including, but not limited to: (i) all landscaping, vegetation and timber, utility facilities, parking areas, roads, driveways, walks and other site improvements, rights in and to the lands lying in streets, alleys and roads adjoining the land, estates and other rights and interests now or hereafter belonging to or in any way pertaining to the Land; and (ii) all easements, rights of way, gores of real estate, streets, ways, alleys, passages and other means of access, sewer rights, waters, water courses and water rights and powers, whether decreed or undecreed, tributary or non-tributary, surface or underground, appropriated or unappropriated, and including, all shares of stock in any water, canal, ditch or reservoir company, all well permits, water service contracts, drainage rights and other evidences of such rights, surface, subsurface and air rights, including rights to minerals, oil, gas and other hydrocarbon rights, and all estates, rights, titles, interests, licenses, privileges, liberties, tenements, hereditaments and appurtenances whatsoever, in any way now or hereafter belonging, relating or appertaining to the Land, and the reversions, remainders, rents, issues and profits thereof, and all the estate, right, title, interest, property, possession, claim and demand whatsoever, at Law as well as in equity, of the Mortgagor of, in and to the same (together with all additions, extensions, betterments and improvements thereto and all extensions, renewals, alterations, substitutions and replacements thereof (collectively, the "Buildings and Improvements") .

c. Personal Property. All fixtures, attachments, appliances, equipment, machinery, building materials and supplies and other personal property of every nature whatsoever, goods

that are or are to become fixtures and/or goods affecting, related to, connected with or integrally belonging to, or hereafter becoming an integral part of the Land or the Buildings and Improvements, whether attached or detached, now or hereafter owned by the Mortgagor, including the Personal Property and the General Intangibles, Additional Personal Property and Refunds and Credits (each defined below) and located on, or used in connection with the Land or the Buildings and Improvements thereon, or both, or in connection with any construction thereon, including the Collateral and any and all air conditioners, antennae, appliances, apparatus, awnings, basins, bathtubs, bidets, boilers, bookcases, cabinets, carpets, computer hardware used in the operation of the Real Estate and Improvements, and the business conducted at the Real Estate and Improvements, coolers, curtains, dehumidifiers, disposals, doors, drapes, dryers, ducts, dynamos, elevators, engines, equipment, escalators, exercise equipment, fans, fittings, floor coverings, furnaces, furnishings, furniture, hardware, heaters, humidifiers, incinerators, inventory, lighting, machinery, motors, ovens, pipes, plumbing, pumps, radiators, ranges, recreational facilities, refrigerators, screens, security systems, shades, blinds, Venetian blinds, rods, storm windows, shelving, sinks, sprinklers, stokers, stoves, toilets, ventilators, wall coverings, washers, windows, window coverings, wiring, and including all extensions, alterations, additions, improvements, betterments, renewals, substitutions and replacements to any of or to the foregoing and all of the right, title and interest of the Mortgagor in and to any such personal property or fixtures, together with the benefit of any deposits or payments now or hereafter made on such personal property or fixtures by the Mortgagor or on its behalf, whether or not the same are or shall be attached to the Land or the Buildings and Improvements, or both, in any manner, and any assignable leasehold interest in the same, including, as applicable the General Intangibles, Additional Personal Property and Refunds and Credits and all proceeds, products, increase, issue, accessions, attachments, accessories, parts, additions, repairs, replacements and substitutes of, to, and for the foregoing (the "Personal Property").

d. Revenues and Income. All rents, issues, profits, proceeds, income, royalties, escrows, security deposits, impounds, reserves, tax refunds, accounts receivable, accounts and other rights to monies from the Land and/or the Buildings and Improvements and/or the businesses and operations conducted by the Mortgagor thereon, including those now due, past due or to become due, leases, condemnation awards and insurance proceeds now or hereafter arising from the ownership, occupancy lease, rental or use of the Land, Buildings and Improvements and Personal Property, or any part thereof (the "Revenues and Income").

e. Leases. All assignable leases, subleases, licenses, lease guaranties residency agreements, and any other agreements now or hereafter on or relating to the Land or the Buildings and Improvements, or the use or occupancy of the same, including, any use or occupancy arrangements created under Section 365(h) of Title 11 of the United States Code (the "Bankruptcy Code") or otherwise in connection with the commencement or continuation of any proceeding or assignment under, or pursuant to, any Debtor Relief Laws, and whether written or oral (as amended, restated, supplemented, renewed, substituted or otherwise modified, each, a "Lease", and collectively, the "Leases"), together with all security therefor and all monies payable thereunder, subject, however, to the revocable license hereinabove and below given to the Mortgagor to collect the Rents under any such Lease. For purposes of this Mortgage "Debtor Relief Laws" means the Bankruptcy Code and all other liquidation,

bankruptcy, assignment for the benefit of creditors, conservatorship, moratorium, receivership, insolvency, rearrangement, reorganization or similar debtor relief laws of the United States or any state or other applicable jurisdictions in effect from time to time.

f. General Intangibles. All general intangibles, including payment intangibles (each as defined in the Uniform Commercial Code, Chapter 554, of the State of Iowa as in effect from time to time (the “UCC”) now owned or hereafter acquired by Mortgagor, including, without limitation: (i) all security deposits, earnest money deposits, residency fees, construction contracts, construction management agreements or contracts, subcontracts, architectural contracts, engineering contracts, service contracts, maintenance contracts, management contracts, developer contracts, interior design contracts, landscaping contracts, governmental consents (to the extent assignable by law), approvals (to the extent assignable by law) and zoning rights related to the use, occupancy, operation, maintenance or other enjoyment of the Land and the Building and Improvements, permits and licenses (to the extent assignable by law), tests, designs, surveys, plans, specifications, warranties, guaranties, and development rights and agreements to which the Mortgagor is or may become a party; (ii) all obligations and indebtedness owed to the Mortgagor thereunder; (iii) all intellectual property; and (iv) all choses in action and causes of action (collectively, the “General Intangibles”).

g. Additional Personal Property. All personal property and other assets now owned or hereafter created or acquired, by Mortgagor, including, without limitation: (i) accounts (as defined in the UCC), receivables, net entrance fees, monthly service fees, contract rights, book debts, notes, drafts, and other obligations or indebtedness owing to the Mortgagor arising from the sale, lease or exchange of goods or other property and/or the performance of services; (ii) all purchase orders for goods, services or other property; (iii) any goods, services or other property represented by any of the foregoing; (iv) monies due or to become due to the Mortgagor under all contracts for the sale, lease or exchange of goods or other property and/or the performance of services including the right to payment of any interest or finance charges in respect thereto (whether or not yet earned by performance on the part of the Mortgagor), including the Rents; (v) equipment and inventory (each as defined in the UCC); (vi) all warranties, guarantees, permits and licenses (to the extent assignable by law) in favor of the Mortgagor and related to the Land or the Building and Improvements (the “Additional Personal Property”).

h. Refunds and Credits. All real estate tax refunds payable to Mortgagor with respect to the Land and Buildings and Improvements, and refunds, credits or reimbursements payable with respect to bonds, escrow accounts, or other sums payable in connection with the use, development, or ownership of the Land and Buildings and Improvements, or any business thereon or therein (the “Refunds and Credits”).

i. Proceeds. All proceeds, products, increase, issue, accessions, attachments, accessories, parts, additions, repairs, replacements and substitutes of, to, and for all of the Land, Buildings and Improvements, Personal Property, Revenues and Income, Leases, General Intangibles, Additional Personal Property and the Refunds and Credits, in any form (collectively, the “Proceeds”).

TO HAVE AND TO HOLD the Land, Buildings and Improvements, Personal Property, Revenues and Income, Leases, General Intangibles, Additional Personal Property and the Refunds and Credits (collectively called the "Mortgaged Property"), together with all privileges, hereditament thereunto now or hereafter belonging, or in any way appertaining and the products and proceeds thereof, unto Mortgagee, its successors and assigns.

2. Obligations. This Mortgage secures the following (hereinafter collectively referred to as the "Obligations"):

(i) the payment of the loan made by Mortgagee to Blue Care Homes, LLC, a New Jersey limited liability company ("Blue Care") evidenced by that certain Promissory Note dated November 15, 2022 in the principal amount of \$2,000,000 with a maturity date of May 14, 2025, together with the interest owing at any time thereon and all other costs, expenses and liabilities owed by Blue Care to Mortgagee thereunder, and any renewals, extensions, modifications or refinancing thereof and any promissory notes issued in substitution therefor (the "Promissory Note"); and

(ii) the payment of all amounts owed to Mortgagee, now existing or hereafter arising, whether direct or indirect, contingent or absolute and whether as maker or surety, including, but not limited to, all obligations owed under the Mortgages and the Guaranty (each as defined in the Promissory Note), future advances and amounts advanced and expenses incurred by Mortgagee pursuant to this Mortgage, the other Mortgages, the Promissory Note or the Guaranty.

THIS PARAGRAPH SHALL NOT CONSTITUTE A COMMITMENT TO MAKE ADDITIONAL LOANS IN ANY AMOUNT.

3. Representations and Warranties of Mortgagor.

a. Mortgagor represents, warrants and covenants to Mortgagee that (i) pursuant to the Sale Order, Mortgagor has the right, power and authority to execute this Mortgage and to mortgage, and grant a security interest in the Mortgaged Property; (ii) upon the filing of this Mortgage with Recorder for Madison County, Iowa, and pursuant to the Sale Order, this Mortgage shall create a valid and enforceable first priority Mortgage on the Mortgaged Property and Mortgagor will warrant and defend the lien and priority of this Mortgage against all claims and demands of all persons, whether now existing or hereafter arising; (iii) Mortgagor is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order of the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and (iv) Mortgagor is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Mortgagor hereby agrees to defend, indemnify and hold harmless Mortgagee from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification(s).

b. Mortgagor further represents and warrants to Mortgagee that:

(i) none of the Mortgaged Property constitutes and none of the loans secured by this Mortgage will be used to purchase any: (A) real property which is a single-family or a two-family dwelling occupied or to be occupied by Mortgagor; (B) agricultural products or property used for an agricultural purpose as defined in Iowa Code Section 535.13; (C) agricultural land as defined in Iowa Code Section 9H.1(2) or 9I.1(1); (D) property used for an agricultural purpose as defined in Iowa Code Section 570A.1(2); or (E) agricultural property as defined in Iowa Code Section 654A.1(1); and

(ii) the provisions of Chapter 654A of the Iowa Code do not apply to the parties to this Mortgage with respect to the secured indebtedness, the loan pursuant to the Promissory Note does not constitute a consumer credit transaction as defined in Iowa Code Section 537.1301(12), the loan pursuant to the Promissory Note is for business purposes as defined in Iowa Code Section 535.2(2)(a)(5), and the Mortgaged Property is not a one-family or two-family dwelling and is not agricultural land as defined in Iowa Code §9H.1.

c. Mortgagor hereby agrees to defend, indemnify and hold harmless the Mortgagee from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing.

The following capitalized words and terms shall have the following meaning when used in this Mortgage:

Sale Order. The words "Sale Order" mean the Order Authorizing: (I) the Sale of the Debtors' Assets Free and Clear of Liens, Claims and Encumbrances; (II) the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (III) Approving the Debtors' Settlement Agreement with the United States, entered on November 2, 2022 as Docket No. 497 by the United States Bankruptcy Court, Southern District of Iowa, in *In re QHC Facilities, LLC et al.*, Case No. 21-01643-als11.

4. Payment and Performance of the Obligations. Mortgagor will pay or cause to be paid all amounts payable under the Obligations in accordance with the terms of the Obligations when and as due and will timely perform or cause to be performed all other obligations under the Obligations. The provisions of the Obligations are hereby incorporated by reference into this Mortgage as if fully set forth herein.

5. Taxes. Mortgagor shall pay each installment of all taxes and special assessments of every kind, now or hereafter levied against the Mortgaged Property before the same become delinquent, without notice or demand, and shall deliver to Mortgagee proof of such payment within fifteen (15) days after the date in which such tax or assessment becomes delinquent.

6. Liens. Except as expressly set forth herein, Mortgagor shall not create, incur or suffer to exist any lien, encumbrance, security interest or charge on the Mortgaged Property or any part thereof which might or could be held to be equal or prior to the lien of this Mortgage, other than the lien of current real estate taxes and installments of special assessments with respect to which no penalty is yet payable. Mortgagor shall pay, when due, the claims of all persons supplying labor or materials to or in connection with the Mortgaged Property. Notwithstanding the foregoing, to

the extent Mortgagor enters into a Financing Event pursuant to Section 11 of the Promissory Note pursuant to which Mortgagee has agreed to subordinate its rights hereunder as provided therein, any mortgage filed by the Financing Event Lender shall not be deemed a violation of this Section 6 (a "Senior Mortgage").

7. Compliance with Laws. Mortgagor shall comply with all present and future statutes, laws, rules, orders, regulations and ordinances affecting the Mortgaged Property, any part thereof or the use thereof.

8. Permitted Contests. Mortgagor shall not be required to (i) pay any tax, assessment or other charge referred to in Paragraph 5 hereof, (ii) discharge or remove any lien, encumbrance or charge referred to in Paragraph 6 hereof, or (iii) comply with any statute, law, rule, regulation or ordinance referred to in Paragraph 7 hereof, so long as Mortgagor shall contest, in good faith, the existence, amount or the validity thereof, the amount of damages caused thereby or the extent of Mortgagor's liability therefor, by appropriate proceedings which shall operate during the pendency thereof to prevent (A) the collection of, or other realization upon the tax, assessment, charge or lien, encumbrances or charge so contested, (B) the sale, forfeiture or loss of the Mortgaged Property or any part thereof, and (C) any interference with the use or occupancy of the Mortgaged Property or any part thereof. Mortgagor shall give prompt written notice to Mortgagee of the commencement of any contest referred to in this Paragraph 8.

9. Care of Property. Mortgagor shall take good care of the Mortgaged Property; shall keep the Buildings and Improvements, Personal Property and Additional Personal Property now or later placed upon the Mortgaged Property in good and reasonable repair and shall not injure, destroy or remove either the Buildings and Improvements, Personal Property or Additional Personal Property during the term of this Mortgage.

10. Insurance.

a. Insurance. During the term of the Promissory Note, Mortgagor, at its sole cost and expense, shall keep or cause to be kept in effect for Mortgagor and the Mortgaged Property such policies of insurance as Mortgagee may reasonably require. As of the date hereof the following insurance coverages are required:

- (i) Physical hazard insurance on an "all risks" basis, with a Replacement Cost Endorsement, an Increased Cost of Construction Endorsement, a Terrorism Endorsement and an Agreed Amount Endorsement, covering the perils of fire, earthquakes (if in an earthquake zone), boiler and machinery (to include the major components of HVAC systems, if not already included in the foregoing coverage, and such other equipment as Mortgagee may require), vandalism and malicious mischief, and extended coverage, in an amount not less than the original principal amount of the Promissory Note, with a deductible amount not greater than Twenty-Five Thousand and No/100 (\$25,000.00).
- (ii) Commercial general liability insurance covering claims for bodily injury, death, and property damage, in an amount as determined by Mortgagor in its reasonable

discretion, (but not less than \$1,000,000 per occurrence and \$3,000,000 in the aggregate) naming Mortgagee as an additional insured or co-insured.

- (iii) Business interruption or loss of rent insurance to cover actual loss sustained in an amount not less than twelve (12) months' rent naming Mortgagee in a standard mortgagee loss payable clause thereunder.
- (iv) Flood insurance, if the Mortgaged Property is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards or in which flood insurance has been made available under applicable law.
- (v) As applicable, either affirmative coverage for hail, windstorm, and named storms in Mortgagor's property insurance or evidence that coverage for hail, windstorm, and named storms is not excluded from Mortgagor's property insurance.

b. Policy Provisions. All insurance shall be written by companies licensed and admitted in the State of Iowa with a Best's Rating of A:VIII or higher, shall be on policy forms satisfactory to Mortgagee, shall cite Mortgagee's interest as mortgagee, shall be maintained in force throughout the term of the Promissory Note without cost to Mortgagee, and deposited with Mortgagee (if required), shall include a mortgagee clause or lender's loss payable endorsement satisfactory to Mortgagee, shall provide that the insurance may not be terminated, materially modified or allowed to lapse without at least thirty (30) days' prior written notice to Mortgagee, and shall provide that any loss shall be payable notwithstanding any act or negligence of Mortgagor which might otherwise result in forfeiture of such insurance, and shall bear notations evidencing the prior payment of premiums.

c. Waiver of Subrogation. All property insurers shall agree not to acquire any rights of recovery against Mortgagee by subrogation. Mortgagor, to the full extent permitted by law and to the full extent permitted without invalidating the insurance policies required above, shall obtain endorsements by all insurers waiving any right of subrogation against tenants under any leases and shall require the same of such tenants. Mortgagee shall not, because of accepting, rejecting, approving or obtaining insurance, incur any liability for the existence, nonexistence, continuation, form or legal sufficiency of any insurance, the solvency of any insurer, or the payment of any losses.

d. Delivery of Policy or Certificate. Mortgagor shall furnish to Mortgagee or Mortgagee's designee an original or certified copy of all policies of insurance required under this Mortgage, provided, however, that if Mortgagee consents to Mortgagor providing any of the insurance required under this Mortgage through blanket policies carried by Mortgagor and covering more than one location, Mortgagor shall furnish Mortgagee or Mortgagee's designee with a certificate of insurance for each such policy, setting forth the coverage, the limits of liability as to the Mortgaged Property, the name of the insurer, the policy number and the expiration date, or with a certified true copy of the original of each such policy. Mortgagor shall keep, observe and satisfy, and not suffer violations of the requirements, including those requirements pertaining to acts committed or conditions existing on the Mortgaged Property, of insurance companies and any bureau or agency which establishes standards of insurability affecting the Mortgaged Property. Mortgagor shall not carry separate or additional insurance concurrent in

form or contributing in the event of loss with that required by this Mortgage.

e. Assignment of Policy. Upon foreclosure of this Mortgage or other transfer of title or assignment of the Mortgaged Property in discharge, in whole or part, of the Obligations, or if Mortgagee shall acquire title to the Mortgaged property, Mortgagee shall have all of the right, title and interest of Mortgagor in and to any insurance policies required hereunder, all right, title and interest of Mortgagor in and to all policies of insurance required by this Section and the unearned premiums thereon, and in and to the proceeds thereof resulting from any damage to the Mortgaged Property prior to such sale or acquisition, shall inure to the benefit of and pass to Mortgagee. If the Mortgaged Property is sold at a foreclosure sale or if Mortgagee shall acquire title to the Mortgaged Property, Mortgagee shall have all of the right, title and interest of Mortgagor in and to any insurance policies required hereunder, and the unearned premiums thereon, and in and to the proceeds thereof resulting from any damage to the Mortgaged Property prior to such sale or acquisition.

e. Notice of Damage or Destruction; Adjusting Loss. If the Mortgaged Property or any part thereof shall be damaged or destroyed by fire or other casualty, Mortgagor will, within five (5) calendar days after the occurrence of such damage or destruction, give written notice thereof to the insurance carrier and to Mortgagee and will not adjust any damage or loss which is estimated by Mortgagor in good faith to exceed \$25,000 unless Mortgagee shall have joined in or concurred with such adjustment; but if there has been no adjustment of any such damage or loss within four (4) months from the date of occurrence thereof and if an Event of Default shall exist at the end of such four (4) month period or at any time thereafter, Mortgagee may jointly make proof of loss, adjust and compromise any claim under the policies, and appear in and prosecute any action arising from such policies. In connection therewith, Mortgagor does hereby irrevocably authorize, empower and appoint Mortgagee as attorney-in-fact for Mortgagor (which appointment is coupled with an interest) to do any and all of the foregoing in the name and on behalf of Mortgagor.

f. Application of Insurance Proceeds. Subject to the rights of the Mortgagee under any Senior Mortgage, all sums paid under any insurance policy required by this Mortgage shall be paid to Mortgagee, which shall, at their option, apply the same (after first deducting therefrom Mortgagee's expenses incurred in collecting the same including but not limited to reasonable attorney's fees) to the reduction of the Obligations or to the payment of the restoration, repair, replacement or rebuilding of Mortgaged Property that is damaged or destroyed in such manner as Mortgagee shall determine and secondly to the reduction of the Obligations. Any application of insurance proceeds to principal of the Obligations shall not extend or postpone the due date of the payments payable under the Obligations or change the amount of such payments.

g. Reimbursement of Mortgagee's Expenses. Mortgagor shall promptly reimburse Mortgagee upon demand for all of Mortgagee's expenses incurred in connection with the collection of the insurance proceeds, including but not limited to reasonable attorney's fees, and all such expenses shall be additional amounts secured by this Mortgage.

11. Inspection. Mortgagee, and its agents, shall have the right at all reasonable times, to enter upon the Mortgaged Property for the purpose of inspecting the Mortgaged Property or any

part thereof. Mortgagee shall, however, have no duty to make such inspection. Any inspection of the Mortgaged Property by Mortgagee shall be entirely for its benefit and Mortgagor shall in no way rely or claim reliance thereon.

12. Protection of Mortgagee's Security. Subject to the rights of Mortgagor under Paragraph 8 hereof, if Mortgagor fails to perform any of the covenants and agreements contained in this Mortgage or if any action or proceeding is commenced which affects the Mortgaged Property or the interest of the Mortgagee therein, or the title thereto, then Mortgagee, at Mortgagee's option, may perform such covenants and agreements, defend against or investigate such action or proceeding, and take such other action as Mortgagee deems necessary to protect Mortgagee's interest. Any amounts or expenses disbursed or incurred by Mortgagee in good faith pursuant to this Paragraph 12 with interest thereon at the rate of 7% per annum, shall become an Obligation of Mortgagor secured by this Mortgage. Such amounts advanced or disbursed by Mortgagee hereunder shall be immediately due and payable by Mortgagor unless Mortgagor and Mortgagee agree in writing to other terms of repayment. Mortgagee shall, at its option, be subrogated to the lien of any mortgage or other lien discharged in whole or in part by the Obligations or by Mortgagee under the provisions hereof, and any such subrogation rights shall be additional and cumulative security for this Mortgage. Nothing contained in this paragraph shall require Mortgagee to incur any expense or do any act hereunder, and Mortgagee shall not be liable to Mortgagor for any damage or claims arising out of action taken by Mortgagee pursuant to this paragraph.

13. Condemnation. Mortgagor shall give Mortgagee prompt notice of any action, actual or threatened, in condemnation or eminent domain and hereby assign, transfer and set over to Mortgagee certain proceeds of any award or claim for damages for all or any part of the Mortgaged Property taken or damaged under the power of eminent domain or condemnation sufficient to satisfy the Obligations. Mortgagee is hereby authorized to intervene in any such action in the names of Mortgagor, to compromise and settle any such action or claim, and to collect and receive from the condemning authorities and give proper receipts and acquittances for such proceeds. Any expenses incurred by Mortgagee in intervening in such action or compromising and settling such action or claim, or collecting such proceeds shall be reimbursed to Mortgagee first out of the proceeds. The remaining proceeds or any part thereof shall be applied to reduction of that portion of the Obligations then still outstanding.

14. Compliance With Environmental Laws. Mortgagor represents and warrants to Mortgagee that:

(a) Mortgagor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Mortgagee in writing, (i) any breach or violation of any Environmental Laws, (ii) 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 (iii) any actual or threatened litigation or, claims of any kind by any person relating to such matters; and

(b) Except as previously disclosed to and acknowledged by Mortgagee in writing, (i) except in material compliance with Environmental Law, 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 (ii) any such activity shall be conducted in material compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws.

In the event that Mortgagee reasonably believes that the Mortgaged Property or any operation thereon is in violation of Environmental Laws, upon three (3) days' prior notice from Mortgagee regarding such condition, Mortgagee and its agents shall be entitled to enter upon the Mortgaged Property and, at Mortgagor's sole cost and expense, to make such inspections and tests, as Mortgagee reasonably deems necessary to assess any and all aspects of the condition giving rise to such belief (an "**Environmental Assessment**"). Mortgagee shall deliver the results of such Environmental Assessment to Mortgagor. All Environmental Assessments performed 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. 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 Environmental Laws, and (2) agrees to indemnify, defend, 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 Mortgagor, provided; however, that for purposes of this Paragraph 14, Mortgagee shall not include QHC Madison Square, LLC or any affiliate of QHC Madison Square, LLC (each, a "Restricted Person"), provided; further, that nothing herein shall be deemed to restrict or limit the rights of an assignee of Mortgagee under this Mortgage from asserting its rights under this Paragraph 14 except to the extent such assignee is a Restricted Person. The provisions of this section of the Mortgage, including the obligation to indemnify and defend, shall survive the payment of the Obligations 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. Notwithstanding any other provision of this Mortgage to the contrary, the indemnity provided by this Paragraph 14 shall not apply to any claims, losses, liabilities, damages, penalties, or expenses of Mortgagee in the circumstances described above if the matter for which indemnification is sought arises from matters that shall first occur at, in, on above or under the Mortgaged Property subsequent to the time that Mortgagor ceases to be in possession of the Mortgaged Property as a result of the exercise by Mortgagee of any remedies provided in this Mortgage unless such violation is caused directly by Mortgagor or its affiliates, or if any such matters are caused directly by the acts of Mortgagee or any person acting on their behalf.

The following capitalized words and terms shall have the following meanings when used in this Mortgage:

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental

Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

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.

15. Nuisance, Waste. Mortgagor 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.

16. Due On Sale - Consent by Mortgagee. Mortgagee may, at Mortgagee's option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Mortgagee's prior written consent, of all or any part of the Mortgaged Property, or any interest in the Mortgaged Property. A "sale or transfer" means the conveyance of Mortgaged Property or any right, title or interest in the Mortgaged Property; whether legal, beneficial or equitable; whether voluntary or involuntary, whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Mortgaged Property, or by any other method of conveyance of an interest in the Mortgaged Property. If any Mortgagor is a corporation, partnership, or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting units, partnership interests or limited liability company interests, as the case may be, of Mortgagor. However, this option shall not be exercised by Mortgagee if such exercise is prohibited by federal law or by Iowa law.

17. Assignment of Leases and Rents. As further security for the payment of all Obligations secured hereby, all Revenues and Income and the entire right, title and interest of Mortgagor under all Leases now or hereafter affecting the Mortgaged Property are hereby assigned and transferred to Mortgagee, for the benefit of the Mortgagee. The term "leases" herein shall include all types of agreements for payment of monies for use or occupancy of the Mortgaged Property, including licenses, concession agreements or rental agreements and guarantees of the lessees' obligations thereunder. Mortgagee is authorized to give notice of this assignment, and

Mortgagor agrees to execute any and all further instruments that Mortgagee may reasonably require to perfect this assignment. Notwithstanding anything to the contrary contained herein, so long as no Event of Default has occurred and is continuing, Mortgagor may collect assigned Revenues and Income as the same shall fall due, but upon the occurrence and continuation of such Event of Default, or at such later time as Mortgagee in its sole discretion may elect, all right of Mortgagor to collect or receive such Revenues and Income shall terminate and Mortgagee shall be entitled to make demand for and receive the payment of such Revenues and Income. Mortgagor and Mortgagee agree that this assignment of Revenues and Income is a present, absolute assignment and not an assignment for additional security only. Mortgagor shall not assign any of the Revenues and Income from the Mortgaged Property or collect any Revenues and Income for more than two (2) months in advance, nor do or suffer any act or thing which would impair the security for Obligations secured hereby or Mortgagee's interest in the Mortgaged Property or the Revenues and Income. All Revenues and Income collected by Mortgagee may be applied to Obligations secured hereby in such manner as Mortgagee shall determine. Receipt by Mortgagee of the Revenues and Income shall not constitute a waiver of any right that Mortgagee may have under this Mortgage or under the laws of the State of Iowa, nor shall the receipt and application thereof have any effect on any default hereunder nor affect any foreclosure proceeding or any sale authorized by this Mortgage or the laws of the State of Iowa.

18. Fixture Filing. From the date of its recording, this Mortgage shall be effective as a financing statement filed as a fixture filing with respect to the Personal Property and Additional Personal Property and for this purpose the name and address of the debtor is the name and address of Mortgagor as set forth in Paragraph 25 herein and the name and address of the secured party is the name and address of the Mortgagee as set forth in Paragraph 25 herein.

19. Events of Default. Each of the following occurrences shall constitute an event of default hereunder ("Event of Default"):

a. Mortgagor shall default in the due observance or performance of or breach its agreement contained in Paragraph 4 hereof or shall default in the due observance or performance of or breach any other covenant, condition or agreement on its part to be observed or performed pursuant to the terms of this Mortgage, and such default shall continue for ten (10) days after written notice to Mortgagor.

b. Mortgagor shall make an assignment for the benefits of its creditors, or a petition shall be filed by or against Mortgagor under the United States Bankruptcy Code or Mortgagor shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of a material part of its properties or of the Mortgaged Property or shall not, within sixty (60) days after the appointment of a trustee, receiver or liquidator of any material part of its properties or of the Mortgaged Property, have such appointment vacated.

c. A judgment, writ or warrant of attachment or execution, or similar process shall be entered and become a lien on or be issued or levied against the Mortgaged Property or any part thereof which is not released, vacated or fully bonded within thirty (30) days after its entry, issue or levy.

d. An event of default, however defined, shall occur under any other mortgage, assignment or other security document constituting a lien on the Mortgaged Property or any part thereof and such event of default is not cured within any applicable notice and cure period thereunder.

e. An event of default, however defined, shall occur under the Promissory Note or any other Loan Document and such event of default is not cured within any applicable notice and cure period thereunder.

20. Acceleration; Foreclosure. Upon the occurrence of any Event of Default and at any time thereafter while such Event of Default exists, Mortgagee may, at its option, after such notice as may be required by law, exercise one or more of the following rights and remedies (and any other rights and remedies available to it):

a. Mortgagee may declare immediately due and payable all Obligations secured by this Mortgage, and the same shall thereupon be immediately due and payable, without further notice or demand.

b. Mortgagee shall have and may exercise with respect to the Personal Property, General Intangibles and Additional Personal Property all the rights and remedies accorded upon default to a secured party under the Iowa Uniform Commercial Code. If notice to Mortgagor of intended disposition of such property is required by law in a particular instance, such notice shall be deemed commercially reasonable if given to Mortgagor at least ten (10) days prior to the date of intended disposition.

c. Mortgagee may (and are hereby authorized and empowered to) foreclose this Mortgage in accordance with the law of the State of Iowa, and at any time after the commencement of an action in foreclosure, or during the period of redemption, the court having jurisdiction of the case shall at the request of Mortgagee appoint a receiver to take immediate possession of the Mortgaged Property and of the revenues and income accruing therefrom, and to rent or cultivate the same as he may deem best for the interest of all parties concerned, and such receiver shall be liable to account to Mortgagor only for the net profits, after application of rents, issues and profits upon the costs and expenses of the receivership and foreclosure and upon the Obligations.

d. If Mortgagor remains in possession of the Mortgaged Property after the Mortgaged Property is sold as provided above or Mortgagee otherwise becomes entitled to possession of the Mortgaged Property upon default of Mortgagor or Borrower, Mortgagor shall become a tenant at sufferance of Mortgagee or the purchaser of the Mortgaged Property and shall, at Mortgagee's option, either (i) pay a reasonable rental for the use of the Mortgaged Property, or (ii) vacate the Mortgaged Property immediately upon the demand of Mortgagee. This paragraph is subject to any rights of Mortgagor, under Iowa law, to remain in possession of the Mortgaged Property during a redemption period.

e. To the extent permitted by applicable law, Mortgagor hereby waives any and all right to have the Mortgaged Property marshalled. In exercising its rights and remedies, Mortgagee shall be free to sell all or any part of the Mortgaged Property together or separately, in one sale or

by separate sales. Mortgagee shall be entitled to bid at any public sale on all or any portion of the Mortgaged Property.

21. Redemption. It is agreed that if this Mortgage covers less than ten (10) acres of land, and in the event of the foreclosure of this Mortgage and sale of the property by sheriff's sale in such foreclosure proceedings, the time of one year for redemption from said sale provided by the statutes of the State of Iowa shall be reduced to six (6) months provided the Mortgagee, in such action file an election to waive any deficiency judgment against Mortgagor which may arise out of the foreclosure proceedings; all to be consistent with the provisions of Chapter 628 of the Iowa Code. If the redemption period is so reduced, for the first three (3) months after sale such right of redemption shall be exclusive to the Mortgagor, and the time periods in Sections 628.5, 628.15 and 628.16 of the Iowa Code shall be reduced to four (4) months.

It is further agreed that the period of redemption after a foreclosure of this Mortgage shall be reduced to sixty (60) days if all of the three following contingencies develop: (1) the real estate is less than ten (10) acres in size; (2) the Court finds affirmatively that the said real estate has been abandoned by the owners and those persons personally liable under this Mortgage at the time of such foreclosure; and (3) Mortgagee in such action files an election to waive any deficiency judgment against Mortgagor or their successors in interest in such action. If the redemption period is so reduced, Mortgagor or their successors in interest or the owner shall have the exclusive right to redeem for the first thirty (30) days after such sale, and the time provided for redemption by creditors as provided in Sections 628.5, 628.15 and 628.16 of the Iowa Code shall be reduced to forty (40) days. Entry of appearance by pleading or docket entry by or on behalf of Mortgagor shall be a presumption that the property is not abandoned. Any such redemption period shall be consistent with all of the provisions of Chapter 628 of the Iowa Code. This paragraph shall not be construed to limit or otherwise affect any other redemption provisions contained in Chapter 628 of the Iowa Code.

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

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

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

22. Attorneys' Fees. Mortgagor shall pay on demand all reasonable costs and expenses incurred by Mortgagee in enforcing or protecting its rights and remedies hereunder, including, but

not limited to, reasonable attorneys' fees and legal expenses at trial and upon any appeal or in preparation for or in anticipation of trial or appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Mortgagee incurs that in Mortgagee's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Obligations payable on demand and shall bear interest at the Promissory Note Interest Rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Mortgagee's attorneys' fees and Mortgagee's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Mortgagor also will pay any court costs, in addition to all other sums provided by law.

23. Merger. There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Mortgaged Property at any time held by or for the benefit of Mortgagee in any capacity, without the written consent of Mortgagee.

24. Forbearance not a Waiver, Rights and Remedies Cumulative. No delay by Mortgagee in exercising any right or remedy provided herein or otherwise afforded by law or equity shall be deemed a waiver of or preclude the exercise of such right or remedy, and no waiver by Mortgagee of any particular provisions of this Mortgage shall be deemed effective unless in writing signed by Mortgagee. All such rights and remedies provided for herein or which Mortgagee or the holder of the Obligations may have otherwise, at law or in equity, shall be distinct, separate and cumulative and may be exercised concurrently, independently or successively in any order whatsoever, and as often as the occasion therefor arises.

25. Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given when personally delivered or when sent by U.S. certified or registered mail, postage prepaid:

- (i) If to Mortgagor, to:
Blue Care PropCo Winterset - West, LLC
36 Airport Rd s206
Lakewood, New Jersey 08701

with a copy (which shall not constitute notice) to:

Gabriel Levinson
Haynes and Boone, LLP
30 Rockefeller Plaza, 26th Floor
New York, New York 10112

or to such other person or address as Mortgagor shall furnish to Mortgagee in writing in accordance with this paragraph.

(ii) If to Mortgagee, to:
QHC Facilities, LLC
8350 Hickman Road, Suite 15,
Clive, IA 50325

with a copy (which shall not constitute notice) to:
Jeff W. Courter
Nyemaster Goode, P.C.
700 Walnut Street, Suite 1600
Des Moines, Iowa 50309-3889

or to such other person or address as Borrower shall furnish to Holder in writing in accordance with this paragraph.

(b) Notices if (i) mailed by certified or registered mail or sent by hand or overnight courier service shall be deemed to have been given when received, (ii) sent by facsimile during the recipient's normal business hours shall be deemed to have been given when sent (and if sent after normal business hours shall be deemed to have been given at the opening of the recipient's business on the next Business Day) and (iii) sent by e-mail shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment). "Business Day" means any day (other than a Saturday, Sunday, or legal holiday) in the State of Iowa on which banks are permitted to be open in Des Moines, Iowa.

26. Severability. In the event any portion of this Mortgage shall, for any reason, be held to be invalid, illegal or unenforceable in whole or in part, the remaining provisions shall not be affected thereby and shall continue to be valid and enforceable and if, for any reason, a court finds that any provision of this Mortgage is invalid, illegal, or unenforceable as written, but that by limiting such provision it would become valid, legal and enforceable then such provision shall be deemed to be written, construed and enforced as so limited.

27. Further Assurances. At any time and from time to time until payment and performance in full of the Obligations, Mortgagor will, at the request of Mortgagee, promptly execute and deliver to Mortgagee such additional instruments as may be reasonably required to further evidence the lien of this Mortgage and to further protect the security interest of Mortgagee with respect to the Mortgaged Property, including, but not limited to, additional security agreements, financing statements and continuation statements. Any expenses incurred by Mortgagee in connection with the recordation of any such instruments shall become additional Obligations secured by this Mortgage. Such amounts shall be immediately due and payable by Mortgagor to Mortgagee.

28. Successors and Assigns bound; Number; Gender; Agents; Captions. The rights, covenants and agreements contained herein shall be binding upon and inure to the benefit of the respective legal representatives, successors and assigns of the parties. Words and phrases contained herein, including acknowledgment hereof, shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender according to the contexts. The captions and

headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

29. Governing Law; Venue; Waiver of Jury Trial. This Mortgage shall be governed by, and shall be construed and enforced in accordance with, the laws of the State of Iowa, without application of its conflicts of law principles that may require application of the laws of another jurisdiction. MORTGAGOR HEREBY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE IOWA DISTRICT COURT FOR POLK COUNTY AND THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF IOWA IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS MORTGAGE OR ANY AGREEMENT, DOCUMENT, OR INSTRUMENT CONTEMPLATED HEREBY AND THE BORROWER HEREBY AGREES THAT ALL CLAIMS AND COUNTERCLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH COURT. THE MORTGAGOR IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING WITHOUT LIMITATION ANY OBJECTION TO LAYING OF VENUE OR BASED ON GROUND OF FORUM NON-CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH RESPECTIVE JURISDICTION. MORTGAGOR CONSENTS TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH ACTION OR PROCEEDING BY SENDING OR DELIVERING A COPY OF THE PROCESS TO MORTGAGOR AT THE ADDRESS IN THE MANNER PROVIDED FOR THE GIVING OF NOTICE HEREIN. **MORTGAGOR HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT TO A JURY TRIAL WITH RESPECT TO AND IN ANY ACTION, PROCEEDING, CLAIM, COUNTERCLAIM, DEMAND OR OTHER MATTER WHATSOEVER ARISING OUT OF OR RELATING TO THIS MORTGAGE, ANY AGREEMENT OR INSTRUMENT CONTEMPLATED BY THIS MORTGAGE OR ANY OTHER LOAN DOCUMENT, WHETHER SUCH ACTION SOUNDS IN CONTRACT, TORT OR ANY OTHER THEORY.**

30. Release of Rights of Dower, Homestead and Distributive Share. Each of the undersigned hereby relinquishes all rights of dower, homestead and distributive share in and to the Mortgaged Property and waives all rights of exemption as to any of the Mortgaged Property.

31. Acknowledgment of Receipt of Copies of Debt Instrument. Mortgagor hereby acknowledges the receipt of a copy of this Mortgage together with a copy of the agreements secured hereby.

32. Conduct of Transactions by Electronic Transmission; Electronic Signatures.

a. Mortgagor and Mortgagee each intend that this Mortgage be executed, acknowledged, and delivered or transmitted by Mortgagor by electronic means in accordance with, or as permitted under, any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the Iowa Uniform Electronic Transactions Act (Iowa Code Chapter 554D, Subchapter 1) or any other similar state laws based on the Uniform Electronic Transactions Act or the Uniform Commercial Code.

b. This Mortgage shall become effective when it shall have been executed by Mortgagor and delivered or transmitted to Mortgagee and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. The pages of any counterpart of this Mortgage containing Mortgagor's signature or the acknowledgement of such Mortgagor's signature hereto may be detached therefrom without impairing the effect of the signature or acknowledgement, provided such pages are attached to any other counterpart identical thereto.

c. Executed copies of the signature pages of this Mortgage sent, delivered, transmitted, or exchanged by Electronic Transmission shall be treated as originals, fully binding and with full legal force and effect, and the parties waive any rights they may have to object to such treatment. The delivery, transmission, or exchange of copies of a signature page to this Mortgage by Electronic Transmission shall constitute effective execution and delivery of this Mortgage as to the parties thereto and may be used in lieu of the manually executed original Mortgage for all purposes. Any party sending, delivering or exchanging an executed counterpart of this Mortgage by Electronic Transmission also shall deliver a manually executed counterpart of this Mortgage, but the failure to deliver a manually executed counterpart shall not affect the validity, enforceability, and binding effect of this Mortgage. Electronic Signatures of any party to this Mortgage may be used to execute this Mortgage.

d. Any requirement in this Mortgage that a certificate, agreement, document, or record, including without limitation, this Mortgage, is to be signed, acknowledged, authenticated, or accepted by "manual signature" or similar language shall not be deemed to prohibit any Electronic Signature and shall not be deemed to prohibit delivery thereof by Electronic Transmission.

e. As used in this Mortgage, the following terms shall have the meanings set forth below:

(i) "Electronic Signature" means an electronic sound, symbol, or process attached to, or associated with, an agreement, document, contract or other record and adopted by a Person with the intent to sign, acknowledge, authenticate, or accept such agreement, document, contract, or record and, without limiting the foregoing, includes (i) a unique password or unique identification assigned to, or adopted by, such Person; (ii) such Person's typed name attached to or part of an Electronic Transmission sent by or from a source authorized by such Person, such as an e-mail address provided by such Person as that Person's e-mail address; (iii) any image of such Person's manually executed signature; (iv) voicemail confirmation; and (v) any other form of electronic signature approved or adopted by such Person.

(ii) The words "deliver" or "delivery" and words of like import in or relating to this Mortgage or to any of the transactions contemplated hereby or thereby mean and include any method of delivery, transmission, or communication used in conventional commercial practice, including without limitation, by hand, mail, commercial delivery, overnight courier, and Electronic Transmission.

(iii) "Electronic Transmission" means any form of delivery, transmission, or communication not directly involving the physical transmission of paper, including without limitation, the use of, or participation in, one or more electronic networks or


databases (including without limitation, one or more electronic distributed ledgers) or by facsimile, email, TIFF, PDF, or any other electronic means, that creates a record that may be retained, retrieved and reviewed by a recipient thereof and that may be directly reproduced in paper form by such a recipient through an automated process.

(iv) The words “execution”, “signed”, “signature”, and words of like import in or relating to this Mortgage or any certificate, agreement, document, or record related to any of the transactions contemplated by this Mortgage mean and include manually executed signatures and Electronic Signatures. The use of Electronic Signatures and electronic records (including, without limitation, any contract or other record created, generated, delivered, transmitted, sent, communicated, received, or stored by electronic means, including without limitation, Electronic Transmission) shall be of the same legal effect, validity, and enforceability as a manually or originally executed signature, record, or the physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in, or permitted under, any applicable law, including without limitation, the Federal Electronic Signatures in Global and National Commerce Act, the Iowa Uniform Electronic Transactions Act (Iowa Code Chapter 554D, Subchapter 1) or any other similar state laws based on the Uniform Electronic Transactions Act or the Uniform Commercial Code.

[Remainder of page left blank intentionally; signature and acknowledgment page follows]

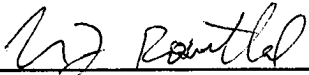
Dated: November 11, 2022

BLUE CARE PROPCO WINTERSET - WEST, LLC

By: 
Name: Shmuel Haikins
Title: Authorized Signatory

STATE OF NJ, COUNTY OF Ocean

This record was acknowledged before me on November 11, 2022, by Shmuel Haikins,
as Authorized Signatory of Blue Care PropCo Winterset - West, LLC.


Signature of Notary Public

NECHAMA ROSENTHAL
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES 2/17/27
COMMISSION # 2417474

EXHIBIT A

LEGAL DESCRIPTION

Unit #101, #102, #103, #104, #106, #107, #108, #201, #202, #203, #204, #205, #206, #208, #301, #302, #303, #304, #305, #306, #307, and #308 of Jefferson Place in the City of Winterset, Madison County, Iowa, and an undivided 22/23rd interest in the common elements and areas of Jefferson Place as shown in the Declaration of Condominium of Jefferson Place filed for record on April 14, 1995 in Town Lot Deed Record 60 at page 159 in the Madison County Recorder's Office.

Residential and Garage Unit #207 of the Jefferson Place in the City of Winterset, Madison County, Iowa, and an undivided 1/23rd interest in the common elements and areas of Jefferson Place as shown in the Declaration of Condominium of Jefferson Place as shown in the Declaration of Condominium of Jefferson Place filed for record on April 14, 1995 in Town Lot Deed Record 60 at page 159 in the Madison County Recorder's Office.

Also known as All Units in Jefferson Place as shown in the Declaration of Condominium of Jefferson Place filed for record on April 14, 1995 in Town Lot Deed Record 60 at page 159 in the Madison County Recorder's Office, being located on Lots 6, 7, and 8 in Block 9 of the Original Town of Winterset.

And

Lots 6, 7, and 8 in Block 9 of the Original Town of Winterset.