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MTG RECORD 222 PAGE 413

CHIELLE UTSLER
RECORDER
MADISON COUNTY, IOWA
REC. \$ 1.25⁰⁰
AUD. \$ 1.00
P.M.F. \$ 1.00

MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING

Corporate Development, LLC, a Tennessee Limited liability company with an address of 1420 Donelson Pike, Nashville, Tennessee 37217 (the "Mortgagor"), for consideration paid, grants to Harding Corporation, a Tennessee corporation with an address of 615 Main Street, Nashville, Tennessee 37206 (the "Mortgagee"), to secure:

(a) the payment of One Thousand and No/100 Dollars (\$100,000.00), together with interest and other charges as provided in the Promissory Note dated of even date herewith (the "Note") made by the Mortgagor, given to the Mortgagee and such other sums, together with interest and other charges, as advanced by Mortgagee pursuant to a Loan and Consulting Agreement (the "Agreement") dated April __, 1999. The proceeds of the Loan secured hereby are being used solely for business purposes of the Borrower;

(b) the payment of all other sums with interest thereon advanced in accordance herewith to protect the security and priority of this Mortgage, Security Agreement and Fixture Filing (the "Mortgage"), including the costs of collection,

(c) the payment and performance of all of the Mortgagor's agreements, obligations and covenants as contained in the Agreement between the Mortgagor and the Mortgagee, the Note and any other documents defined in the Note and Agreement, as the same may hereafter be amended, extended or modified; and

(d) the payment, performance and satisfaction of the Mortgagor's financial liabilities and other obligations under the terms, conditions, representations, warranties and covenants contained in the Loan Documents:

the following described premises (the "Premises")

A certain tract or parcel of land, together with all buildings and improvements thereon, located at 202 North Railroad Street, Truro, Madison County, Iowa, as more particularly described in Schedule A attached hereto and made a part hereof, together with all fixtures, machinery and all other tangible personal property intended for use in the building and other improvements on said premises, now or hereafter owned by the Mortgagor and now affixed or to be affixed, or now or hereafter located upon said land, including all appurtenant easements.

The Mortgagor also grants a security interest in the following:

- (1) All fixtures, machinery, goods, documents, furniture and all other tangible personal property intended for use in the building and other improvements on the Premises, whether now or hereafter owned by the Mortgagor and now affixed or to be affixed, or now or hereafter located upon the Premises, including all appurtenant easements. The foregoing shall include without limitation all plumbing, heating, lighting, refrigerating, ventilating and air conditioning apparatus and equipment, elevators and elevator machinery, boilers, tanks, motors, sprinkler and fire extinguishing systems, alarm systems, screens, awnings, screen doors, storm and other detachable windows and doors, perennial flowers, and other equipment, machinery, furniture and furnishings, fixtures, and articles of personal property now and hereafter owned by the Mortgagor and now and hereafter affixed to, placed upon or used in connection with the operation of the Premises, and all other purposes whether or not included in the foregoing enumeration, together with cash proceeds and non-cash proceeds of all of the foregoing, all of which are covered by this Mortgage, whether or not such property is subject to prior conditional sales agreements, chattel mortgages or other liens, excepting inventory and personal property to be consumed or sold in the normal course of business of the Mortgagor. If the lien hereof on any fixtures or personal property is subject to a conditional sales agreement or chattel mortgage or security agreement covering such property, then in the event of any default hereunder all the rights, title and interest of the Mortgagor in and to any and all deposits made thereon or therefor are hereby assigned to the Mortgagee, together with the benefit of any payments now or hereafter made thereon. There are also transferred, set over and assigned to the Mortgagee, its successors and assigns hereby all conditional sales agreements, leases and use agreements of machinery, equipment and other personal property of the Mortgagor in the categories hereinabove set forth and now and hereafter affixed to, placed upon or used in connection with the operation of the Premises under which the Mortgagor is the lessee of, or entitled to use, such items, and the Mortgagor agrees to execute and deliver to the Mortgagee specific separate assignments thereof to the Mortgagee of such leases and agreements when requested by the Mortgagee; and nothing herein shall obligate the Mortgagee to perform any obligations of the Mortgagor under such leases or agreements, unless it so chooses, which obligations the Mortgagor hereby covenants and agrees to well and punctually perform.
- (2) Any and all tenants, hereditaments, easements, fights of way, licenses, profits, privileges and other appurtenances belonging, relating or pertaining to the Premises;
- (3) All rents, security deposits, issues and profits, revenues, royalties, bonuses, fights and benefits under any and all leases or tenancies now existing or hereafter created of the Premises or any part thereof, with the right to receive and apply the same to said indebtedness, and the Mortgagee may demand, sue for and recover such payments, but shall not be required to do so, provide, however, that so long as the Mortgagor is not in default hereunder, Mortgagor is hereby granted a license to receive and retain such rents, issues and profits. To carry out the foregoing, the Mortgagor agrees (a) to execute and deliver to the Mortgagee such assignments of leases and rents applicable to the Premises as the Mortgagee may from time to time request, while this Mortgage and the debt secured hereby are outstanding, and further, (b) not to cancel, accept a surrender of, reduce the rentals under, anticipate any rentals under, or modify any such leases or tenancies, or consent to an assignment or subletting thereof, in whole or in part, without the Mortgagee's written consent. Nothing herein shall obligate the Mortgagee to perform the duties of the Mortgagor as landlord or lessor under any such leases or tenancies, which duties the Mortgagor hereby covenants and agrees to well and punctually perform, and
- (4) All judgments, awards of damages and settlements hereafter made as a result or in lieu of any taking of the Premises or any interest therein or part thereof under the power of eminent domain, or

(ii) Mortgagor shall furnish to Mortgagee, on or before thirty (30) days after the close of each of Mortgagee's fiscal years, a statement certified by Mortgagee or a duly authorized officer of

(i) That the Mortgagor will keep the buildings, improvements and personal property now existing or hereafter erected or located on the Premises and the interests and liabilities incident to the ownership thereof insured against loss by fire and such other hazards, casualties and contingencies, and in manner, form and companies as may be required by the Mortgagee. In no event shall the amount of coverage be less than one hundred percent (100%) of the insurable value based on replacement cost, and in default thereof the Mortgagee shall have (in addition to other rights set forth herein) the right to obtain such insurance at the cost of the Mortgagor, such cost to be secured hereby.

(c) Insurance.

(b) Payment and Performance. To pay the Note hereby secured and interest thereon as the same shall become due and payable, and also any other indebtedness that may accrue to the Mortgagee under the terms of this Mortgage, and to perform all other agreements set forth herein and in the Note and Loan and Consulting Agreement;

(a) Title. The Mortgagor, for itself and its successors and assigns, does hereby covenant, grant and agree to and with the Mortgagee and its successors and assigns, that until the delivery hereof it is the lawful owner of the Premises seized and possessed thereof in its own right in fee simple, has full power and lawful authority to grant and convey the same in manner aforesaid, that it and its successors shall warrant and defend the same to the Mortgagee and its successors and assigns against the lawful claims and demands of any person or persons whatsoever, except as otherwise herein recited; and that it will not cause or permit any lien to arise against the Premises which is superior to the lien of this Mortgage;

1. Representations, Warranties and Covenants of the Mortgagor. The Mortgagor represents, warrants, covenants and agrees with the Mortgagee, its successors and assigns, as follows:

- (7) All of the Mortgagor's after-acquired property of the kinds and types described in the foregoing paragraphs.
 - (6) Any and all products and proceeds of any or all of the foregoing, including, without limitation, cash and cash equivalents, tax refunds and the proceeds of insurance policies providing coverage against the loss or destruction of or damage to any of such collateral.
 - (5) Any and all additions, accessions, substitutions or replacements to or for any of the foregoing.
- judgments and settlements.
- reimburse the Mortgagee for its cost (including reasonable counsel fees) in the collection of such assignments and other instruments as the Mortgagee may require for said purposes and will matured or not. The Mortgagor will execute and deliver to the Mortgagee on demand such therefor, and to apply the same to payment on account of the debt secured hereby, whether then entities making the same, to appear in any proceeding therefor, to give receipts and acquittances fact to collect and receive any such judgments, awards and settlements from the authorities or released. The Mortgagor hereby irrevocably authorizes and appoints the Mortgagee its attorney-in-manner as it elects, or, at its option, the entire amount or any part thereof so received may be may apply all such sums or any part thereof so received on the indebtedness secured hereby in such thereon or any part thereof, including any award for change of grade of streets. The Mortgagee for any damage (whether caused by such taking or otherwise) to the Premises or the improvements

Mortgagor of the amounts of insurance maintained in compliance herewith, of the risks covered by such insurance and of the insurance company or companies which carry such insurance and, if requested by Mortgagee, verification of the adequacy of such insurance by an independent insurance broker or appraiser acceptable to Mortgagee.

(iii) If at any time Mortgagee is not in receipt of written evidence that all insurance required hereunder is in full force and effect, Mortgagee shall have the right, without notice to Mortgagor to take such action as Mortgagee deems necessary to protect its interest in the Premises, including, without limitation, the obtaining of such insurance coverage as Mortgagee in its sole discretion deems appropriate, and all expenses incurred by Mortgagee in connection with such action or in obtaining such insurance and keeping it in effect shall be paid by Mortgagor to Mortgagee upon demand and until paid shall be secured by this Mortgage and shall bear interest at the Default Rate (as defined in the Note).

(d) Taxes and Assessments. That the Mortgagor will pay, before the same become delinquent or any penalty attached thereto for nonpayment, all taxes, assessments and charges of every nature that may now or hereafter be levied or assessed, upon the Premises or any part thereof, or upon the rents, issues, income or profits thereof, whether any or all of said taxes, assessments or charges be levied directly or indirectly, and will pay, before the same become delinquent or any penalty attached thereto for the nonpayment, all taxes which by reason of nonpayment create a lien prior to the lien of the Mortgage; and will thereupon submit to the Mortgagee such evidence of the due and punctual payment of such taxes, etc. as the Mortgagee may require;

(e) Maintenance of the Premises. That the Mortgagor will keep protected in good order, repair and condition (reasonable wear and tear and casualty insured against excepted) at all times the buildings and improvements (including the Mortgagor's fixtures) now standing or hereafter erected or placed upon the Premises and any and all of the Mortgagor's appurtenances, apparatus and articles of personal property, including, but not limited to, furniture, furnishings and equipment, now or hereafter in or attached to or used in connection with said buildings or improvements, promptly replacing any of the aforesaid which may become lost, destroyed or unsuitable for use; will always maintain in good order and condition all the facilities, easements, works, and ways set forth in the description and easements of the Mortgage, whether located upon the Premises hereby mortgaged or elsewhere; and will not commit or suffer any strip or waste of the Premises, or any violation of any law, regulation, ordinance or contract affecting the Premises, and will not commit or suffer any demolition, removal or material alteration of any buildings or improvements (including fixtures) on the Premises without the written consent of the Mortgagee. The Mortgagor shall maintain and preserve the parking areas, passageways and drives, now or hereafter existing on the Premises, and, without prior written consent of the Mortgagee (which shall not be unreasonably withheld), no building or other structure other than those designated on the project layout plans shall be erected thereon and no new buildings or additions to existing buildings shall be erected on the remainder of the Premises herein mortgaged without prior written consent of the Mortgagee;

(f) Other Proceedings. That if any action or proceeding be commenced, excepting an action to foreclose the Mortgage or to collect the debt hereby secured, to which action or proceeding the Mortgagee is made a party by reason of the execution of the Mortgage or the Note which it secures, or in which it becomes necessary to defend or uphold the lien of the Mortgage, all reasonable sums paid by the Mortgagee for the expense of any litigation to prosecute or defend the rights and lien created hereby including attorneys' fees, shall be paid by the Mortgagor, together with interest thereon from date of payment at the highest rate specified in the Note secured hereby, and any such sum, and the interest thereon, shall be immediately due and payable and be secured hereby, having the benefit of the lien hereby created, as a part thereof and of its priority. The Mortgagee shall give the Mortgagor prompt notice of the initiation of any such action or proceeding;

(b) Remedies. Upon the occurrence of any Event of Default, Mortgagor agrees that Mortgagee may take such action, without notice or demand, as it deems advisable to protect and enforce its rights against Mortgagor and in and to the Premises, including, but not limited to, the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as Mortgagee may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Mortgagee: (i) declare the entire unpaid debt evidenced by the Note (the "Debt") to be immediately due and payable, (ii) with or without entry, institute proceedings, judicial or otherwise, for the complete or partial foreclosure of this Mortgage under any

(vi) The Premises, or any portion thereof, are materially injured or destroyed by fire or otherwise which casualty is not fully and adequately insured, or the Premises are thereby rendered unsuitable for their intended use, which casualty has a material adverse effect upon the security for the Loan, or the Premises, or any portion thereof, are taken by eminent domain; or

(v) Any attachment or garnishment of, or the existence or filing of any lien or encumbrance, other than any lien or encumbrance permitted by this Mortgage or the Loan Documents against any portion of any collateral or security for the Loan,

(iv) In the event that proceedings shall be commenced or an order, judgment or decree shall be entered, without the application, approval or consent of the Mortgagor, in or by any court of competent jurisdiction, relating to the bankruptcy, dissolution, liquidation, reorganization or the appointment of a receiver, trustee or liquidator of the Mortgagor, of all or a substantial part of its or his assets, and such proceedings, order, judgment or decree shall continue undischarged or unstayed for a period of sixty (60) days;

(iii) The Mortgagor shall (A) apply for or consent to the appointment of a receiver, trustee or liquidator for any of its or his property, (B) admit in writing its or his inability to pay its or his debts as they mature, (C) make a general assignment for the benefit of creditors, (D) be adjudicated a bankrupt or insolvent, (E) file a voluntary petition in bankruptcy, or a petition or an answer seeking reorganization to take advantage of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law or statute, or an answer admitting the material allegations of a petition filed against it or him in any proceeding under any such law or (F) offer or enter into any composition, extension or arrangement seeking relief or extension of its or his debts;

(ii) Default by the Mortgagor in the performance or observance of any of the provisions, terms, conditions or covenants of this Mortgage or the Note or the Loan and Consulting Agreement, which remains unremedied for a period of thirty (30) days after notice to the Mortgagor by the Mortgagee;

(i) Default by the Mortgagor in payment within ten (10) business days of the due date of any principal or interest or other amounts called for under the Loan Documents;

(a) Events of Default. The following events or conditions shall in each instance constitute an Event of Default hereunder:

2. Default; Remedies.

(g) Zoning, Etc. If at any time the then existing use or occupancy of the Premises shall, pursuant to any zoning or other law, ordinance or regulation, be permitted only so long as such use or occupancy shall continue, that the Mortgagor shall not cause or permit such use or occupancy to be discontinued without the prior written consent of the Mortgagee;

applicable provision of law in which case the Premises or any interest therein may be sold for cash or upon credit in one or more parcels or in several interests or portions and in any order or manner, any partial foreclosure to be subject to the continuing lien and security interest of this Mortgage for the balance of the Debt not then due, unimpaired and without loss of priority; (iii) sell for cash or upon credit the Premises or any part thereof and all estate, claim, demand, right, title and interest of Mortgagor therein and rights of redemption thereof, pursuant to power of sale or otherwise, at one or more sales, as an entirety or in one or more parcels; (iv) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained herein, in the Note or in the other Documents; (v) recover judgment on the Note either before, during or after any proceedings for the enforcement of this Mortgage or the other Loan Documents; (vi) apply for the appointment of a receiver, trustee, liquidator or conservator of the Premises, without notice and without regard for the adequacy of the security for the Debt and without regard for the solvency of Mortgagor, any guarantor, indemnitor or of any person, firm or other entity liable for the payment of the Debt; (vii) enter into or upon the Premises, either personally or by its agents, nominees or attorneys and dispossess Mortgagor and its agents and servants therefrom, without liability for trespass, damages or otherwise and exclude Mortgagor and its agents or servants wholly therefrom, and take possession of all books, records and accounts relating thereto and Mortgagor agrees to surrender possession of the Premises and of such books, records and accounts to Mortgagee upon demand, and thereupon Mortgagee may exercise all rights and powers of Mortgagor with respect to the Premises including, without limitation, (A) the right to use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Premises and conduct the business thereat; (B) the right to make or complete any construction, alterations, additions, renewals, replacements and improvements to or on the Premises as Mortgagee deems advisable; (C) the right to make, cancel, enforce or modify any leases, including the Lease, obtain and evict tenants, and demand, sue for, collect and receive all rents derived from the Premises (the "Rents") and every part thereof, (viii) require Mortgagor to pay monthly in advance to Mortgagee, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of such part of the Premises as may be occupied by Mortgagor; (ix) require Mortgagor to vacate and surrender possession of the Premises to Mortgagee or to such receiver and, in default thereof, Mortgagor may be evicted by summary proceedings or otherwise, (x) apply the receipts from the Premises, any deposits and interest thereon and/or any unearned insurance premiums paid to Mortgagee upon the surrender of any Policies maintained pursuant to Article I hereof (it being agreed that Mortgagee shall have the right to surrender such Policies upon the occurrence of an Event of Default), to the payment of the Obligations, in such order, priority and proportions as Mortgagee shall deem appropriate in its sole discretion; (xi) exercise any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code of the State of Iowa, including, without limiting the generality of the foregoing: (A) the right to take possession of the Collateral (as such term is defined in the Note) or any part thereof, and to take such other measures as Mortgagee may deem necessary for the care, protection and preservation of the Collateral, and (B) request Mortgagor at its expense to assemble the Collateral and make it available to Mortgagee at a convenient place acceptable to Mortgagee. Any notice of sale, disposition or other intended action by Mortgagee with respect to the Collateral sent to Mortgagor in accordance with the provisions hereof at least five (5) days prior to such action, shall constitute commercially reasonable notice to Mortgagor.

In the event of a sale, by foreclosure, power of sale, or otherwise, of less than all of the Premises, this Mortgage shall continue as a lien and security interest on the remaining portion of the Premises unimpaired and without loss of priority.

(c) Application of Proceeds. The purchase money, proceeds and avails of any disposition of the Premises, or any part thereof, or any other sums collected by Mortgagee pursuant to the Note, this Mortgage or the other Loan Documents, may be applied by Mortgagee to the payment of the Debt in such priority and proportions as Mortgagee in its discretion shall deem proper.

(d) Right to Cure Defaults. Upon the occurrence of any Event of Default, Mortgagee may, but without any obligation to do so and without notice to or demand on Mortgagor and without releasing Mortgagor from any

obligation hereunder, make or do the same in such manner and to such extent as Mortgagee may deem necessary to protect the security hereof Mortgagee is authorized to enter upon the Premises for such purposes, or appear in, defend, or bring any action or proceeding to protect its interest in the Premises or to foreclose this Mortgage or collect the Debt, and the cost and expense thereof (including reasonable attorneys' fees to the extent permitted by law), with interest as provided in this Section 2(d) shall constitute a portion of the Debt and shall be due and payable to Mortgagee upon demand. All such costs and expenses incurred by Mortgagee in remedying such Event of Default or such failed payment or act or in appearing in, defending, or bringing any such action or proceeding shall bear interest at the rate as defined in the Note, for the period after notice from Mortgagee that such cost or expense was incurred to the date of payment to Mortgagee. All such costs and expenses incurred by Mortgagee together with interest thereon calculated at the interest rate shall be deemed to constitute a portion of the Debt and be secured by this Mortgage and the other Loan Documents and shall be immediately due and payable upon demand by Mortgagee therefor.

(e) Actions and Proceedings. Mortgagee has the right to appear in and defend any action or proceeding brought with respect to the Premises and to bring any action or proceeding, in the name and on behalf of Mortgagee, which Mortgagee, in its discretion, decides should be brought to protect its interest in the Premises.

(f) Recovery of Sums Required to be Paid. Mortgagee shall have the right from time to time to take action to recover any sum or sums which constitute a part of the Debt as the same become due, without regard to whether or not the balance of the Debt shall be due, and without prejudice to the right of Mortgagee thereafter to bring an action of foreclosure, or any other action, for a default or defaults by Mortgagee existing at the time such earlier action was commenced.

(g) Other Rights, Etc. (i) The failure of Mortgagee to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Mortgage. Mortgagee shall not be relieved of Mortgagee's obligations hereunder by reason of (A) the failure of Mortgagee to comply with any request of Mortgagee, any guarantor or any indemnitor to take any action to foreclose this Mortgage or otherwise enforce any of the provisions hereof or of the Note or the other Loan Documents, (B) the release, regardless of consideration, of the whole or any part of the Premises, or of any person liable for the Debt or any portion thereof, or (C) any agreement or stipulation by Mortgagee extending the time of payment or otherwise modifying or supplementing the terms of the Note, this Mortgage or the other Loan Documents.

(ii) It is agreed that the risk of loss or damage to the Premises is on Mortgagee, and Mortgagee shall have no liability whatsoever for decline in value of the Premises, for failure to maintain the Policies, or for failure to determine whether insurance in force is adequate as to the amount of risks insured. Possession by Mortgagee shall not be deemed an election of judicial relief, if any such possession is requested or obtained, with respect to any Premises or collateral not in Mortgagee's possession.

(iii) Mortgagee may resort for the payment of the Debt to any other security held by Mortgagee in such order and manner as Mortgagee, in its discretion, may elect. Mortgagee may take action to recover the Debt, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Mortgagee thereafter to foreclose this Mortgage. The rights of Mortgagee under this Mortgage shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Mortgagee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision. Mortgagee shall not be limited exclusively to the rights and remedies herein stated but shall be entitled to every right and remedy now or hereafter afforded at law or in equity.

(h) Right to Release Any Portion of The Premises. Mortgagee may release any portion of the Premises for such consideration as Mortgagee may require without, as to the remainder of the Premises, in any way impairing or affecting the lien or priority of this Mortgage, or improving the position of any subordinate lienholder with respect thereto, except to the extent that the obligations hereunder shall have been reduced

by the actual monetary consideration, if any, received by Mortgagee for such release, and may accept by assignment, pledge or otherwise any other Premises in place thereof as Mortgagee may require without being accountable for so doing to any other lienholder. This Mortgage shall, continue as a lien and security interest in the remaining portion of the Premises.

(i) Violation of Laws. If the Premises is not in compliance with any applicable law, Mortgagee may impose additional requirements upon Mortgagor in connection herewith including, without limitation, monetary reserves or financial equivalents.

(j) Recourse And Choice of Remedies. Notwithstanding any other provision of this Mortgage, Mortgagee is entitled to enforce the obligations of Mortgagor, any guarantor or any indemnitor without first resorting to or exhausting any security or collateral and without first having recourse to the Note or any of the Premises, through foreclosure or acceptance of a deed in lieu of foreclosure or otherwise, and in the event Mortgagee commences a foreclosure action against the Premises, Mortgagee is entitled to pursue a deficiency judgment with respect to such obligations against Mortgagor, guarantor and indemnitor. The liability of Mortgagor, any guarantor or indemnitor are not limited to the original principal amount of the Note. Notwithstanding the foregoing, nothing herein shall inhibit or prevent Mortgagee from foreclosing pursuant to this Mortgage or exercising any other rights and remedies pursuant to the Note, this Mortgage and the other Loan Documents, whether simultaneously with foreclosure proceedings or in any other sequence. A separate action or actions may be brought and prosecuted against Mortgagor, whether or not action is brought against any other person or entity or whether or not any other person or entity is joined in the action or actions.

(k) Right of Entry. Mortgagee and its agents shall have the right to enter and inset the Premises at all reasonable times.

(m) Interest And Late Charges. Mortgagor acknowledges that, without limitation to any of Mortgagee's rights or remedies set forth in this Mortgage, Mortgagee has the right following an Event of Default to demand interest on the principal amount of the Note at the rate and late payment charges in accordance with the terms of the Note.

(n) Security Interest. This Mortgage is among things intended to be a security agreement and financing statement with respect to the personal property and fixtures described and included in the Mortgage, and all additions, accessions, substitutions and replacements thereto and therefor, together with the proceeds thereof, and all of which are hereinafter referred to as the collateral and the Mortgagor hereby grants and conveys to Mortgagee, its successors and assigns, a security interest therein. That upon default of any term, condition or covenant of the Mortgage and acceleration of any indebtedness hereby secured, the Mortgagee may, at its discretion, require the Mortgagor to assemble the collateral and make it available to the Mortgagee at a place reasonably convenient to both parties to be designated by the Mortgagee. The Mortgagee shall give the Mortgagor notice, by registered mail, postage prepaid, of the time and place of any public sale of any of the collateral or of the time any private sale or other intended disposition thereof is to be made by sending notice to the Mortgagor at least five (5) days before the time of the sale or other disposition, which provisions for notice the Mortgagor and the Mortgagee agree are reasonable; provided, however, that nothing herein shall preclude the Mortgagee from proceeding as to both real and personal property in accordance with the Mortgagee's rights and remedies in respect of the real property. The Mortgagee shall have all of the remedies of a secured party under the Uniform Commercial Code as now in effect in the State of Iowa, and such further remedies as may from time to time hereafter be provided in Iowa for a secured party. The Mortgagor agrees that all rights of the Mortgagee as to said collateral and as to said real estate, and rights and interest appurtenant thereto, may be exercised together or separately and further agrees that in exercising its power of sale as to said collateral and as to said real estate, and rights and interest appurtenant thereto, the Mortgagee may sell the collateral or any part thereof, either separately

from or together with the sale real estate, rights and interests appurtenant thereto, or any part thereof, all as the Mortgagee may in its discretion elect.

3. General Provisions. The Mortgagee and the Mortgagee further agree that:

(a) Waivers.

(i) Except as otherwise specifically provided in this Mortgage, the Note and the other Documents, the Mortgagee waives demand, notice of any action taken in reliance on this Mortgage, and all other demands and notices of any description;

(ii) No delay or omission on the part of the Mortgagee in exercising any right or remedy hereunder shall operate as a waiver of such right or remedy or of any other right or remedy under this Mortgage. A waiver on any one occasion shall not be construed as a bar to or waiver of any such right and/or remedy on any future occasion. No single or partial exercise of any power hereunder shall preclude other or future exercise thereof or the exercise of any other right, and

(iii) That receipt and disposition of rents, income of the Premises, insurance proceeds, eminent domain awards, or any other sums under the provisions of the Loan Documents by the Mortgagee shall not be a waiver or release of any rights of the Mortgagee, including but not limited to, the right of foreclosure or acceleration of the Note, whether such receipt or disposition shall be before or after exercise of any such rights.

(b) Binding Agreement. This Mortgage shall inure to the benefit of and shall be binding upon the parties hereto and their respective heirs, legal representatives, successors, and assigns; provided, however, that any assumption of any obligations of Mortgagee hereunder shall not constitute a release of the party whose obligation is being assumed without the Mortgagee's prior written consent;

(c) Amendment. This Mortgage shall not be changed in any respect except by written instrument signed by the party against whom enforcement is sought;

(d) Governing Law. This Mortgage and all rights and obligations hereunder, including matters of construction, validity and performance shall be governed by the laws of the State of Iowa;

(e) Severability. If any term, condition, or provision of this Mortgage or the application, thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable according to law, then the remaining terms, conditions, and provisions of this Mortgage, or the application of any such invalid or unenforceable term, condition or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each term, condition, and provision of this Mortgage shall be valid and enforced to the fullest extent permitted by law;

(f) Headings. The descriptive headings of the sections of this Mortgage have been inserted for convenience and reference only and shall not control or affect the meaning or construction of any of the contents hereof;

(g) Notice. Any demand or notice required or permitted under the Loan Documents shall be effective if either: (A) hand-delivered to the addressee, or (B) deposited in the United States mail, registered or certified, return receipt requested and postage prepaid, or deposited for overnight delivery with any reputable overnight courier service addressed to the addressee: (1) at the address shown at the beginning of this Loan Agreement, or (2) if such party has provided the other in writing with a change of address, at the last address so provided. Any notice or demand mailed as provided in this paragraph shall be deemed given and received on the earlier of

a. the date received, or

b. the date of delivery, refusal or non-delivery as indicated on the return receipt, if sent by mail or overnight courier as provided above.

(h) Gender and Number. All words denoting gender or number shall be construed to include any other gender or number as the context and facts require;

(i) Conflict with other Loan Documents. In the event of any conflict between the terms, covenants, conditions and restrictions contained in the Loan Documents, the term, covenant and condition or restriction which grants the greater benefit upon the Mortgagee shall control. The determination as to which term, covenant, condition or restriction is the more beneficial shall be made by the Mortgagee in its sole discretion; and

4. Special Iowa Provision. See Schedule B.

IN WITNESS WHEREOF, the Mortgagor and the Mortgagee have caused this Mortgage to be executed as of October 15, 1999.

Corporate Development, LLC (the "Mortgagor")

By: William S. Warren Sr. Chief manager
William S. Warren, Sr.

Its: Chief Manager

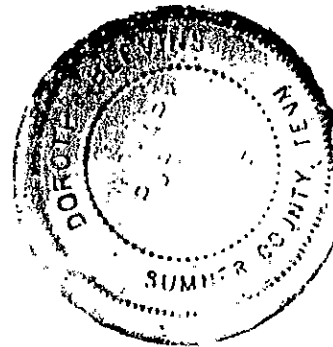
STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, the undersigned, a Notary Public of the State and County aforesaid, personally appeared William S. Warren, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Chief Manager of CORPORATE DEVELOPMENT, LLC, a Tennessee limited liability company, and that he, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Chief Manager.

WITNESS my hand, at office, this 26th day of October, 1999.

Sorathy Blevins
NOTARY PUBLIC

My Commission Expires:
May 12, 2000



Lot Four (4) and the west 18 feet of Lot Three (3) in Block Two (2) of the Original Town of Truro (formerly Ego), Madison County, Iowa subject to and together with any and all easements, covenants and restrictions of record, AND

The west thirty-six (36) feet of Lot 2 and the east forty-eight (48) feet of Lot Three (3) in Block Two (2) of the Original Town of Truro (formerly Ego), Madison County, Iowa subject to and together with any and all easements, covenants and restrictions of record

Being the same property conveyed by Warranty Deed dated October 9, 1997 to Corporate Development, LLC from Frank F. Witt and Lois Witt of record in the Office of the County Recorder for Madison County, Iowa, Book 62, Page 83.

SCHEDULE A

SCHEDULE B

Iowa Provisions

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, all the rights and remedies accorded upon default to a secured party under the Iowa Uniform Commercial Code. If notice to Mortgagors of intended disposition of such property is required by law in a particular instance, such notice shall be deemed commercially reasonable if given to Mortgagors at least ten (10) days prior to the date of intended disposition.

c. Mortgagee may (and is 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 Mortgagors 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.

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 files an election to waive any deficiency judgment against Mortgagors 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 Mortgagors or their successors in interest in such action. If the redemption period is so reduced, Mortgagors or their successors in

Attorneys' Fees. Mortgagees shall pay on demand all costs and expenses incurred by mortgagees in enforcing or protecting its rights and remedies hereunder, including, but not limited to, reasonable attorneys' fees and legal expenses.

Interest on 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 mortgagees 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.