

SHARED COLLATERAL AGREEMENT

This Shared Collateral Agreement is entered into by and between _____ and _____ (sometimes referred to hereafter as "Lender" or collectively as "Lenders") regarding certain loans made to the _____ ("Borrower").

RECITALS

WHEREAS, Borrower has borrowed \$_____ from _____, and an aggregate amount of \$_____ from _____ (evidenced by Promissory notes of \$_____ and \$_____); and

WHEREAS, Borrower has granted to _____ a Mortgage on *Legal Description* County, Iowa, in order to secure _____ loan in the amount of \$_____; a Mortgage to _____ on Lots _____, *Property Description* County, Iowa, in order to secure _____ loan in the amount of \$_____; and a Mortgage to _____ on Lots _____, *Legal Description* County, Iowa, in order to secure _____ loan in the amount of \$_____; and,

WHEREAS, the Lenders have agreed to share a first priority position concerning the subject real estate ("Property"), which is legally described as follows:

Legal Description

and all buildings, structures and improvements now standing or at any time hereafter constructed or placed upon the Land (the "Buildings"), including all hereditament, easements, appurtenances, riparian rights, mineral rights, water rights, 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,

WHEREAS, Lenders agree to be bound by the terms and conditions of this Collateral Agreement.

IT IS, THEREFORE AGREED AS FOLLOWS:

1. DESCRIPTION OF LOANS AND MORTGAGES.

_____ has loaned \$_____ to the Borrower, and the Borrower has executed a Mortgage in favor of _____, encumbering Property. Said Mortgage was filed in the records of the _____ County Recorder on _____, 2009 as Instrument No. _____. _____ has loaned \$_____

and \$ _____ (for a total of \$ _____) to Borrower, and Borrower has executed Mortgages in favor of _____, encumbering the Property. Said Mortgages were filed in the records of the _____ County Recorder on _____, 2009, as Instrument No. _____ and on _____, 2009, as Instrument No. _____.

2. SHARED PRIORITY POSITION WITH RESPECT TO THE COLLATERAL.

Lenders agree that the Lenders' liens against the Property evidenced by the above described mortgages shall be a shared first priority position lien. In the event of a default under the Loan Agreements, Promissory Notes, or Mortgages separately executed between the Borrower and the Lenders, the Lenders agree that their first priority position with respect to any proceeds shall be determined by each Lenders' respective unpaid loan balance at the time of said foreclosure proceeding. Each Lender agrees to execute any other documentation in order to evidence the shared security position of the Lenders.

3. ACTION AGAINST COLLATERAL.

In the event either of the Lenders is unable to collect on their loans after exercising reasonable efforts to do so, and the Lender desires to exercise its rights against the collateral, the Lender agrees to give prompt notice to the other Lender prior to taking any action. To the extent action is commenced against the collateral, each of the Lenders agree to share ratably in the income and expense incurred during the collection process, including all necessary expenses incurred in payment of taxes, insurance premiums, waste prevention, repairs, maintenance, improvements, management, foreclosure, attorney's fees, and other similar expenses, and each Lender agrees to pay promptly its proportion of any such expenses deemed to be appropriate.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date set beside their signatures below.

LENDERS:

STATE OF IOWA, _____ COUNTY, ss:

On this _____ day of _____, 2009, before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____ and _____, who by me being duly sworn did say that they are the President and Secretary respectively of _____, and that no seal has been procured for said corporation (the seal of said corporation is attached) and that the foregoing instrument was executed by them on behalf of said corporation with full corporate authority to do so and they acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

Notary Public in and for said State

STATE OF IOWA, _____ COUNTY, ss:

On this _____ day of _____, 2009, before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____, who by me being duly sworn did say that he is the _____ of _____, and that no seal has been procured for said corporation (the seal of said corporation is attached) and that the foregoing instrument was executed by him on behalf of said corporation with full corporate authority to do so and he acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

Notary Public in and for said State