

**CONSENT TO COLLATERAL ASSIGNMENT OF
TAX INCREMENT DEVELOPMENT AGREEMENT AND ESTOPPEL AGREEMENT**

**THIS CONSENT TO COLLATERAL ASSIGNMENT OF TAX
INCREMENT DEVELOPMENT AGREEMENT AND ESTOPPEL AGREEMENT**
("Consent") is made and entered into as of the ___ day of _____, 2016, by the City of Ankeny, 410 W. 1st Street, Ankeny, Iowa 50023 ("City") in favor of Bankers Trust Company, 453 7th Street, Des Moines, Iowa 50309 ("Bank").

WITNESSETH:

WHEREAS, 1600 Corporate Woods, LLC, an Iowa limited liability company ("Borrower") owns that certain real property in the City of Ankeny, legally described in Exhibit "A" attached hereto (the "Property"); and,

WHEREAS, Borrower desires to develop and construct a 138,000 square foot headquarters on the Property (the "Improvements") for use by Baker Mechanical, Inc., an Iowa corporation ("BMI").

WHEREAS, Borrower has requested certain construction loan in the amount of \$15,174,000.00 (the "Loan") from Bank to finance Borrower's engineering, design, development, construction, furnishing and equipping of the Improvements on the Property (all as defined in that certain Construction Loan Agreement between Borrower and Bank of even date herewith, the "Loan Agreement"); and,

WHEREAS, to evidence the Loan, Borrower has executed and delivered to Bank that certain Promissory Note of even date herewith, in the original principal amount of \$15,174,000.00 (together with all modifications, amendments, renewals, extensions, restatements and replacements thereof, hereinafter referred to as the "Note"); and,

WHEREAS, the Note is secured by, among other things, a Construction Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Financing Statement (as the same may be amended, restated, replaced, supplements, or otherwise modified from time to time, collectively, the "Mortgage") dated as of the date hereof which grants Bank a first priority lien on the property encumbered thereby, including the Improvements. The Note, Loan Agreement, Mortgage, the Collateral Assignment (as defined herein) and any of the other documents evidencing or securing the Loan or executed or delivered in connection therewith are collectively referred to as the "Loan Documents;" and,

WHEREAS, BMI entered into a certain Tax Increment Development Agreement with the City, approved by the City on May 16, 2016 and filed of record on July 1, 2016 in Book 16024, page 415 in the Office of the Polk County Recorder (the "Agreement") pertaining to the acquisition, development, financing, and construction of the Improvements on the Property, as amended, modified, supplemented or restated; and,

WHEREAS, in consideration for BMI's performance under the Agreement, the City has agreed (subject to conditions noted therein), to make certain payments, including contributions and tax rebates, to BMI; and,

WHEREAS, Bank is willing to extend the Loan to Borrower subject, to, among other things, BMI assigning to Bank in a first priority position, all of BMI's right, title and interest in the Agreement, including all rights it has to the payments and economic development grants under the Agreement to secure the Loan; and,

WHEREAS, BMI is collaterally assigning a first priority interest its rights, privileges, powers and interests in, to and under the Agreement to Bank to secure the Loan, including all its right to payments, including all contributions and tax rebates to which it is entitled under the Agreement by virtue of that Collateral Assignment of Tax Increment Development Agreement ("Collateral Assignment"); and,

WHEREAS, City desires to consent to the Collateral Assignment and acknowledges that Bank is relying on this Consent in entering into the Loan Agreement and all affiliated Loan Documents,

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City hereby covenants and agrees as follows for the benefit of Bank:

1. A true, correct and complete copy of the Agreement was approved by the City on May 16, 2016 and filed of record on July 1, 2016 in Book 16024, page 415 in the Office of the Polk County Recorder and evidences the entire agreement between BMI and the City with respect to the Improvements and the Property. The Agreement has not otherwise been amended, supplemented or otherwise modified as of the date hereof.

2. City acknowledges that BMI is assigning and granting a security interest, for collateral purposes, in all of BMI's right, title and interest in and to the Agreement to Bank by virtue of that Collateral Assignment, including the assignment of all right to payments, including all economic development grants and tax rebates to which they are entitled under the Agreement from City to secure the Loan.

3. City represents and warrants to Bank that: (i) the Agreement is currently in full force and effect; (ii) City has not given notice of default to BMI; (iii) the Agreement constitutes the valid and binding agreement of City, enforceable in accordance with its terms; and (iv) City has the full authority under all applicable state and local laws and regulations, to perform all of its obligations under the Agreement.

4. City states that it has no knowledge of any notice of any prior assignment, sale, hypothecation or pledge of BMI's interest under the Agreement.

5. City agrees to make future payments to Bank only upon the occurrence of an Event of Default as defined in the Collateral Assignment, including paying all contributions and tax rebates owed BMI as set forth in the Agreement directly to Bank until such time as the Collateral Assignment is released of record. City shall issue payments to the Bank at the address set forth in Section 12, below, or if payment is made by wire transfer, the funds shall be wired to Bank by instructions given by Bank to the City. Until such time as an Event of Default shall occur, City shall make all payments, including economic development grant payments, to BMI.

6. It is expressly understood that Bank neither assumes nor has any obligations to City to exercise BMI's rights under the Collateral Assignment or to declare an Event of Default (as defined in the Collateral Assignment), but that the option to exercise such rights or declare an Event of Default rests in the sole and absolute discretion of Bank.

7. At the date hereof, City represents that it has no counterclaim, right of set-off, defense or like right against BMI.

8. City agrees that it will provide Bank with a copy of any notice of default required under the Agreement at the same time and in the same manner as it is to be provided to BMI pursuant to the Agreement and that Bank shall have the right, but not the obligation, to cure any such default on behalf of BMI within the periods of time set forth in the Agreement.

9. City agrees that it will not terminate the Agreement or cease to perform its obligations thereunder for any reason, including BMI's failure to make any payments to City, without giving written notice to Bank of such intention to terminate or cease performing its obligations and allowing Bank reasonable time to cure any defaults as is provided in this Consent.

10. Notwithstanding anything that may be interpreted to the contrary in this Consent and the Collateral Assignment, the terms and obligations of the Agreement are in no way amended or altered, and the City shall have no obligations to advance economic development grants, tax rebates, or commitments, except as required by the terms of the Agreement.

11. All notices, consents, approvals and requests required or permitted hereunder or under the Loan Agreement or related Loan Documents shall be given in writing and shall be effective and sufficient notice if service is sent by (a) registered or certified mail, postage prepaid, return receipt requested, (b) Federal Express, UPS or another reputable overnight courier, or (c) by hand by commercial courier service, addressed to the party to be so notified at its address set forth below, or to such other address as such party may hereafter specify in accordance with the provisions of this Section. Any Notice shall be deemed to have been received: (i) three (3) days after the date such Notice is mailed, (ii) on the date of delivery by hand (or refusal to accept such delivery) if delivered during business hours on a Business Day (otherwise on the next Business Day), and/or (iii) on the next Business Day if sent by an overnight commercial courier. Notices shall be deemed effective if delivered by counsel to either party, as if given directly by such party.

If to BMI: Baker Mechanical, Inc.
4224 Hubbell Ave.
Des Moines, Iowa 50317

Tel: 515-299-4200
Fax: 515-299-4201

If to City: City of Ankeny
410 W 1st Street
Ankeny, Iowa 50023

Tel:
Fax:

If to Bank: Bankers Trust Company
Attn: Jon M. Doll
453 7th Street
Des Moines, Iowa 50309

Tel: (515) 245-2837
Fax: (515) 247-2111

Any party may change the address to which any such Notice is to be delivered by furnishing ten (10) days prior written notice of such change to the other parties in accordance with the provisions of this Section. Notices shall be deemed to have been given on the date as set forth above, even if there is an inability to actually deliver any such Notice because of a changed address of which no Notice was given, or there is a rejection or refusal to accept any Notice offered for delivery.

12. City agrees that no material change or amendment shall be made to the terms of the Agreement without the prior written consent of Bank, which consent should not be unreasonably withheld or delayed. The parties thereto agree that this Consent does not release BMI from its obligations under the Agreement.

13. City further agrees upon request from Bank, to furnish Bank with copies of such information as BMI is entitled to receive under the Agreement.

14. The statements herein made shall be binding upon and inure to the benefit of City, their successors and permitted assigns, and shall be binding upon and inure to the benefit of Bank and Bank's successors and assigns.

15. The person executing this Consent is duly empowered to do so on behalf of City, respectively.

16. THIS CONSENT SHALL BE GOVERNED BY, AND INTERPRETED AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF IOWA.

ANY ACTION BROUGHT IN CONNECTION WITH THIS CONSENT SHALL BE BROUGHT IN THE IOWA FEDERAL OR STATE DISTRICT COURT SITTING IN POLK COUNTY, IOWA AT THE ELECTION OF BANK.

17. All terms not otherwise defined herein shall have the respective meanings given to such terms in the Agreement.

18. This Consent may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument. Any counterpart may be executed by facsimile copy.

19. Upon payment in full of the Loan and release of the Mortgage, whichever last occurs, this Consent will terminate.

By signing below, the parties hereto acknowledge that in concurrently received of a copy of the document and each document referenced herein.

IN WITNESS WHEREOF, THIS CONSENT TO COLLATERAL ASSIGNMENT OF TAX INCREMENT DEVELOPMENT AGREEMENT has been executed by City the day and year first above written above.

CITY OF ANKENY, IOWA

ATTEST:

By: _____
Pamela DeMouth, City Clerk

By: _____
Gary Lorenz, Mayor

STATE OF IOWA)
) ss:
COUNTY OF POLK)

On this 17th day of October, 2016, before me, the undersigned, a Notary Public in the State of Iowa, personally appeared Gary Lorenz and Pamela DeMouth, to me personally known, and who, being by me duly sworn did state that they are the Mayor and City Clerk, respectively, of City of Ankeny, Iowa, a municipal corporation; that the seal affixed to the foregoing instrument is the corporate seal of the corporation; that the instrument was signed on behalf of the City of Ankeny, Iowa, by authority of its City Council, as contained in the Resolution adopted by the City Council on the 17th day of October, 2016, and that Gary Lorenz and Pamela

DeMouth acknowledged the execution of the instrument to be the voluntary act and deed of City of Ankeny, Iowa, by it and by them voluntarily executed.

Notary Public in the State of Iowa
My commission expires: _____

The undersigned acknowledges and consents to the forgoing Consent.

BAKER MECHANICAL, INC.

By: _____
Bernard J. Baker III, Chief Executive Officer

Address: 4224 Hubbell Ave.
Des Moines, Iowa 50317

STATE OF IOWA)
)ss:
COUNTY OF POLK)

This instrument was acknowledged before me on the ____ day of _____, 2016, by Bernard J. Baker III, as Chief Executive Officer of Baker Mechanical, Inc., an Iowa corporation.

Notary Public in and for the State of Iowa
My commission expires: _____

(SEAL)

EXHIBIT "A"
The Property

That certain real property located in the City of Ankeny, Polk County, Iowa, described as follows:

Lot 1 in CORPORATE WOODS BUSINESS PARK PLAT 3,
an Official Plat, now included in and forming a part of the City
of Ankeny, Polk County, Iowa.