

State of Nebraska, Gage County ss. Entered in Numerical Index and filed for record the 29th day of April, 1996 at 2:55 o'clock P.M. and recorded in Book 278 of MORTGAGES on page 509 thru 511  
*Ruth E. Liemo*  
 Register of Deeds

NUM  
 ALPHA  
 PAGED

1285  
 21-6-7

FEE: \$15.50 Paid by Randall Huls & Farm Credit Services, P O Box 685, Beatrice, Ne 68310

RETURN TO Farm Credit Services  
 PREPARER: 400 Ella Street, PO Box 685  
 Beatrice, NE 68310-0685  
 (402)223-2385

List associated loan numbers sideways in upper right corner above. Otherwise, do not write/type above this line. For filing purposes only.

**HOMESTEAD DESIGNATION DISCLAIMER**

In accordance with the provisions of the Nebraska Farm Homestead Protection Act, Neb. Rev. Stat. Sections 76-1901, et. seq., as a preface to the execution, and as a part of the following Trust Deed, the undersigned Trustor(s) being first duly sworn, elects to Disclaim the Right to Designate a Homestead.

I/We disclaim the right to designate a homestead on the property described in the following Trust Deed. No part of my/our homestead is presently, or in the future will be, situated upon said real estate. I/We understand that if I/we establish a homestead on any part of the real estate during the time the Trust Deed remains unsatisfied and a lien on the real estate, I/we shall have no right to make a designation of homestead in the event of a Trustee's sale.

*Randall L. Huls*  
 RANDALL L HULS

*Laurel A. Huls*  
 LAUREL A HULS

Farm Credit Services

**TRUST DEED AND ASSIGNMENT OF RENTS**

Trustor(s):  
 RANDALL L HULS and LAUREL A HULS, a/k/a Laurie A Huls, husband and wife

Mailing Address:  
 RT 1 BOX 50  
 CORTLAND NE 68331-9717

This Trust Deed and Assignment of Rents is made April 26, 1996, by and among the above named Trustor(s) and AgAmerica, FCB, "Trustee," whose mailing address is PO Box TAF-C5, Spokane, Washington 99220-4005, and Farm Credit Services of the Midlands, FLCA, "Beneficiary," whose mailing address is 206 S 19th Street, Omaha, NE 68102-1745, in consideration of the advance by Beneficiary to Trustor(s) of the principal sum specified below, the receipt of which is hereby acknowledged, and any future, additional, or protective advances made to or on behalf of Trustor(s) at Beneficiary's option, Trustor(s) irrevocably transfers, conveys and assigns to Trustee, IN TRUST, WITH POWER OF SALE, for the benefit and security of Beneficiary, its successors and assigns, under and subject to the terms and conditions of this Trust Deed, the property, located in Gage County(ies), State of Nebraska, and described as follows:

N 1/2 NE 1/4 and the NE 1/4 NW 1/4 ----- Sec. 21-6N-7E 6th P.M.

together with all Trustor's right, title, and interest in the property, now or hereafter acquired, including: all buildings, fixtures, crops, and improvements now on or hereafter placed upon the property; all appurtenances, water, irrigation, and drainage rights; all rents, issues, uses, income, profits, and rights to possession; all oil, gas, gravel, rock, or other minerals of whatever nature, including geothermal resources; all personal property that may integrally belong to or hereafter become an integral part of the real estate whether attached or detached, including any appurtenances and accoutrements of any structure or residence secured hereby; easements and other rights and interests now or at any time hereafter belonging to or in any way pertaining to the property, whether or not specifically described herein; all above and below ground irrigation equipment and accessories; and all leases, permits, licenses, or privileges, appurtenant or nonappurtenant to the property, now or hereafter issued, extended or renewed by Trustor(s), any State, the United States, or any department, bureau, instrumentality, or agency thereof. The foregoing is collectively referred to in this document as the "property."

It is understood and agreed between Trustor(s) and Beneficiary that this Trust Deed is given to secure:

(a) Promissory note(s) executed by Trustor(s) to Beneficiary described as follows:

Date of Note	Principal Amount
04/26/96	70,000.00

payable according to the terms of the note(s), and any addendum to, reamortization or restructuring of the note(s).

(b) The repayment in full by Trustor(s) of any and all future and additional loans or advances which may be made by Beneficiary, at its option, at the request of, and to or for the account of Trustor(s), or any of them, for any purpose, plus interest on all loans or advances, under any note(s) or other instrument(s) modifying, refinancing, extending, renewing, reamortizing, or restructuring, new existing, or additional indebtedness or any part thereof, all payable according to the terms of the note(s) or other instrument(s); provided, however, that the total principal indebtedness outstanding and secured hereby at any one time will not exceed the sum of:

SEVENTY THOUSAND DOLLARS  
 (\$ 70,000.00), exclusive of interest and protective advances authorized herein or in the loan agreement(s); provided further, that THIS PARAGRAPH SHALL NOT CONSTITUTE A COMMITMENT TO MAKE FURTHER OR ADDITIONAL ADVANCES IN ANY AMOUNT AT ANY TIME, WHETHER OR NOT THE TOTAL PRINCIPAL INDEBTEDNESS ABOVE HAS BEEN ADVANCED.

(c) The repayment in full by Trustor(s) of all amounts advanced by Beneficiary at its option, to or on behalf of Trustor(s) as protective advances authorized herein, in the loan agreement(s), or in other instrument(s) which evidence such advances, plus interest on all such advances, payable as provided in the note(s), loan agreement(s), or other instrument(s).

(d) The payment in full of any and all other past, present, or future, direct or contingent, debts and liabilities of Trustor(s) to Beneficiary of any nature whatsoever.

This Trust Deed will be due March 01, 2011, or upon the payment in full of all sums secured hereby.

BOOK 278 PAGE 509

Trustor(s) hereby warrants that Trustor(s) holds fee simple title to the above described property, that Trustor(s) has good and lawful authority to deed and encumber the same, that the property is free and clear of all liens and encumbrances, except encumbrances of record, and that Trustor(s) will warrant and defend the property, at Trustor(s) expense, against all claimants whomsoever. Trustor(s) also hereby waives and relinquishes all rights of dower, homestead, distributive share, and exemption in and to the above described property.

Trustor(s) and each of them further covenants and agrees with Beneficiary as follows:

1. To pay all liens, judgments, or other assessments against the property, and to pay when due all assessments, taxes, rents, fees, or charges upon the property or under any lease, permit, license, or privilege assigned to Beneficiary as additional security to this Trust Deed, including those in or on public domain.
  2. To insure and keep insured buildings and other improvements including fixtures and attachments now on or hereafter placed on the property to the satisfaction of Beneficiary. Such insurance will be approved by and deposited with Beneficiary, and endorsed with loss payable clause to Beneficiary. Any sums so received by Beneficiary may be used to pay for reconstruction of the destroyed improvements or if not so applied may be applied, at the option of Beneficiary, in payment of any indebtedness matured or unmatured secured by this Trust Deed.
  3. To keep all buildings, fixtures, attachments, and other improvements now on or hereafter placed on the property occupied and in good repair, maintenance, and condition and to neither commit nor permit any acts of waste or any impairment of the value of the property. Beneficiary may enter upon the property to inspect the same or to perform any acts authorized herein or in the loan agreement(s).
  4. In the event Trustor(s) fails to pay any liens, judgments, assessments, taxes, rents, fees, or charges or maintain any insurance on the property, buildings, fixtures, attachments, or improvements as provided herein or in the loan agreement(s), Beneficiary, at its option, may make such payments or provide insurance, maintenance, or repairs and any amounts paid therefor will become part of the principal indebtedness secured hereby, be immediately due and payable and bear interest at the default rate provided in the note(s) from the date of payment until paid. The advancement of any such amounts will in no manner limit the right of Beneficiary to declare Trustor(s) in default or exercise any of Beneficiary's other rights and remedies.
  5. In the event Beneficiary is a party to any litigation affecting the property or the lien of this Trust Deed, including any action by Beneficiary to enforce this Trust Deed or any suit in which Beneficiary is named a defendant (including condemnation and bankruptcy proceedings) Beneficiary may incur expenses and advance payments for abstract fees, attorneys fees (to the extent allowed by law), costs, expenses, appraisal fees, and other charges and any amounts so advanced will become part of the principal indebtedness secured hereby, be immediately due and payable and bear interest at the default rate provided in the note(s) from the date of advance until paid.
  6. Any awards made to Trustor(s) or their successors by the exercise of eminent domain are hereby assigned to Beneficiary; and Beneficiary is hereby authorized to collect and apply the same in payment of any indebtedness, mature or unmatured, secured by this Trust Deed.
  7. In the event Trustor(s) defaults in the payment when due of any sums secured hereby (principal, interest, advancements, or protective advances), or fails to perform or observe any covenants and conditions contained herein, in the note(s), loan agreement(s), or any other instruments, or any proceedings is brought by or against Trustor(s) under any Bankruptcy laws, Beneficiary, at its option, may declare the entire indebtedness secured hereby to be immediately due and payable and the whole will bear interest at the default rate as provided in the note(s) and Beneficiary may immediately authorize Trustee to exercise the Power of Sale granted herein in the manner provided in the Nebraska Trust Deeds Act, or, at the option of the Beneficiary, may foreclose the Trust Deed in the manner provided by law for the foreclosure of mortgages on real property, including the appointment of a Receiver upon ex parte application, notice being hereby expressly waived, without regard to the value of the property or the sufficiency thereof to discharge the indebtedness secured hereby or in the loan agreement(s). Delay by Beneficiary in exercising its rights upon default will not be construed as a waiver thereof and any act of Beneficiary waiving any specified default will not be construed as a waiver of any future default. If the proceeds under such sale or foreclosure are insufficient to pay the total indebtedness secured hereby, Trustor(s) do hereby agree to be personally bound to pay the unpaid balance, and Beneficiary will be entitled to a deficiency judgment.
  8. Should Beneficiary elect to exercise the Power of Sale granted herein, Beneficiary will notify Trustee who will record, publish, and deliver to Trustor(s) such Notice of Default and Notice of Sale as then required by law and will in the manner provided by law, sell the property at the time and place of sale fixed in the Notice of Sale, either as a whole or in separate lots, parcels, or items and in such order as Trustee will deem expedient. Any person may bid at the sale including Trustor(s), Trustee, or Beneficiary.
  9. Trustor(s) hereby requests a copy of any Notice of Default or Notice of Sale hereunder to be mailed by certified mail to Trustor(s) at the address(es) set forth herein.
  10. Upon default, Beneficiary, either in person or by agent, with or without bringing any action or proceeding and with or without regard to the value of the property or the sufficiency thereof to discharge the indebtedness secured hereby, is authorized and entitled to enter upon and take possession of the property in its own name or in the name of the Trustee and do any acts or expend any sums it deems necessary or desirable to protect or preserve the value of the property or any interest therein, or increase the income therefrom; and with or without taking possession of the property is authorized to sue for or otherwise collect the rents, issues, crops, profits, and income thereof, including those past due and unpaid, and apply the same upon any indebtedness secured hereby or in the loan agreement(s).
- No remedy herein conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy herein or by law provided or permitted, but each will be cumulative, will be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute, and may be exercised concurrently, independently or successively.
11. Trustor(s) acknowledges that the duties and obligations of Trustee will be determined solely by the express provisions of this Trust Deed or the Nebraska Trust Deeds Act and Trustee will not be liable except for the performance of such duties and obligations as are specifically set forth therein, and no implied covenants or obligations will be imposed upon Trustee; Trustee will not be liable for any action by it in good faith and reasonably believed by it to be authorized or within the discretion or rights of powers conferred upon it by this Trust Deed or state law.
  12. The integrity and responsibility of Trustor(s) constitutes a part of the consideration for the obligations secured hereby. Should Trustor(s) sell, transfer, or convey the property described herein, without prior written consent of Beneficiary, Beneficiary, at its option, may declare the entire indebtedness immediately due and payable and may proceed in the enforcement of its rights as on any other default.
  13. Assignment of Rents including Proceeds of Mineral Leases. Trustor(s) hereby assigns, transfers, and conveys to Beneficiary all rents, royalties, bonuses, and delay moneys or other proceeds that may from time to time become due and payable under any real estate lease or under any oil, gas, gravel, rock, or other mineral lease of any kind including geothermal resources now existing or that may hereafter come into existence, covering the property or any part thereof. All such sums so received by Beneficiary will be applied to the indebtedness secured hereby; or Beneficiary, at its option, may turn over and deliver to Trustor(s) or their successors in interest, any or all of such sums without prejudice to any of Beneficiary's rights to take and retain future sums, and without prejudice to any of its other rights under this Trust Deed. This assignment will be construed to be a provision for the payment or reduction of the debt, subject to the Beneficiary's option as hereinbefore provided, independent of the lien on the property. Upon payment in full of the debt and the reconveyance of this Trust Deed of record, this assignment will become inoperative and of no further force and effect.
  14. This Trust Deed constitutes a Security Agreement with respect to all the property described herein.
  15. The covenants contained in this Trust Deed will be deemed to be severable; in the event that any portion of this Trust Deed is determined to be void or unenforceable, that determination will not affect the validity of the remaining portions of the Trust Deed.

Randall L. Huls  
RANDALL L. HULS

Laurel A. Huls  
LAUREL A. HULS

**INDIVIDUAL BORROWER ACKNOWLEDGMENT**

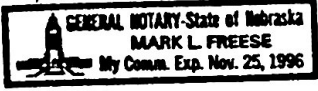
STATE OF Nebraska

COUNTY OF Gage ) ss

On this 26th day of April, 1996, before me, a Notary Public, personally appeared Randall L Huls and Laurel A Huls, husband and wife

to me known to be the person(s) named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

(SEAL)



Mark L Freese  
Mark L Freese  
(Type name under signature)  
Notary Public in and for said County and State

My commission expires November 25, 1996.

BOOK 278 PAGE 511