

OMAHA STATE BANK  
12100 WEST CENTER ROAD  
OMAHA, NE 68144

353

STATE OF NEBRASKA COUNTY OF WASHINGTON) SS 149  
ENTERED IN NUMERICAL INDEX AND FILED FOR RECORD  
THIS 18th DAY OF JANUARY A.D. 19 95  
AT 8:55 O'CLOCK P.M. AND RECORDED IN BOOK  
237 AT PAGE 353-354  
COUNTY CLERK Charlotte L. Petersen  
DEPUTY David Madson

FILED

95 JAN 18 AM 8:45

CHARLOTTE L. PETERSEN  
WASHINGTON COUNTY CLERK  
BLAIR, NEBR.

DEED OF TRUST

PARTIES: This Deed of Trust is made on JANUARY 9, 1995, among the Grantor, S. KYKER KRAUSS AND GEORGE KRAUSS, WIFE AND HUSBAND ("Borrower"),  
OMAHA STATE BANK  
whose residence address is DOUGLAS County, Nebraska ("Trustee"), and the Beneficiary,  
OMAHA STATE BANK, a corporation organized  
and existing under the laws of NEBRASKA, whose address is 12100 WEST CENTER ROAD, OMAHA, NE 68144 ("Lender").

CONVEYANCE: For value received, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the real property, of which Borrower is lawfully seized, described below and all buildings, fixtures, and existing and future improvements thereon and all rights-of-way, easements, rents, issues, profits, income, tenements, hereditaments, privileges and any appurtenances thereunto belonging (all called the "property").

PROPERTY ADDRESS: PROPERTY IN RURAL WASHINGTON COUNTY, Nebraska (Zip Code)

LEGAL DESCRIPTION:  
THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 17, TOWNSHIP 17 NORTH, RANGE 12, EAST OF THE 6TH P.M., WASHINGTON COUNTY, NEBRASKA

located in WASHINGTON County, Nebraska.

TITLE: Borrower covenants and warrants title to the property, except for \_\_\_\_\_

SECURED DEBT: This deed of trust secures to Lender repayment of the secured debt and the performance of the covenants and agreements contained in this deed of trust and in any other document incorporated herein. Secured debt, as used in this deed of trust, includes any amounts Borrower owes to Lender under this deed of trust or under any instrument secured by this deed of trust, and all modifications, extensions and renewals thereof.

The secured debt is evidenced by (List all instruments and agreements secured by this deed of trust and the dates thereof):  
 NOTE #17549 IN THE AMOUNT OF \$250,000.00 AND ANY SUBSEQUENT NOTES SPECIFICALLY COLLATERALIZED BY THIS DEED OF TRUST

Future Advances: The above amount is secured even though all or part of it may not yet be advanced. Future advances are contemplated and will be secured to the same extent as if made on the date this deed of trust is executed.

Revolving line of credit agreement dated \_\_\_\_\_, with initial annual interest rate of 9.00%. All amounts owed under this agreement are secured even though all amounts may not yet be advanced. Future advances under the agreement are contemplated and will be secured to the same extent as if made on the date this deed of trust is executed.

The above obligation is due and payable on DEMAND if not paid earlier. The total unpaid balance secured by this deed of trust at any one time shall not exceed a maximum principal amount of TWO HUNDRED FIFTY THOUSAND AND NO/100 Dollars (\$ 250,000.00), plus interest, plus any amounts disbursed under the terms of this deed of trust to protect the security of this deed of trust or to perform any of the covenants contained in this deed of trust, with interest on such disbursements.

Variable Rate: The interest rate on the obligation secured by this deed of trust may vary according to the terms of that obligation.  
 A copy of the loan agreement containing the terms under which the interest rate may vary is attached to this deed of trust and made a part hereof.

RIDERS:  Commercial  \_\_\_\_\_  
 \_\_\_\_\_  
DESIGNATION OF HOMESTEAD  
Pursuant to the Farm Homestead Protection Act, designation of homestead  is attached to this deed of trust and made a part hereof  
 has been disclaimed; the disclaimer is attached to this deed of trust and made a part hereof.

SIGNATURES: By signing below, Borrower agree to the terms and covenants contained in this deed of trust, including those on page 2, and in any riders described above signed by Borrower.

S. Kyker Krauss  
S. KYKER KRAUSS

George Krauss  
GEORGE KRAUSS

ACKNOWLEDGMENT: STATE OF NEBRASKA, DOUGLAS County ss:  
The foregoing instrument was acknowledged before me on this 12th day of January  
by S. KYKER KRAUSS AND GEORGE KRAUSS, WIFE AND HUSBAND (Title)

Corporate or Partnership Acknowledgment

of \_\_\_\_\_ (Name of Corporation or Partnership)  
a \_\_\_\_\_ on behalf of the corporation or partnership.  
My commission expires: \_\_\_\_\_ (Seal)

This instrument was prepared by KIM CREIGHTON

GENERAL NOTARY STATE OF NEBRASKA  
STEVEN W. SELINE  
My Comm. Exp. May 1, 1996

NEBRASKA  
STEVEN W. SELINE  
My Comm. Exp. May 1, 1996

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COVENANTS

1. **Payments.** Borrower agrees to make all payments on the secured debt when due. Unless Borrower and Lender agree otherwise, any payments Lender receives from Borrower or for Borrower's benefit will be applied first to any amounts Borrower owes on the secured debt exclusive of interest or principal, second to interest, and then to principal. If partial prepayment of the secured debt occurs for any reason, it will not reduce or excuse any scheduled payment until the secured debt is paid in full.
  2. **Claims Against Title.** Borrower will pay all taxes, assessments, and other charges attributable to the property when due and will defend title to the property against any claims which would impair the lien of this deed of trust. Lender may require Borrower to assign any rights, claims or defenses which Borrower may have against parties who supply labor or materials to improve or maintain the property.
  3. **Insurance.** Borrower will keep the property insured under terms acceptable to Lender at Borrower's expense and for Lender's benefit. All insurance policies shall include a standard mortgage clause in favor of Lender. Lender will be named as loss payee or as the insured on any such insurance policy. Any insurance proceeds may be applied, within Lender's discretion, to either the restoration or repair of the damaged property or to the secured debt. If Lender requires mortgage insurance, Borrower agrees to maintain such insurance for as long as Lender requires.
  4. **Property.** Borrower will keep the property in good condition and make all repairs reasonably necessary.
  5. **Expenses.** Borrower agrees to pay all Lender's expenses, including reasonable attorneys' fees, if Borrower breaks any covenants in this deed of trust or in any obligation secured by this deed of trust. Borrower will pay these amounts to Lender as provided in Covenant 9 of this deed of trust.
  6. **Prior Security Interests.** Unless Borrower first obtains Lender's written consent, Borrower will not make or permit any changes to any prior security interests. Borrower will perform all of Borrower's obligations under any prior mortgage, deed of trust or other security agreement, including Borrower's covenants to make payments when due.
  7. **Assignment of Rents and Profits.** Borrower assigns to Lender the rents and profits of the property. Unless Borrower and Lender have agreed otherwise in writing, Borrower may collect and retain the rents as long as Borrower is not in default. If Borrower defaults, Lender, Lender's agent, or a court appointed receiver may take possession and manage the property and collect the rents. Any rents Lender collects shall be applied first to the costs of managing the property, including court costs and attorneys' fees, commissions to rental agents, and any other necessary related expenses. The remaining amount of rents will then apply to payments on the secured debt as provided in Covenant 1.
  8. **Leaseholds; Condominiums; Planned Unit Developments.** Borrower agrees to comply with the provisions of any lease if this deed of trust is on a leasehold. If this deed of trust is on a unit in a condominium or a planned unit development, Borrower will perform all of Borrower's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.
  9. **Authority of Lender to Perform for Borrower.** If Borrower fails to perform any of Borrower's duties under this deed of trust, Lender may perform the duties or cause them to be performed. Lender may sign Borrower's name or pay any amount if necessary for performance. If any construction on the property is discontinued or not carried on in a reasonable manner, Lender may do whatever is necessary to protect Lender's security interest in the property. This may include completing the construction.
- Lender's failure to perform will not preclude Lender from exercising any of its other rights under the law or this deed of trust.
- Any amounts paid by Lender to protect Lender's security interest will be secured by this deed of trust. Such amounts will be due on demand and will bear interest from the date of the payment until paid in full at the interest rate in effect on the secured debt.
10. **Default and Acceleration.** If Borrower fails to make any payment when due or breaks any covenants under this deed of trust or any obligation secured by this deed of trust or any prior mortgage or deed of trust, Lender may accelerate the maturity of the secured debt and demand immediate payment and may invoke the power of sale and any other remedies permitted by applicable law.
  11. **Request for Notice of Default.** It is hereby requested that copies of the notices of default and sale be sent to each person who is a party hereto, at the address of each such person, as set forth herein.
  12. **Power of Sale.** If the Lender invokes the power of sale, the Trustee shall first record in the office of the register of deeds of each county wherein the trust property or some part or parcel thereof is situated a notice of default containing the information required by law. The Trustee shall also mail copies of the notice of default to the Borrower, to each person who is a party hereto, and to other persons as prescribed by applicable law. Not less than one month after the Trustee records the notice of default, or two months if the trust property is not in any incorporated city or village and is used in farming operations carried on by the trustor, the Trustee shall give public notice of sale to the persons and in the manner prescribed by applicable law. Trustee, without demand on Borrower, shall sell the property at public auction to the highest bidder. If required by the Farm Homestead Protection Act, Trustee shall offer the property in two separate sales as required by applicable law. Trustee may postpone sale of all or any parcel of the property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the property at any sale.
- Upon receipt of payment of the price bid, Trustee shall deliver to the purchaser Trustee's deed conveying the property. The recitals contained in Trustee's deed shall be prima facie evidence of the truth of the statements contained therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's fees, reasonable attorney's fees and reinstatement fees; (b) to all sums secured by this deed of trust, and (c) the balance, if any, to the persons legally entitled to receive it.
13. **Foreclosure.** At Lender's option, this deed of trust may be foreclosed in the manner provide by applicable law for foreclosure of mortgages on real property.
  14. **Inspection.** Lender may enter the property to inspect it if Lender gives Borrower notice beforehand. The notice must state the reasonable cause for Lender's inspection.
  15. **Condemnation.** Borrower assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the property. Such proceeds will be applied as provided in Covenant 1. This assignment is subject to the terms of any prior security agreement.
  16. **Waiver.** By exercising any remedy available to Lender, Lender does not give up any rights to later use any other remedy. By not exercising any remedy upon Borrower's default, Lender does not waive any right to later consider the event a default if it happens again.
  17. **Joint and Several Liability; Co-signers; Successors and Assigns Bound.** All duties under this deed of trust are joint and several. Any Borrower who co-signs this deed of trust but does not co-sign the underlying debt instrument(s) does so only to grant and convey that Borrower's interest in the property to the Trustee under the terms of this deed of trust. In addition, such a Borrower agrees that the Lender and any other Borrower under this deed of trust may extend, modify or make any other changes in the terms of this deed of trust or the secured debt without that Borrower's consent and without releasing that Borrower from the terms of this deed of trust.
- The duties and benefits of this deed of trust shall bind and benefit the successors and assigns of Lender and Borrower.
18. **Notice.** Unless otherwise required by law, any notice to Borrower shall be given by delivering it or by mailing it by certified mail addressed to Borrower at the property address or any other address that Borrower has given to Lender. Borrower will give any notice to Lender by certified mail to Lender's address on page 1 of this deed of trust, or to any other address which Lender has designated. Any other notice to Lender shall be sent to Lender's address as stated on page 1 of this deed of trust.
- Any notice shall be deemed to have been given to Borrower or Lender when given in the manner stated above.
19. **Transfer of the Property or a Beneficial Interest in the Borrower.** If all or any part of the property or any interest in it is sold or transferred without Lender's prior written consent, Lender may demand immediate payment of the secured debt. Lender may also demand immediate payment if the Borrower is not a natural person and a beneficial interest in the Borrower is sold or transferred. However, Lender may not demand payment in the above situations if it is prohibited by federal law as of the date of this deed of trust.
  20. **Reconveyance.** When the obligation secured by this deed of trust has been paid, and Lender has no further obligation to make advances under the instruments or agreements secured by this deed of trust, the Trustee shall, upon written request by the Lender, reconvey the trust property. The Lender shall deliver to the Borrower, or to Borrower's successor in interest, the trust deed and the note or other evidence of the obligation so satisfied. Borrower shall pay any recordation costs.
  21. **Successor Trustee.** Lender, at Lender's option, may remove Trustee and appoint a successor trustee by first, mailing a copy of the substitution of trustee as required by applicable law, and then, by filing the substitution of trustee for record in the office of the register of deeds of each county in which the trust property, or some part thereof, is situated. The successor trustee, without conveyance of the property, shall succeed to all the power, duties, authority and title of the Trustee named in the deed of trust and of any successor trustee.