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2014094202

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Steven J. Woolley
MCGILL, GOTSCHNER, WORKMAN & LEPP, P.C., L.L.O.
11404 W. Dodge Rd., Suite 500
Omaha, NE 68154-2584

THIS DEED OF TRUST IS A CONSTRUCTION SECURITY AGREEMENT AND SECURES AN OBLIGATION WHICH THE TRUSTOR INCURRED FOR PURPOSES OF MAKING AN IMPROVEMENT OF THE REAL ESTATE IN WHICH THE SECURITY INTEREST IS GIVEN THAT IS A CONSTRUCTION SECURITY INTEREST.

DEED OF TRUST, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT

THIS DEED OF TRUST, made as of the 3rd day of December, 2014, between FLATIRON HOTEL, LLC, a Nebraska limited liability company, 11506 Nicholas Street, Suite 100, Omaha, Nebraska 68154, as ("**Trustor**"), STEVEN J. WOOLLEY, a member of the Nebraska State Bar Association, 11404 West Dodge Road, Suite 500, Omaha, Nebraska 68154, as ("**Trustee**"), and UNITED REPUBLIC BANK, a Nebraska banking corporation, 111 N. 181st Street, P.O. Box 540126, Omaha, NE 68154-9772, as ("**Beneficiary**"):

WITNESSETH:

That Trustor irrevocably grants, transfers and assigns to Trustee in trust, with power of sale and the right of entry and possession, the following described property ("**Property**"):

Lot 8, in Block 1, in E. Kountze Add., an Addition to the City of Omaha, as surveyed, platted and recorded in Douglas County, Nebraska, together with a triangular parcel immediately North of the above described property described as follows:

1141595

Beginning at the Northwest corner of said Lot 8, thence Southeasterly along the North line of said Lot 8, 188.40 feet, to the North line of St. Mary's Avenue; thence in a Northeasterly direction, along the North line of St. Mary's Avenue, produced, 16 feet; thence on a curve to the left, whose radius is 7.5 feet, with an external angle of 155 degrees, a distance of 20.30 feet; thence West, 198.60 feet, to the Point of Beginning.

together with all interest which Trustor now has or may hereafter acquire in and to the Property and in and to: (a) all easements and rights of way appurtenant thereto; (b) all buildings, structures, improvements, fixtures, equipment, furnishings and appurtenances now or hereafter placed thereon, it being intended and agreed that all classes of property attached or unattached, other than consumable goods, used or to be used in connection with the Property, are conclusively deemed to be affixed to and to be part of the real property that is conveyed hereby but not including any personal property or fixtures of any tenant of the Property (collectively, the "**Improvements**"); and (c) all personal property of every kind or description, now existing or hereafter acquired, used or useful in the operation of, use or enjoyment of the Property, including all substitutes, general intangibles and all items of property acquired with the proceeds of any of the foregoing, but not including any personal property or fixtures of any tenant of the Property. Trustor agrees to execute and deliver, from time to time, such further instruments as may be requested by Beneficiary to confirm the lien of this Deed of Trust on any of the aforementioned property and authorizes Beneficiary to file any instrument necessary to evidence and perfect any of the liens granted herein. The Property, Improvements and personal property described above, all as conveyed to Trustee hereunder, are hereinafter referred to as the "**Mortgaged Property**".

The Trustor absolutely and irrevocably grants, transfers and assigns to Beneficiary the rents, income, issues, and profits of all Mortgaged Property covered by this Deed of Trust.

FOR THE PURPOSE OF SECURING:

1. Payment of the principal sum of Eight Hundred Seventy-Six Thousand Dollars (\$876,000.00) evidenced by that certain promissory note dated of even date herewith (hereinafter referred to as the "**Promissory Note**") in the original principal amount of \$876,000.00 issued by Trustor and payable to the order of Beneficiary, together with interest thereon, late charges, and prepayment bonuses according to the terms of the Promissory Note and all renewals, extensions, and modifications thereof (collectively, the "**Indebtedness**");

2. Performance, discharge of and compliance with every obligation, covenant, and agreement of Trustor incorporated by reference or contained herein or in any other agreement, security agreement or deed of trust at any time given to secure or evidence any Indebtedness hereby secured, or any part thereof; and

3. Payment of all fees and charges of Trustee or Beneficiary, whether or not set forth herein.

All obligations identified above are hereafter collectively referred to as the "**Secured Obligations**".

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR COVENANTS:

Title: That it is lawfully seised and possessed of a good and indefeasible title and estate to the Mortgaged Property in fee simple subject only to the "**Permitted Exceptions**" shown on Exhibit "A" attached hereto and by this reference incorporated herein, and will forever warrant and defend the title thereto against the claims and demands of all persons whosoever (subject to the Permitted Exceptions); that it will, at its expense, maintain and preserve the lien of this Deed of Trust as a second lien upon the Mortgaged Property subject only to current and non-delinquent taxes or taxes being contested in good faith and by appropriate legal proceedings and a first deed of trust in favor of Dundee Bank as beneficiary in the amount of \$4,080,000.

Maintenance: To keep the Mortgaged Property in good condition and repair; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon (provided Lender makes available any insurance proceeds applicable thereto) and to pay, when due, all claims for labor performed and materials furnished therefor and for any alterations thereof; to comply with the provisions of all insurance policies covering said premises; to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Mortgaged Property; not to remove, demolish or materially alter any building, or the character or use thereof at anytime thereof; not to drill or extract nor to permit the drilling for or extraction of oil, gas or other hydrocarbon substances or any mineral of any kind unless the written consent of Beneficiary is first had and obtained; not to commit or permit any waste thereof or any act upon the Mortgaged Property in violation of law; to do all other acts in a timely and proper manner which from the character or use of the Mortgaged Property may be reasonably necessary to protect and preserve said security, the specific enumerations herein not excluding the general.

Construction of Improvements: To complete in good and workmanlike manner any building or improvement or repair relating thereto which may be begun on the Mortgaged Property, to pay when due all costs and liabilities incurred therefor, and not to permit any construction lien against the Mortgaged Property. Notwithstanding the foregoing, this section shall not require the payment or discharge of a construction lien so long as Trustor shall, in good faith and at its expense, contest the same in legal proceedings which prevent the collection of the lien or the sale of the Mortgaged Property to satisfy the same, provided Trustor shall provide security satisfactory to Beneficiary and that further, if payment shall become necessary to avoid a lien foreclosure sale of the Mortgaged Property

or any part thereof due to non-payment, Trustor shall pay the same in sufficient time to prevent the foreclosure sale.

Fire and Casualty Insurance: To keep the Property and Improvements insured against loss or damage by fire and other risk or risks which, in the opinion of Beneficiary should be insured against, including builders risk during the term of construction, convertible to an all risk insurance policy for the full insurable value of the Improvements with co-insurance and satisfactory to Lender, flood insurance if applicable and twelve (12) months loss of rents under policies of insurance showing Beneficiary as additional insured with loss payable to Beneficiary in form, amount, and companies reasonably acceptable to Beneficiary, but in any event not less than the full insurable value of the Property and Improvements. Copies of said policies shall be delivered to and remain in possession of Beneficiary as further security for the faithful performance of the Secured Obligations, which delivery shall constitute an assignment by Trustor to Beneficiary to all rights thereunder, including all return premiums; to deliver to Beneficiary a policy or policies renewing or extending any expiring insurance with a receipt showing premiums paid at least thirty (30) days before expiration. Trustor shall further deposit with Beneficiary monthly at the time when the monthly installment of principal, interest or principal and interest under the Promissory Note is payable, a non-interest bearing amount equal to one-twelfth (1/12) of the estimated aggregate annual insurance premium on all policies of insurance required by this Deed of Trust. If Trustor fails to so deliver any renewal policies, Beneficiary may procure such insurance as it may elect and may make payment of premiums thereon, which payment is repayable on demand. Neither Trustee nor Beneficiary shall be responsible for obtaining or maintaining such insurance. Beneficiary, from time to time, may furnish to any insurance agency or company, or any other person, any information concerning the loan secured hereby. In no event and whether or not default hereunder has occurred shall Beneficiary, by the fact of approving, accepting or obtaining such insurance, incur any liability for the amount of such insurance, the form or legal sufficiency of insurance contracts, solvency of insurers, or payment of losses by insurers, and Trustor hereby expressly assumes full responsibility therefor and liability, if any, thereunder. In the event of loss, Trustor shall give immediate written notice to Beneficiary, and Beneficiary may, but is not obligated to, make proof of loss if not made promptly by Trustor. In case of any loss the amount collected under any policy of insurance on the Property and Improvements may be used to restore the Property and Improvements if Trustor is able to reasonably demonstrate to Beneficiary that the proceeds together with additional funds of the Trustor, if necessary, are sufficient to restore and/or rebuild the Property and Improvements; provided however, if Trustor is unable to make such demonstration or if additional proceeds are remaining following such restoration and/or rebuilding, then such proceeds shall at the option of Beneficiary be applied upon any of the Secured Obligations secured hereby (and no prepayment fee shall apply) or delivered to Trustor. In any such event neither the Trustee nor the Beneficiary shall be obligated to see to the proper application thereof; nor shall the amount so released or used be deemed a payment on any of the Secured Obligations secured hereby. Sums applied by Beneficiary to the Indebtedness secured by this Deed of Trust shall not be deemed to be a

prepayment of the Indebtedness evidenced by the Promissory Note. Such application, use, and/or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. Any unexpired insurance and all returnable insurance premiums shall inure to the benefit of, and pass to, the purchaser of the Mortgaged Property conveyed thereby at any Trustee's sale held hereunder. If the Mortgaged Property is sold pursuant to the power of sale contained herein or pursuant to any decree of foreclosure, all right, title and interest of Trustor in and to the proceeds of fire and other insurance policies for damage prior to the sale, which proceeds are not received prior to the date of said sale, shall belong to Beneficiary, to the extent necessary to avoid any loss to Beneficiary.

Taxes and Other Sums Due: To pay to Beneficiary monthly at the time when the monthly installment of interest, principal or principal and interest is payable, an amount equal to one-twelfth (1/12) of what Beneficiary estimates is necessary to pay, on an annualized basis, all general and special taxes and assessments affecting the Mortgaged Property to enable Beneficiary to pay same at least thirty (30) days before the same would become delinquent, and, on demand, from time to time shall pay to Beneficiary additional sums necessary to pay the taxes and assessments. The amounts so paid shall be deemed to be trust funds. In the event that Trustor does not pay such sums for taxes and assessment, then Beneficiary may, but shall not be obligated to, pay such taxes and assessments and any money so paid by Beneficiary shall be reimbursed to Beneficiary. If an Event of Default occurs, Beneficiary shall have the right, at its election, to apply any amounts so held under this paragraph against all or any part of the Secured Obligations, or in payment of such taxes and assessments for which the amounts were deposited. Trustor will furnish to Beneficiary bills for such taxes and assessments thirty (30) days before such taxes and assessments become delinquent. Trustor shall further pay, satisfy and discharge (1) all encumbrances, charges and liens, with interest, on the Mortgaged Property, or any part thereof, which are, or appear to Beneficiary to be prior to or superior hereto, (2) all costs, fees and expenses of this trust, whether or not described herein, (3) fees or charges for any statement regarding the obligation secured hereby in any amount demanded by Beneficiary, not to exceed the maximum amount allowed by law therefor at the time when such request is made, (4) such other charges as the Beneficiary may deem reasonable for services rendered by Beneficiary and furnished at the request of Trustor or any successor in interest to Trustor, and (5) all payments and monetary obligations required of the owner of the Mortgaged Property under any declaration of covenants, conditions and restrictions pertaining to the Mortgaged Property or any modification thereof. Should Trustor fail to make any such payment, Beneficiary, without contesting the validity or amount, may elect to make or advance such payment together with any costs, expenses, fees or charges relating thereto, including employing counsel and paying his reasonable fees.

In the event of the passage of a law implementing a mortgage tax, lien tax or similar tax (but not including any state, local or federal income tax applicable to Beneficiary) materially affect this Deed of Trust, the holder of this Deed of Trust and of the obligations which it secures shall have the right to declare all sums secured hereby due

as of a date to be specified by not less than 30 days' written notice to be given to Trustor by Beneficiary (and no prepayment fees shall apply thereto); provided, however, that such election shall be ineffective if Trustor is permitted by law to pay the whole of such tax in addition to all other payments required hereunder and if, prior to such specified date, does pay such tax and agrees to pay any such tax when hereafter levied or assessed against such property, and such agreement shall constitute a modification of this Deed of Trust.

Sums Advanced to Bear Interest: To pay immediately upon demand any sums advanced or paid by Beneficiary or Trustee under any clause or provision of this Deed of Trust. Any such sums, until so repaid, shall be secured hereby and bear interest from the date it was advanced or paid at the same rate as the Indebtedness and shall be secured by this Deed of Trust.

Failure of Trustor to Comply with Deed of Trust: Should Trustor, beyond any applicable cure period, fail to make any payment, or to do any act as provided in this Deed of Trust, or fail to perform any obligation secured by this Deed of Trust, or do any act Trustor agreed not to do, Trustor shall be in default under this Deed of Trust. Beneficiary, but without obligation so to do and without notice or demand upon Trustor, except as otherwise required, and without releasing Trustor from any obligation hereof and without contesting the validity or amount of the same, may (a) make or do the same in such manner and to such extent as it may deem necessary to protect the security hereof, Beneficiary being authorized to enter upon the Mortgaged Property for such purposes, and (b) pay, purchase, contest or compromise any encumbrance, charge or lien, which in its judgment is or appears to be prior or superior hereto, and (c) in exercising any such power, pay necessary expenses, employ counsel and pay his reasonable fees. Trustor agrees to repay any amount so expended on demand of Beneficiary.

IT IS MUTUALLY AGREED THAT:

Litigation: Trustor shall defend this Deed of Trust and the priority lien created hereby in any action or proceeding purporting to affect the Mortgaged Property, whether or not it affects the security hereof, or purporting to affect the rights or powers of Beneficiary or Trustee, and shall file and prosecute all necessary claims and actions to prevent or recover for any damage to or destruction of the Mortgaged Property; and either Trustee or Beneficiary is hereby authorized, without obligation so to do, to commence, appear in or defend any such action, whether brought by or against Trustor, Beneficiary or Trustee, or with or without suit, to exercise or enforce any other right, remedy or power available or conferred hereunder, whether or not judgment be entered in any action or proceeding; and Trustee or Beneficiary may appear or intervene in any action or proceeding, and retain counsel therein; and take such action therein, as either may be advised and may settle, compromise or pay the same or any other claims and, in that behalf and for any of said purposes, may expend and advance such sums of money as either may deem necessary. Whether or not Trustor so appears or defends, Trustor on demand shall pay all costs and expenses of Beneficiary and Trustee, including costs of evidence of title and attorney's fees

in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear by virtue of being made a party defendant or otherwise and irrespective of whether the interest of Beneficiary or Trustee in the Mortgaged Property is directly questioned by such action, including but not limited to any action for the condemnation or partition of the Mortgaged Property and any suit brought by Beneficiary to foreclose this Deed of Trust.

Condemnation: All sums due, paid or payable to Trustor, or any successor in interest of Trustor, whether by way of judgment, settlement or otherwise, (a) for injury or damage to the Mortgaged Property, or (b) in connection with any condemnation for public use or injury to the Mortgaged Property or any part thereof, or (c) in connection with the transaction financed by the loan secured hereby, or (d) arising out of all causes of action, whether accruing before or after the date of this Deed of Trust, sounding in tort or contract, including causes of action for fraud or concealment of a material fact together with the settlements, proceeds, awards and damages, direct and consequential, in connection therewith, are hereby absolutely and irrevocably assigned and shall be paid to Beneficiary. Beneficiary shall be entitled, at its option, to commence, intervene in, appear in and prosecute in its own name, any action or proceeding, or to make any compromise or settlement, in connection with any such taking or damage. Trustor agrees to execute such further assignments of any compensation, award, damages, rights of action and proceeds as Beneficiary may require. Sums received by Beneficiary pursuant to this paragraph shall not be deemed to be a prepayment of the Indebtedness evidenced by the Promissory Note nor be counted against the allowed prepayment amount specified in the Promissory Note.

The amount received by Beneficiary pursuant to this Deed of Trust under any fire or other insurance policy, in connection with any condemnation for public use of or injury to the Mortgaged Property, for injury or damage to the Mortgaged Property, or in connection with the transaction financed by the loan secured hereby may be used to restore the Property and Improvements if Trustor is able to reasonably demonstrate to Beneficiary that the proceeds, together with additional funds of Trustor, if necessary, are sufficient to restore and/or rebuild the Property and Improvements; provided, however, if Trustor is unable to make such demonstration or if additional proceeds are remaining following such restoration and/or rebuilding, then such proceeds shall, at the option of Beneficiary, be applied upon any Indebtedness secured hereby (and no prepayment fee shall apply) or delivered to Trustor. No such application, use or release shall cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

Consent, Partial Reconveyance, Etc.: That at any time, or from time to time, without liability therefor, and without notice, upon written request of Beneficiary, and without affecting the personal liability of any person for payment of the Indebtedness secured hereby, or the lien of this Deed of Trust upon the remainder of the Mortgaged Property for the full amount of the Secured Obligations then or thereafter secured hereby, or the rights or powers of the Beneficiary or the Trustee with respect to the remainder of the Mortgaged Property, Trustee may (a) reconvey any part of the Mortgaged Property, (b) consent to the making of any map or plat thereof, (c) join in granting any easement

thereon, or (d) join in any extension agreement or any agreement subordinating the lien or charge hereof.

Full Reconveyance: That, upon written request of Beneficiary stating that all sums secured hereby have been paid, Trustee shall reconvey, without warranty, the Mortgaged Property then held hereunder. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be designated as "the person or persons legally entitled thereto". Such request and reconveyance shall operate as a reassignment of the rents, income, issues and profits hereinbefore assigned to Beneficiary.

Subordination: Beneficiary agrees that its lien under this Deed of Trust is to be subordinate to a deed of trust executed by Trustor to Dundee Bank, Trustee and Beneficiary, in the amount of \$4,080,000 ("**Senior Deed of Trust**"), and to any subsequent financing or refinancing of the Senior Deed of Trust by Dundee Bank or any other lender refinancing the Senior Deed of Trust (each, a "**Senior Lender**"). Beneficiary will, upon request of Senior Lender, execute a written subordination of this Deed of Trust to the Senior Deed of Trust.

Right to Collect and Receive Rents and Profits: Notwithstanding any other provisions hereof, Beneficiary hereby grants permission to Trustor to collect and retain the rents, income, issues and profits of the Mortgaged Property as they become due and payable, but reserves the right to revoke such permission at any time, with or without cause, by notice in writing to Trustor, mailed to Trustor at its last known address. In any event, such permission to Trustor automatically shall be revoked upon the occurrence of an Event of Default. On any such Event of Default, Beneficiary may at any time without notice, either in person, by agent, or by receiver to be appointed by a Court, and without regard to the adequacy of any security for the Secured Obligations, enter upon and take possession of the Mortgaged Property, or any part thereof, make, cancel, enforce or modify leases; obtain and eject tenants, set or modify rents; in its own name sue or otherwise collect the rents, income, issues and profits thereof, including those past due and unpaid; and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any Indebtedness secured hereby and in such order as Beneficiary may determine; and except for such application, Beneficiary shall not be liable to any person for the collection or noncollection of any rents, income, issues or profits, for the failure to assert or enforce any of the foregoing rights, nor shall Beneficiary be charged with any duties and obligations of a mortgagee in possession. The entering upon and taking possession of the Mortgaged Property, the collection of such rents, income, issues or profits, the doing of other acts herein authorized, and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

Financial Statements. Trustor shall provide Beneficiary, no later than May 1 of each year commencing on May 1, 2015, with (a) Trustor's operating statements with

respect to the Mortgaged Property for the immediately preceding calendar year (and monthly operating statements if required by Beneficiary), a year end financial statement of Trustor and a current rent roll, (b) such other financial detail, information and reports as Beneficiary shall request from time to time with respect to Trustor (c) the current financial statement of each guarantor of the Indebtedness and a copy of each such guarantor's federal income tax return for the immediately preceding year, and (d) such other information as Beneficiary may request should events occur which cause Beneficiary to believe it will have difficulty collecting the Secured Obligations or that the Mortgaged Property is impaired. All financial data required to be provided shall be in such form as Beneficiary shall approve.

Events of Default: Each of the following occurrences shall constitute an event of default hereunder (hereunder an "Event of Default"):

(a) Failure by Trustor to pay within fifteen (15) days of the date such payment is due and payable, except with respect to the final payment, for which there is no grace period (i) any payment of principal of or interest on the Promissory Note or (ii) any other sum due hereunder or under any of the other Loan Documents (as that term is defined in the Promissory Note), together with interest thereon;

(b) Failure by Trustor to punctually perform or observe any agreement contained in this Deed of Trust or any of the other Loan Documents (other than the monetary obligations described in subparagraph (a) above) and such failure shall not have been cured within thirty (30) days after written notice from Beneficiary of such failure, provided that if such failure is not reasonably susceptible to cure within such time period, so long as, in Beneficiary's reasonable determination Trustor is diligently proceeding to cure, such failure shall not constitute an Event of Default;

(c) The occurrence of an Event of Default under any Loan Document (other than the monetary obligations described in subparagraph (a) above and other than this Deed of Trust) or under any other obligation of Borrower to Lender, whether or not existing on the date hereof or hereafter created or arising, and such default is not cured within the applicable cure period, if any;

(d) Trustor shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors; or Trustor shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Trustor or of all or any part of the Mortgaged Property, or of any or all of the royalties, revenues, rents, issues or profits thereof; or Trustor shall make any general assignment for the benefit of creditors, or shall admit in writing Trustor's inability to pay its debts generally as they become due;

(e) A court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against Trustor seeking any reorganization, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, and such order, judgment or decree shall remain unvacated and unstayed for an aggregate of sixty (60) days (whether or not consecutive) from the first date of entry thereof; or any trustee, receiver or liquidator of Trustor or of all or any part of the Mortgaged Property, or of any or all of the royalties, revenues, rents, issues or profits thereof, shall be appointed without the consent or acquiescence of Trustor and such appointment shall remain unvacated and unstayed for an aggregate of sixty (60) days (whether or not consecutive);

(f) A writ of execution or attachment or any similar process shall be issued or levied against all or any part of or interest in the Mortgaged Property, or any judgment for monetary damages shall be entered against Trustor which shall become a lien on the Mortgaged Property, or any portion thereof or interest therein, and such execution, attachment or similar process or judgment is not released, bonded, satisfied, vacated or stayed within sixty (60) days after its entry or levy;

(g) Any judgment shall be entered against Trustor which substantially impairs the ability of Trustor to perform any of its obligations contained in the Loan Documents, as determined by Beneficiary in its reasonable discretion, provided that such judgment is not discharged or bonded within thirty (30) days after entry;

(h) Except as otherwise provided in the Promissory Note, if, during the term of the Promissory Note, Trustor shall, without the prior written approval of Beneficiary, sell, convey, alienate, mortgage or encumber the Mortgaged Property, or any part thereof or any interest therein, or shall be divested of its title or any interest therein, in any manner, whether voluntarily or involuntarily other than leases on arms-length market terms and rents, or if any of the Trustor's presently existing members' interests are sold, transferred or assigned, whether voluntarily or involuntarily, or Beneficiary reasonably determines that a change in control has occurred regarding a partner of Trustor, or Trustor shall make any distributions of income or capital other than tax distributions made pursuant to Section 5.2 of Trustor's Amended and Restated Operating Agreement until all of the following have occurred: (1) the Renovation (as that term is defined in the Building Loan Agreement) has been completed to Lender's satisfaction, (2) all construction and other related expenses of the Renovation have been paid in full, and (3) 80% or more of the apartment units in the Project (as that term is defined in the Building Loan Agreement) are occupied pursuant to written leases.

(i) Any assignment by Trustor of the whole or any part of the rents, issues or profits arising from the Mortgaged Property to any person without the consent of Beneficiary;

(j) At any time any representation, warranty or statement made by Trustor in any Loan Document, certificate or financial statement delivered by Trustor shall be incorrect or misleading in any material respect; or any material misrepresentation shall at any time be intentionally made to Beneficiary by Trustor;

(k) Trustor shall fail to open and maintain a depository banking relationship with Beneficiary for the purpose of funding construction draws under the Promissory Note and the deposit of tax increment payments received from the City of Omaha;

(l) Trustor fails to timely perform any and all of its obligations owed to the City of Omaha under the Redevelopment Agreement dated July 1, 2014, between Trustor and the City of Omaha (the "Redevelopment Agreement"), or take any action or fail to take actions which cause the surrender or forfeiture of Trustor's rights under the Redevelopment Agreement, or the TIF Note from the City of Omaha; or

(m) Death of any guarantor.

Trustee's Sale on Default: Upon occurrence of any Event of Default Beneficiary may declare all sums secured hereby immediately due and payable and shall cause to be filed of record a written notice of default and election to sell the Mortgaged Property. After the lapse of such time as then may be required by law following recordation of such notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell the Mortgaged Property, either as a whole or in separate parcels, and in such order as it or Beneficiary may determine at public auction to the highest bidder. Trustee may postpone the sale of all or any portion of the Mortgaged Property by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time and place fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the Mortgaged Property so sold, but without any covenant or warranty, express or implied. The recital in such deed of any matters of fact or otherwise shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary, may purchase at such sale. After deducting all costs, fees and expenses of Trustee, and of this Trust, including cost of evidence of title in connection with such sale, Trustee shall first apply the proceeds of sale to payment of all sums expended under the terms hereof, not then repaid, with accrued interest at the rate then payable under the Indebtedness secured hereby, and then to payment of all other sums secured hereby, and if thereafter there be any proceeds remaining, distribute them to the person or persons legally entitled thereto.

If this Deed of Trust or any note secured hereby provides for any charge for prepayment of any indebtedness secured hereby, Trustor agrees to pay said charge if any of said indebtedness shall be paid prior to the maturity date thereof stated in said note or this Deed of Trust, even if and notwithstanding Trustor shall have defaulted to payment thereof, or in performance of any agreement hereunder, and Beneficiary by reason thereof, shall have declared all sums secured hereby immediately due and payable.

Substitution of Trustee: That Beneficiary may, from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed and acknowledged by Beneficiary and recorded in the office of the register of deeds of the county or counties where such property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyances from the Trustee's predecessor, succeed to all its title, estate, rights, power and duties.

No Waiver by Beneficiary: No waiver by Beneficiary of any right under this Deed of Trust shall be effective unless in writing. Waiver by Beneficiary of any right granted to Beneficiary under this Deed of Trust or of any provision of this Deed of Trust as to any transaction or occurrences shall not be deemed a waiver as to any future transaction or occurrences. By accepting payment of any sum secured hereby after its due date, or by making any payment or performing any act on behalf of Trustor that Trustor was obligated hereunder, but failed, to make or perform, or by adding any payment so made by Beneficiary to the indebtedness secured hereby, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to require prompt performance of all other acts required hereunder, or to declare a default for failure so to pay.

Waiver of Statute of Limitations: Time is of the essence in all Trustor's obligations hereunder; and to the extent permitted by law, Trustor waives all present or future statutes of limitations with respect to any debt, demand or obligation secured hereby in any action or proceeding for the purpose of enforcing this Trust or any rights or remedies hereunder.

Inspection and Business Records: Beneficiary at any time during the continuation of this Deed of Trust may enter and inspect the Property at any reasonable time after reasonable prior notice to Trustor and subject to the terms and provisions of any lease applicable to the portion of the Property to be entered and/or inspected, Trustor agrees that in the event the Property is now or hereafter used for commercial or residential income purposes, when requested by Beneficiary, Trustor will promptly deliver to Beneficiary such certified financial statements and profit and loss statements of such types annually which will be in form and content prepared according to the usual and acceptable accounting principles and practices, which statements shall cover the financial operations relating to the Property and Trustor further agrees when requested by Beneficiary to promptly deliver in writing such further additional information as required by Beneficiary relating to any such financial statements.

Acceleration Clause: Except as permitted in this Deed of Trust, should Trustor, or any successor in interest of Trustor, voluntarily or involuntarily sell, exchange, convey, transfer, contract to sell, lease with option to purchase, sublease, dispose of, change the character or use of, or further encumber the Mortgaged Property, or any part thereof, or

any interest therein, other than leases on arms-length market terms and rents, or if any of said parties shall be divested of title to the Property or any part thereof or any interest therein either voluntarily or involuntarily, or if title to the Property be subjected to any lien or charge voluntarily or involuntarily, contractual or statutory, without the written consent of Beneficiary being first had and obtained, then Beneficiary shall, subject to any limitations stated herein, have the right, at its option, to declare all sums secured hereby forthwith due and payable; and this same right of acceleration shall be available to Beneficiary if the undersigned is a partnership and the interest of a general partner terminates, is assigned or transferred, or is diminished.

Remedies: No remedy herein provided shall be exclusive of any other remedy herein or now or hereafter existing by law, but shall be cumulative. Every power or remedy hereby given to Trustee or to Beneficiary or to which either of them may be otherwise entitled, may be exercised from time to time and as often as may be deemed expedient by them, and either of them may pursue inconsistent remedies. If Beneficiary holds any additional security for any obligation secured hereby, it may enforce the sale thereof at its option, either before, contemporaneously with, or after the sale is made hereunder, and on any default of Trustor, Beneficiary may, at its option, offset against any of the Secured Obligations, and the Beneficiary is hereby authorized and empowered at its option, without any obligation so to do, and without affecting the obligations hereof, to apply toward the payment of any of the Secured Obligations, any and all sums of money of Trustor which may have in its possession or under its control, including without limiting the generality of the foregoing any savings account, deposit, investment certificate, escrow or trust funds.

Law Applicable: That this Deed of Trust shall be construed according to the laws of the State of Nebraska.

Illegality: In the event that any provision or clause of this Deed of Trust conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust which can be given effect without the conflicting provision, and to this end the provisions of this Deed of Trust are declared to be severable.

Notices: All notices, demands, requests, consents, approvals or communications required under this Deed of Trust shall be in writing and shall be deemed to have been properly given if sent by hand delivery, overnight courier, or certified mail, postage prepaid, delivered to the parties at the following addresses:

If to Borrower: Flatiron Hotel, LLC
11506 Nicholas Street, Suite 100
Omaha, Nebraska 68154

With copy to: Michael C. Carter
11506 Nicholas Street, Suite 103
Omaha, Nebraska 68154

If to Lender: United Republic Bank
111 N. 181 Street, P.O. Box 540126
Omaha, Nebraska 68154-9772
Attention: Larry W. Marinovic Vice President

With a copy to: Steven J. Woolley, Esq.
McGill, Gotsdiner, Workman & Lepp, P.C., L.L.O.
11404 W. Dodge Road, Suite 500
Omaha, Nebraska 68154

or to such other addresses as are designated by notice pursuant to this Section.

General Provisions: (a) This Deed of Trust applies to, inures to the benefit of, and binds, all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns, (b) The term "Beneficiary" shall mean the owner and holder (including a pledgee) of any note secured hereby, whether or not named a Beneficiary herein, (c) wherever the context so requires, the masculine gender includes the feminine and neuter, the singular number includes the plural, and vice versa, and (d) captions and paragraph headings used herein are for convenience only, are not a part of this agreement, and shall not be used in construing it. If more than one person is named herein as Trustor, each obligation of Trustor shall be the joint and several obligation of each such person. The rights or remedies granted hereunder, or by law, shall not be exclusive, but shall be concurrent and cumulative. Trustor further requests that copies of the notice of default and notice of sale be sent to each person who is a party hereto at the address of such person set forth herein.

TRUSTEE ACCEPTS this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party, unless brought by Trustee.

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust on the date first above written.

FLATIRON HOTEL, LLC,
a Nebraska limited liability company

By: 

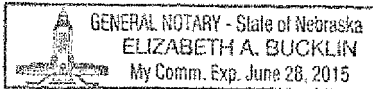
James Thorburn, Manager

By: [Signature]
Royce Maynard, Manager

By: [Signature]
Dan Witt, Manager

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

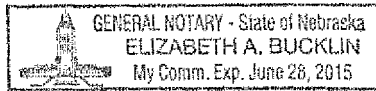
3rd The foregoing instrument was acknowledged before me, a Notary Public, this day of December, 2014, by James Thorburn, Manager of Flatiron Hotel, LLC, a Nebraska limited liability company, on behalf of said company.



[Signature]
Notary Public

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

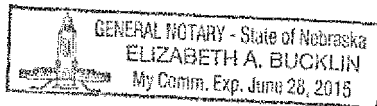
3rd The foregoing instrument was acknowledged before me, a Notary Public, this day of December, 2014, by Royce Maynard, Manager of Flatiron Hotel, LLC, a Nebraska limited liability company, on behalf of said company.



[Signature]
Notary Public

STATE OF NEBRASKA)
) ss.
COUNTY OF DOUGLAS)

3rd The foregoing instrument was acknowledged before me, a Notary Public, this day of December, 2014, by Dan Witt, Manager of Flatiron Hotel, LLC, a Nebraska limited liability company, on behalf of said company.



[Signature]
Notary Public

EXHIBIT "A"

Permitted Encumbrances

1. Easements and restrictions as granted in the Plat and Dedication recorded May 11, 1886, in Book 69, Page 321 in the office of the Register of Deeds of Douglas County, Nebraska.
2. Notice for Street Widening, recorded March 27, 1917 in Book 38, Page 251 in the *office of the Register of Deeds of Douglas County, Nebraska*.
3. Easements and restrictions as granted in the Plat and Dedication recorded March 28, 1917 in Book 354, Page 382 in the office of the Register of Deeds of Douglas County, Nebraska
4. Notice for Street Narrowing, recorded August 25, 1921 in Book 53, Page 395 in the office of the Register of Deeds of Douglas County, Nebraska

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