

FILED SARPY CO. NE.  
INSTRUMENT NUMBER  
98-016525

98 JUN 22 PM 4: 18

*Sharon G. Dowling*  
REGISTER OF DEEDS

Counter 5 98-16525  
Verify [initials]  
D.E. [initials]  
Proof [initials]  
Fees \$ 471.50  
Ck  Cash  Chg

-- SPACE ABOVE RESERVED FOR RECORDER'S USE --

Return to:  
Thomas L. Saladino  
1000 Commercial Fed Twr  
Omaha, NE 68124

Loan No. 249125

**This Deed of Trust is a Construction Security Agreement that secures an obligation that Borrower has incurred for the purpose of making improvements to the herein described property and is a construction security interest in said property.**

**CONSTRUCTION LOAN DEED OF TRUST WITH FUTURE ADVANCES,  
ASSIGNMENT OF RENTS AND CONSTRUCTION SECURITY AGREEMENT**

THIS DEED OF TRUST (the "Instrument") is made this 22<sup>nd</sup> day of June, 1998, between HEARTHSTONE HOMES, INC., a Nebraska corporation, f/k/a CONSTRUCTION SCIENCES, INC., a Nebraska corporation (the "Borrower"), whose address is 8425 Madison Street, Omaha, Nebraska 68127, Attention: "Chief Financial Officer," Fax No. 02-339-0003; COMMERCIAL FEDERAL BANK, A FEDERAL SAVINGS BANK (the "Trustee"), whose address is: 8707 West Center Road, Omaha, Nebraska 68124, Attention: Construction Lending Manager, Fax No. 402-554-9468; and COMMERCIAL FEDERAL BANK, A FEDERAL SAVINGS BANK, as Beneficiary (the "Lender"), whose address is: Construction Lending, 8707 West Center Road, Omaha, Nebraska 68124, Attention: Construction Lending Manager, Fax No. 402-554-9468.

**WITNESSETH:**

Borrower, as trustor, irrevocably grants, conveys, transfers and assigns to Trustee, in trust, with power of sale, that real property in Sarpy County, Nebraska described as:

**SEE EXHIBIT "A" ATTACHED HERETO**

TOGETHER with all interest which Borrower now has or may hereafter acquire in or to said property and in and to: (a) all easements and rights of way appurtenant thereto, and all heretofore or hereafter vacated alleys and streets abutting said property; and (b) all buildings, structures, tenements, improvements, fixtures, and appurtenances now or hereafter placed thereon, including, but not limited to, all fixtures, apparatus, machinery, equipment, engines, boilers, incinerators, building materials, appliances and goods of every nature whatsoever now or hereafter located in, on, or used, or intended to be used in connection with said property, including, but not limited to, those for the purposes of supplying or distributing air cooling, air conditioning, gas, electricity, water, air, refrigeration, ventilation, laundry, drying, dishwashing, garbage disposal and other services; and all related machinery and equipment, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bathtubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, mirrors, cabinets, paneling, rugs, attached floor coverings, furniture, pictures, antennae, lights, trees and plants, and pool equipment, it being intended and agreed that such items, including replacements and additions thereto, be conclusively deemed to be affixed to and be part of the real property that is conveyed hereby; and (c) all cabinets, shelving, furniture, displays, lights, machinery and other trade fixtures attached or otherwise installed on said property used for a trade or business, it being intended and agreed that such items, including replacements and additions thereto, be conclusively deemed to be affixed to and be part of the real property that is conveyed hereby; and (d) all royalties, minerals, oil and gas rights and profits, water and water rights (whether or not appurtenant) owned by Borrower and shares of stock pertaining to such water or water rights, ownership of which affects said property; and (e) the rents, income, issues, and profits of all properties covered by this Instrument; SUBJECT, HOWEVER, to the terms and conditions herein set forth. Borrower agrees to execute



98-16525A

and deliver, from time to time, such further instruments as may be requested by Lender to evidence or confirm the lien of this Instrument on any such properties. The properties conveyed to Trustee hereunder are hereinafter referred to as the "Property". It is understood that this Deed of Trust secures a loan to be used for the construction of improvements and this Deed of Trust expressly covers all buildings and improvements, now existing or hereafter to be erected or located on this Property and this Deed of Trust shall remain a first lien Deed of Trust against the subject property, and any improvements erected thereon to secure payment of the Note until released.

**FOR THE PURPOSE OF SECURING:**

(1) Payment of the sum of up to TWENTY-THREE MILLION DOLLARS (\$23,000,000.00) with interest thereon, according to the terms of a Loan Agreement ("Loan Agreement") and a Promissory Note ("Note") of even date herewith and having a final maturity date of June 30, 2001, made by Borrower payable to Lender or to order, and all modifications, extensions or renewals thereof, together with any future advances and re-advances made by Lender.

(2) Payment of such additional sums with interest thereon (a) as may be hereafter advanced by Lender pursuant to this Instrument (herein "Future Advances"); and (b) as may be incurred, paid out, or advanced by Lender, or may otherwise be due to Trustee or Lender under any provision of this Instrument.

(3) Performance of each agreement of Borrower contained herein or incorporated herein by reference or contained in the Loan Agreement and in any other agreements or covenants executed by Borrower relating to the loan secured hereby (together with the Loan Agreement and the Note and this Instrument are referred to as the "Loan Documents").

(4) Performance by Borrower of each and every monetary obligation to be performed by Borrower under any recorded covenants, conditions and restrictions pertaining to the Property.

(5) At Lender's option, payment with interest thereon, of any other present or future indebtedness and obligations of Borrower (or of any successor in interest of Borrower to such Property) owing to Lender, whether created directly or acquired by absolute or contingent assignment, whether due or not, whether otherwise secured or not, or whether existing at the time of the execution of this Instrument or arising thereafter, the exercise of such option to be evidenced by a notice in writing to Borrower or any successor in interest to Borrower.

(6) Performance of all agreements of Borrower to pay fees and charges to the Lender relating to the Loan secured hereby.

(7) Payment of charges, as allowed by law when such charges are made, for any statement issued by Lender regarding the obligation secured hereby.

(8) If this loan is secured by a leasehold, performance and keeping by Borrower of each of the covenants and agreements required to be kept and performed by Borrower, as lessee, pursuant to the terms of the lease and any and all other instruments creating Borrower's leasehold interest in or defining Borrower's rights as lessee in respect to the Property.

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant, convey, transfer and assign the Property to the Trustee and that Borrower will warrant and defend generally the title to the Property against all claims and demands, except for liens, easements and restrictions which are shown as prior to the lien created by this Instrument in a schedule of exceptions to coverage in any title policy insuring Lender's lien on the Property created by this Instrument.

**TO PROTECT THE SECURITY OF THIS DEED OF TRUST, BORROWER COVENANTS AND AGREES AS FOLLOWS:**

1. **PAYMENT OF PRINCIPAL AND INTEREST.** Borrower shall pay when due the principal of and interest on the indebtedness evidenced by the Loan Agreement and the Note, any prepayment and late charges provided therein and all other sums secured by this Instrument.

2. **FUNDS FOR TAXES, INSURANCE AND OTHER CHARGES.** [Intentionally Omitted.]

3. **APPLICATION OF PAYMENTS.** Unless applicable law provides otherwise, all payments received by Lender pursuant to the Loan Documents shall be applied first to any costs, expenses, fees, late charges, and other charges and amounts that may be due to Lender under the Loan Documents or under applicable law (other than principal and interest under the Note), second to interest then due to Lender under the Loan Documents, and third to principal.

98-16525B

4. **CHARGES; LIENS.** Borrower shall pay all taxes, assessments (except as provided in the Loan Agreement), premiums, and other impositions attributable to the Property by making payment, when due, directly to the appropriate payee thereof, or in such other manner as Lender may designate in writing. Upon Lender's request, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has, or may have, priority over or equality with, the lien of this Instrument, and Borrower shall pay, when due, the claims of all persons supplying labor or materials to or in connection with the Property. Without Lender's prior written consent, which may be withheld in Lender's sole and absolute discretion (unless specifically provided to the contrary in the Loan Documents), Borrower will not permit or allow any lien inferior to this Instrument to be perfected against the Property.

5. **INSURANCE.** Borrower shall keep the Property and all improvements now existing or hereafter erected on the Property insured by carriers at all times satisfactory to Lender in accordance with the Loan Agreement. All premiums on insurance policies shall be paid, at Lender's option, in the manner provided under Paragraph 2 hereof, or by Borrower making payment when due directly to the carrier if Lender has waived its escrow requirement, or in such other manner as Lender may designate in writing. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgagee loss payable clause in favor of and in form acceptable to Lender. Lender shall have the right to copies of the policies, and Borrower shall promptly furnish to Lender upon request all renewal notices and all receipts of paid premiums.

In the event of any loss covered by any insurance policies, Borrower shall give immediate written notice to the insurance carrier and to Lender. Borrower hereby authorizes and empowers Lender (at Lender's option) as attorney-in-fact for Borrower to make proof of loss, to adjust and compromise any claim under insurance policies, to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, and to deduct therefrom Lender's expenses incurred in the collection of such proceeds; provided, however, that nothing contained in this paragraph shall require Lender to incur any expense or take any action hereunder. All insurance proceeds shall be paid by the insurance company to Lender to be held and disbursed in accordance with this paragraph. Borrower further authorizes Lender, at Lender's option, (a) to hold the balance of such proceeds to be used to reimburse Borrower for the cost of reconstruction or repair of the Property, or (b) if the proceeds are insufficient to repair or reconstruct the improvements in the manner required in the next subparagraph, and if Borrower is unable or unwilling to personally fund the shortfall, to apply the balance of such proceeds to the payment of the sums secured by this Instrument, whether or not then due, in the order of application set forth in Paragraph 3 hereof or (c) if a default exists under this Instrument or any of the Loan Documents, Lender shall be entitled to retain the proceeds and apply the same in the order as provided in Paragraph 3.

If the insurance proceeds are held by Lender to reimburse Borrower for the cost of restoration and repair of the Property, the Property shall be restored to the equivalent of its original condition or such other condition as Lender may approve in writing. Lender may, at Lender's option, condition disbursement of said proceeds on Lender's approval of such plans and specifications of an architect satisfactory to Lender, contractor's cost estimates, architect's certificate, waivers of liens, sworn statements of mechanics and materialmen and such other evidence of costs, percentage completion of construction, application of payments, and satisfaction of liens as Lender may reasonably require. If the insurance proceeds are applied to the payment of the sums secured by this Instrument, any such application of proceeds to principal shall not extend or postpone the due dates of any monthly installments, but Lender shall redetermine the amounts of such installments. If the Property is sold pursuant to the terms of this Instrument or if Lender acquires title to the Property, Lender thereupon shall also be deemed to have acquired exclusively all of the right, title and interest of Borrower in and to any insurance policies and unearned premiums thereon and in and to any insurance proceeds resulting from or which may be payable as a consequence of any damage to the Property prior to such sale or acquisition.

6. **PRESERVATION AND MAINTENANCE OF PROPERTY.** Borrower (a) shall not commit waste or permit any physical deterioration of the Property; (b) shall not abandon the Property; (c) shall restore or repair promptly and in a good and workmanlike manner all or any part of the Property to the equivalent of its original condition, or such other condition as Lender may approve in writing, in the event of any damage, injury or loss thereto, whether or not insurance proceeds are available to cover in whole or in part the costs of such restoration or repair; (d) shall keep the Property, including improvements, fixtures, equipment, machinery and appliances therein, in good repair and shall replace fixtures, equipment, machinery and appliances on the Property when necessary to keep such items in good repair; (e) shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property; (f) shall generally operate and maintain the Property in a manner to maximize rentals and income; and (g) shall give notice in writing to Lender of and, unless otherwise directed in writing by Lender, appear in and defend any action or proceeding purporting to affect the Property, the security of this Instrument or the rights or powers of Lender. Neither Borrower nor any tenant or other person shall remove, demolish or alter any improvement now existing or hereafter erected on the Property or any fixture, equipment, machinery or appliance in or on the Property except when incident to the replacement of fixtures, equipment, machinery and appliances with items of like kind.

7. **USE OF PROPERTY.** Unless required by applicable law or unless Lender has otherwise agreed in writing, Borrower shall not allow changes in the use for which all or any part of the Property was

98-16525C

intended at the time this Instrument was executed. Borrower shall not initiate or acquiesce in a change in the zoning classification of the Property without Lender's prior written consent. Borrower shall not violate nor shall Borrower permit or authorize the breach or violation of the terms of any easements, covenants, or restrictions of record upon or affecting the Property. Borrower will not conduct, permit, or authorize the generation, storage, treatment, or disposal of any friable asbestos, hazardous waste, or toxic substance on or in a location that will adversely affect the Property and shall promptly provide Lender written notice of (a) its obtaining knowledge of any release of any hazardous or toxic material or oil at or from the Property or any other site owned, occupied, or operated by Borrower or by any person for whose conduct Borrower is responsible or whose liability may result in a lien on the Property; (b) Borrower's receipt of any notice to such effect from any federal, state, or other governmental authority; and (c) loss by such governmental authority in connection with the assessment, containment, or removal of any hazardous or toxic material or oil for which expense or loss Borrower may be liable or for which expense a lien may be imposed on the Property. "Borrower," as that term is used herein, includes Borrower's successors, assigns, agents, servants, employees, and partners.

**8. PROTECTION OF LENDER'S SECURITY.** If Borrower fails to perform the covenants and agreements contained in this Instrument, or if any action or proceeding is commenced which affects the Property or title thereto or the interest of Lender therein, including, but not limited to, eminent domain, insolvency, building code enforcement, or arrangements or proceedings involving a bankruptcy or decedent, then Lender, at Lender's option, may make such appearances, disburse such sums and take such action as Lender deems necessary, in its sole discretion, to protect Lender's interest, including, but not limited to, (a) disbursement of attorneys' fees, (b) entry upon the Property to make repairs or otherwise to protect the same as security for the indebtedness secured by this Instrument, and (c) procurement of satisfactory insurance as provided in this Instrument.

Any amounts disbursed by Lender pursuant to this paragraph shall become additional indebtedness of Borrower secured by this Instrument. Unless Borrower and Lender agree to other terms of payment, such amounts shall be immediately due and payable and shall bear interest from the date of disbursement at the default rate as provided in the Note, unless collection from Borrower of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from Borrower under applicable law. Borrower hereby covenants and agrees that Lender shall be subrogated to the lien of any mortgage or other lien discharged, in whole or in part, by any advances made by Lender hereunder. Nothing contained in this paragraph shall require Lender to incur any expense or take any action hereunder.

**9. INSPECTION.** Lender may make or cause to be made reasonable entries upon and inspections of the Property at any time at Lender's option. Lender may at its option at any time, require Borrower, or Lender may arrange, all at the sole cost and expense of Borrower, to employ or for the employment of an independent and qualified environmental engineer and inspector, acceptable to Lender, to determine if there is any asbestos, petroleum, radon or hazardous material or substance above, in, on, under or from the Property. Such cost and expense shall, if not paid by Borrower, become additional indebtedness secured by this Instrument. The failure of Borrower to promptly pay the cost and expense of the same or to cooperate with and permit such inspection shall constitute a default under this Instrument and the other Loan Documents.

**10. BOOKS AND RECORDS.** Borrower shall keep and maintain at all times at Borrower's address stated herein, or such other place as Lender may approve in writing, complete and accurate books of account and records, in accordance with generally accepted accounting principles, consistently applied, adequate to reflect correctly the results of the operations of Borrower and the Property, and copies of all written contracts, budgets, change orders, leases and other instruments shall be subject to examination and inspection at any reasonable time by Lender. Borrower and Guarantor will throughout the term of the Loan, provide to Bank monthly balance sheets and income statements for Borrower and semi-annual financial statements for Guarantor. All such statements shall be provided within thirty (30) days after the end of the period to be reported. Borrower shall also cause an annual audit of Borrower to be performed by a certified public accounting firm acceptable to Bank which shall provide an Unqualified Opinion in accordance with the guidelines established by the American Institute of Certified Public Accountants for such opinions. Bank hereby approves Deloitte & Touche as an acceptable certified public accounting firm. In addition, Bank shall have the right (in the good faith exercise of its discretion) at any reasonable time by giving written notice to Borrower, to require that the financial statements delivered pursuant to this subparagraph be audited by a certified public accountant, provided, however, that prior to such notice, Bank will accept such statements certified by a chief financial officer of Borrower. At least thirty (30) days prior to the commencement of each fiscal year, Borrower will provide to Bank its proposed annual operating budget for such fiscal year for review.

**11. CONDEMNATION.** Borrower shall promptly notify Lender of any action or proceeding relating to any condemnation or other taking, whether direct or indirect or whether by eminent domain or otherwise, of the Property, or part thereof, and Borrower shall appear in and prosecute any such action or proceeding unless otherwise directed by Lender in writing. Borrower authorizes Lender, at Lender's option, as attorney-in-fact for Borrower, to commence, appear in and prosecute in Lender's or Borrower's name, any action or proceeding relating to any such condemnation or other taking of the Property, and to settle or compromise any claim in connection with such condemnation or other taking. The proceeds of any award, payment or claim

98-16525D

for damages, direct or consequential, in connection with any such condemnation or other taking of the Property, or part thereof, or for conveyances in lieu of condemnation, are hereby assigned to and shall be paid to Lender.

Borrower authorizes Lender to apply such awards, payments, proceeds or damages, after the deduction of Lender's expenses incurred in the collection of such amounts, at Lender's option, to restoration or repair of the Property or to payment of the sums secured by this Instrument, whether or not then due, in the order of application set forth in Paragraph 3 hereof, with the balance, if any, to Borrower. Unless Borrower and Lender otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to in Paragraphs 1 and 2 hereof but shall only change the amount of such installments. Borrower agrees to execute such further evidence of assignment of any awards, proceeds, damages or claims arising in connection with such condemnation or taking as Lender may require.

**12. BORROWER AND LIEN NOT RELEASED.** From time to time, Lender may, at Lender's option, without giving notice to or obtaining the consent of Borrower, Borrower's successors or assigns or of any junior lienholder or guarantors, without liability on Lender's part and notwithstanding Borrower's breach of any covenant or agreement of Borrower in this Instrument, extend the time for payment of said indebtedness or any part thereof, reduce the payments thereon, release any other persons secondarily or otherwise liable on any of said indebtedness, accept a renewal note or notes therefor, modify the terms and time of payment of said indebtedness, release from the lien of this Instrument any part of the Property, take or release other or additional security, reconvey any part of the Property, consent to any map or plan of the Property, consent to the granting of any easement, join in any extension or subordination agreement, or agree in writing with Borrower to modify the rate of interest or period of amortization of the Note or change the amount of the monthly installments payable thereunder. Any actions taken by Lender pursuant to the terms of this paragraph shall not affect the obligation of Borrower or Borrower's successors or assigns to pay the sums secured by this Instrument and to observe the covenants of Borrower contained herein, shall not affect the guaranty of any person, corporation, partnership or other entity for payment of the indebtedness secured hereby, and shall not affect the lien, or priority of lien, hereof on the Property. Borrower shall pay Lender a reasonable service charge, together with such title insurance premiums and reasonable attorney's fees as may be incurred at Lender's option, for any such action if taken at Borrower's request.

**13. FORBEARANCE BY LENDER NOT A WAIVER.** No waiver by Lender of any right under this Instrument shall be effective unless in writing. Waiver by Lender of any right granted to Lender under this Instrument or of any provision of this Instrument as to any transaction or occurrence shall not be deemed a waiver as to any future transaction or occurrence. By accepting payment of any sum secured hereby after its due date or by making any payment or performing any act on behalf of Borrower that Borrower was obligated hereunder but failed to make or perform, or by adding any payment so made by Lender to the indebtedness secured hereby, Lender does not waive its right to require prompt payment when due of all sums so secured or to require prompt performance of all other acts required hereunder, or to declare a default for failure so to pay.

**14. ESTOPPEL CERTIFICATE.** Borrower shall, within ten (10) days following a written request from Lender, furnish Lender with a written statement, duly acknowledged, setting forth the sums secured by this Instrument and any right of set-off, counterclaim or other defense which Borrower believes exists against such sums or the obligations of this Instrument.

**15. UNIFORM COMMERCIAL CODE SECURITY AGREEMENT.** This Instrument is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the items specified above as part of the Property which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and Borrower hereby grants Lender a security interest in said items. Borrower agrees that Lender may file this Instrument, or a reproduction thereof, in the appropriate records or index for Uniform Commercial Code filings as a financing statement for any of the items specified above as part of the Property. Any reproduction of this Instrument or of any other security agreement or financing statement shall be sufficient as a financing statement. In addition, Borrower agrees to execute and deliver to Lender, upon Lender's request, any financing statements, as well as extensions, renewals and amendments thereof, and reproductions of this Instrument in such form as Lender may require to perfect a security interest with respect to said items. Borrower shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of any record searches for financing statements Lender may reasonably require. Without the prior written consent of Lender, Borrower shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said items, including replacements and additions thereto. Upon Borrower's breach of any covenant or agreement of Borrower contained in this Instrument, including the covenants to pay when due all sums secured by this Instrument, Lender shall have the remedies of a secured party under the Uniform Commercial Code and, at Lender's option, may also invoke the remedies provided in this Instrument as to such items. In exercising any of said remedies, Lender may proceed against the items of real property and any items of personal property specified above as part of the Property separately or together and in any order whatsoever, without in any way affecting the availability of Lender's remedies under the Uniform Commercial Code or of the remedies provided elsewhere in this Instrument. This Deed of Trust shall be self-operative and shall constitute a Construction Security Agreement under the Nebraska Construction Lien Act or any similar law, as amended from time to time.

98-16525E

16. **CONSTRUCTION LOAN PROVISIONS.** Borrower agrees to comply with the covenants and conditions of the Loan Agreement, which is hereby incorporated by reference in and made a part of this Instrument. All advances and re-advances made by Lender pursuant to the Loan Agreement shall be indebtedness of Borrower secured by this Instrument. All sums disbursed by Lender prior to completion of the improvements to protect the security of this Instrument up to the principal amount of the Note shall be treated as disbursements pursuant to the Loan Agreement. All such sums shall bear interest in accordance with the provisions of the Note and the Loan Agreement.

From time to time as Lender deems necessary to protect Lender's interests, Borrower shall, upon request of Lender, execute and deliver to Lender, in such form as Lender shall direct, assignments of any and all rights or claims which relate to the construction of the Property and which Borrower may have against any party supplying or who has supplied labor, materials or services in connection with construction of the Property. In case of breach by Borrower of the covenants and conditions of the Loan Agreement, Lender, at Lender's option, with or without entry upon the Property, (a) may invoke any of the rights or remedies provided in the Loan Agreement, (b) may accelerate the sums secured by this Instrument and invoke those remedies provided herein; or (c) may do both.

17. **ASSIGNMENT OF RENTS AND REVENUES; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION.** As part of the consideration for the loan evidenced by the Note, Borrower hereby absolutely and unconditionally assigns and transfers to Lender all the rents and revenues of the Property, including those now due, past due, or to become due by virtue of any lease or other agreement for the occupancy or use of all or any part of the Property, regardless of to whom the rents and revenues of the Property are payable. Borrower hereby authorizes Lender or Lender's agents to collect the aforesaid rents and revenues and hereby directs each tenant or user of the Property to pay such rents and revenues to Lender or Lender's agents; provided, however, that prior to written notice given by Lender to Borrower of the breach by Borrower of any covenant or agreement of Borrower in this Instrument, Borrower shall have a revokable license to collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower, to apply the rents and revenues so collected to the sums secured by this Instrument in any order Lender may determine, with the balance, so long as no such breach has occurred, to the account of Borrower, it being intended by Borrower and Lender that this assignment of rents and revenues constitutes an absolute assignment and not an assignment for additional security only. Upon delivery of written notice by Lender to Borrower of the breach by Borrower of any covenant or agreement of Borrower in this Instrument, and without the necessity of Lender entering upon and taking and maintaining full control of the Property in person, by agent or by a court-appointed receiver, Lender shall immediately be entitled to possession of all rents and revenues of the Property as specified in this paragraph as the same become due and payable, including but not limited to rents and revenues then due and unpaid, and all such rents and revenues shall immediately upon delivery of such notice be held by Borrower as trustee for the benefit of Lender only; provided, however, that the written notice by Lender to Borrower of the breach by Borrower shall contain a statement that Lender exercises its rights to such rents and revenues. Borrower agrees that commencing upon delivery of such written notice of Borrower's breach by Lender to Borrower, each tenant or user of the Property shall make such rents and revenues payable to and pay such rents and revenues to Lender or Lender's agents on Lender's written demand therefore, without any liability on the part of said tenant or user to inquire further as to the existence of a default by Borrower.

Borrower hereby covenants that Borrower has not executed any prior assignment of said rents or revenues, that Borrower has not performed, and will not perform, any acts or has not executed, and will not execute, any instrument which would prevent Lender from exercising its rights under this paragraph, and that at the time of execution of this Instrument there has been no anticipation or prepayment of any of the rents or revenues of the Property for more than one month prior to the due dates of the same. Borrower covenants that Borrower will not hereafter collect or accept payment of any rents or revenues of the Property more than one month prior to the due date of the same. Borrower further covenants that Borrower will execute and deliver to Lender such further assignments of rents and revenues of the Property as Lender may from time to time request.

Upon Borrower's breach of any covenant or agreement of Borrower in this Instrument, Lender may, in person, by agent or by a court appointed receiver, regardless of the adequacy of Lender's security, enter upon and take possession and maintain full control of the Property in order to perform all acts necessary and appropriate for the operation and maintenance thereof and the conducting thereon of any business or businesses then being conducted by Borrower including, but not limited to, the execution, cancellation or modification of leases, the collection of all rents and revenues of the Property, the making of repairs to the Property and the execution or termination of contracts providing for the management or maintenance of the Property or the conducting of such businesses thereon, all on such terms as are deemed best to protect the security of this Instrument. In the event Lender elects to seek the appointment of a receiver for the Property upon Borrower's breach of any covenant or agreement of Borrower in this Instrument, such shall be appointed as provided in Paragraph 21 below. Borrower hereby expressly consents to the appointment of such receiver. Lender or the receiver shall be entitled to receive a reasonable fee for so managing the Property.

98-16525F

All rents and revenues collected subsequent to delivery of written notice by Lender to Borrower of the breach by Borrower of any covenant or agreement of Borrower in this Instrument shall be applied first to the cost, if any, of taking control of and managing the Property and collecting the rents and revenues, including, but not limited to, attorneys' fees, receiver's fees, premiums on receiver's bonds, costs of repairs to the Property, premiums on insurance policies, taxes, assessments and other charges on the Property, and the costs of discharging any obligation or liability of Borrower as lessor or landlord of the Property, and then to the sums secured by this Instrument. Lender or the receiver shall have access to the books and records used in the operation and maintenance of the Property and shall be liable to account only for those rents and revenues actually received. Lender shall not be liable to Borrower, anyone claiming under or through Borrower, or anyone having an interest in the Property by reason of anything done or left undone by Lender under this paragraph.

If the rents and revenues of the Property are not sufficient to meet the costs, if any, of taking control of and managing the Property and collecting the same, any funds expended by Lender for such purposes shall become indebtedness of Borrower to Lender secured by this Instrument pursuant to the terms hereof. Unless Lender and Borrower agree in writing to other terms of payment, such amounts shall be immediately due and payable by Borrower and shall bear interest from the date of disbursement at the default rate stated under the terms of the Note, compounded monthly, unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate which may be collected from Borrower under applicable law.

Any entering upon and taking and maintaining of control of the Property by Lender or the receiver and any application of rents and revenues as provided herein shall not cure or waive any default hereunder or invalidate any other right or remedy of Lender under applicable law or provided herein. This assignment of rents and revenues of the Property shall terminate at such time as this Instrument ceases to secure indebtedness held by Lender.

**18. ACCELERATION IN CASE OF BORROWER'S INSOLVENCY.** If Borrower shall voluntarily file a petition under the United States Bankruptcy Code, as such Code may from time to time be amended, or under any similar successor Federal statute relating to bankruptcy, insolvency, arrangements or reorganizations, or under any state bankruptcy or insolvency act, or file an answer in an involuntary proceeding admitting insolvency or inability to pay debts, or if Borrower shall fail to obtain a dismissal of involuntary proceedings brought for the reorganization, dissolution or liquidation of Borrower within ninety (90) days of its filing, or if Borrower shall be adjudged a bankrupt, or if a trustee or receiver shall be appointed for Borrower or Borrower's property, and Borrower fails to obtain a dismissal of any such proceeding within ninety (90) days of its filing, or if the Property shall become subject to the jurisdiction of a Federal bankruptcy court or similar state court, or if Borrower shall make an assignment for the benefit of Borrower's creditors, or if there is an attachment, execution or other judicial seizure of any portion of Borrower's assets and such seizure is not discharged within ten days, then Lender may, at Lender's option, declare all of the sums secured by this Instrument to be immediately due and payable without prior notice to Borrower, and Lender may invoke any remedies permitted by this Instrument. Furthermore, Lender shall be entitled to relief from any automatic stay imposed by Section 362 of Title 11 of the U.S. Code, as amended, on or against the exercise of the rights and remedies otherwise available to Lender, and Borrower hereby waives the benefits of such automatic stay and consents and agrees to raise no objection to such relief. Any attorneys' fees and other expenses incurred by Lender in connection with Borrower's bankruptcy or any of the other aforesaid events shall be additional indebtedness of Borrower secured by this Instrument pursuant to the terms hereof.

**19. TRANSFERS OF THE PROPERTY OR BENEFICIAL INTERESTS IN BORROWER.** Except as expressly authorized by Lender or by the Loan Agreement, if Borrower sells, exchanges, conveys, alienates, assigns, disposes of, encumbers, pledges, or transfers all or any portion of the Property, or if Borrower executes any agreement or contract creating any right to or any equitable interest in the title to the Property or any part thereof, or executes any agreement or contract granting a possessory right in the Property or any part thereof (including, without limiting the generality of the foregoing, outright conveyance, conveyance or alienation by land installment contract or contract for deed, alienation by lease or rental agreement with an option to purchase, and the granting of deeds of trust, mortgages, liens, and security interests subordinate to this Instrument, but excluding leases made in accordance with the Loan Documents) or if all or any part of any ownership interest in Borrower of whatever nature whatsoever is sold, exchanged, conveyed, alienated, assigned, disposed of, encumbered, pledged, or transferred, then at Lender's option the unpaid remainder of the Note and all of the sums secured by this Instrument shall be immediately and automatically due and payable in full, and Lender may invoke any remedies permitted by law and/or this Instrument. The conveyance or transfer of Borrower's interest in the Property or any interest in Borrower as a result of foreclosure of a subordinate lien or a security interest or a transfer by operation of law (except as otherwise provided below) shall constitute a sale or transfer subject to this paragraph. The foregoing acceleration shall not apply in case of:

98-165256

(a) sales or transfers of lots and houses in the ordinary course of Borrower's business operation, provided that there is full compliance with the partial release provisions hereof; and

(b) sales or transfers for fair market consideration of routine personal property constituting a part of the Property and used in the operation of Borrower's business or the Property, provided that such sales or transfers are incidental to the replacement of such personal property with personal property of newer and better quality and condition.

20. **ACCELERATION; REMEDIES.**

(a) **Acceleration and Power of Sale.** Upon Borrower's breach of any covenant or agreement of Borrower in this Instrument, the Loan Agreement, or in any other Loan Document, including, but not limited to, the covenants to pay when due any sums secured by this Instrument, Lender, at Lender's option, may declare all of the sums secured by this Instrument to be immediately due and payable without further demand, and may invoke the power of sale and other remedies permitted by applicable law or provided in the Loan Documents or herein. Lender shall be entitled to collect all costs and expenses incurred in pursuing such remedies, including, but not limited to, reasonable attorneys' fees and costs of documentary evidence, abstracts and title reports.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold and shall cause such notice to be recorded in each county in which the Property or some part thereof is located. Trustee shall give notice of default and notice of sale and shall sell the Property according to applicable law. Trustee may sell the Property at the time and place and under the terms designated in the notice of sale in one or more parcels and in such order as Trustee may determine. 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 and in accordance with applicable law. Lender or Lender's designee may purchase the property at any sale.

The Trustee shall deliver to the purchaser a Trustee's Deed upon sale conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's Deed shall, to the extent provided by law, be prima facie evidence of the truth of the statements made therein. The Trustee shall apply the proceeds of the sale in the following order: (i) to all costs and expenses of the sale, including, but not limited to, Trustee's and attorneys' fees and costs of title evidence; (ii) to all sums secured by this Instrument in such order as Lender, in Lender's sole discretion, directs; and (iii) the excess, if any, to the person or persons legally entitled thereto.

(b) **Foreclosure as Mortgage.** This Instrument shall be effective as a mortgage as well as a deed of trust and may be foreclosed as a deed of trust or a mortgage as to any of the Property in any manner permitted by the laws of the State of Nebraska.

(c) **Receiver.** In addition to all other remedies herein provided, Lender shall, as a matter of right, be entitled to an ex parte appointment of a receiver or receivers without notice, notice being hereby expressly waived, for all or any part of the Property without regard to the value of the Property or the solvency of any person or persons liable for the payment of the Note and Borrower does hereby consent to the appointment of such receiver or receivers, waives any and all defenses to such appointment, and agrees not to oppose any application therefor by Lender, but nothing herein is to be construed to deprive Lender of any other right, remedy or privilege it may now have under the law to have a receiver appointed; provided, however, that the appointment of such receiver, trustee, or other appointee by virtue of any court order, statute, or regulation shall not impair or in any manner prejudice the rights of Lender to receive payment of the rents and income. Any money advanced by Lender in connection with any such receivership shall be a part of the indebtedness secured hereby and shall be payable by Borrower to Lender as provided in this Instrument. The receiver or its agents shall be entitled to enter upon and take possession of any and all of the Property. The receiver, personally or through its agents or attorneys, may exclude Borrower and its agents, servants, and employees wholly from the Property, and have, hold, use, operate, manage, and control the same and each and every part thereof, and keep insured the properties, equipment, and apparatus provided or required for use in connection with the business or businesses operated on the Property, and make all such useful alterations, additions, betterments, and improvements as the receiver may deem judicious. Such receivership shall, at the option of Lender, continue until full payment of all sums hereby secured, or until title to the Property shall have passed by foreclosure sale under this Instrument and the period of redemption, if any, shall have expired.



98-16525H

21. **ENVIRONMENTAL MATTERS.** The provisions of the Loan Agreement with respect to environmental matter are incorporated herein by reference.

22. **REMEDIES CUMULATIVE.** Each remedy herein provided shall not be exclusive of any other remedy herein or now or hereafter existing by law, and may be exercised concurrently, independently or successively in any order whatsoever. Every power or remedy hereby given to Borrower or to Lender, 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 Lender holds any additional security for any obligation secured hereby, Lender may enforce the sale thereof, at Lender's option, either before, contemporaneously with, or after the sale is made hereunder, and on any default of Borrower, Lender may, at its option, offset against any indebtedness owed hereunder to it by Borrower the whole or any part of any indebtedness owing by it to Borrower, and the Lender is hereby authorized and empowered at its option, without any further obligation to do, and without affecting the obligations hereof, to apply towards the payment of any indebtedness secured hereby of the Borrower to the Lender, any and all sums of money belonging to Borrower which the Lender may have in its possession or under its control, including, without limiting the generality of the foregoing, any unapplied Funds held by Lender. No offset by Lender hereunder shall relieve Borrower from paying installments on the obligation secured hereby as they become due.

23. **NOTICE.** Except for any notice required under applicable law to be given in another manner, all notices and other communications required or permitted under this Instrument shall be in writing and shall be personally delivered or sent by registered or certified mail, return receipt requested, or sent by overnight courier service, and, if mailed, shall be deemed received on the earlier of the day on which such notice is actually received by the party to whom it is addressed or the third business day after deposit in the mail in the continental United States, postage prepaid, addressed to the party to receive such notice at the address set forth below, and if sent by overnight courier shall be deemed received on the day on which such notice is actually received by the party to whom it is addressed or the date delivery is refused, either as indicated in the records of such courier service. Notice of change of address shall be given by written notice in the manner set forth in this paragraph.

Notice to Borrower shall  
be addressed to:

HearthStone Homes, Inc.  
Attention: Bruce R. Bahe  
Chief Financial Officer  
8425 Madison Street  
Omaha, Nebraska 68127-4122  
Fax Number: 402-339-0003

With a copy to:

John H. Fullenkamp, Attorney  
11440 West Center Road  
Omaha, Nebraska 68144-4421  
Fax Number: 402-334-0815

Notice to Lender shall  
be addressed to:

Commercial Federal Bank  
Attention: Richard Osher  
Construction Lending Mgr.  
8707 West Center Road  
Omaha, Nebraska 68124  
Fax Number: 402-554-9468

With a copy to:

Thomas L. Saladino, Attorney  
Fitzgerald, Schorr, Barmettler & Brennan, P.C.  
1000 Commercial Federal Tower  
Omaha, Nebraska 68124  
Fax Number: 402-390-2866

24. **CROSS DEFAULT.** Any default by Borrower under any other note to Lender, whether now existing or at any time hereafter created, on any other Deed of Trust, or other instruments securing any note, or on any other loan documents related thereto, or on any agreement or obligation of Borrower to Lender, shall constitute a breach hereunder, and Lender shall have the right to declare all sums secured by this Instrument to be immediately due and payable and to pursue all remedies available as provided in this Instrument.

25. **SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; AGENTS.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of this Instrument. All covenants and agreements of Borrower shall be joint and several. In exercising any rights hereunder or taking any actions

98-16525I

provided for herein, Lender may act through its employees, agents or independent contractors as authorized by Lender.

26. **GOVERNING LAW; SEVERABILITY.** The loan contract between the parties, including this Instrument, the Note and any other obligation which this Instrument secures, is made pursuant to and shall be construed and governed by the laws of the United States and the rules and regulations promulgated thereunder, and, to the extent the laws of a state are applicable (including laws regarding usury), by the laws of the State of Nebraska and the rules and regulations promulgated thereunder. If any paragraph, clause or provision of this Instrument, the Note or any other notes or obligations secured by this Instrument is construed or interpreted by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those paragraphs, clauses or provisions so construed or interpreted and shall not affect the remaining paragraphs, clauses and provisions of this Instrument or the Note or other notes or obligations secured by this Instrument.

27. **RECONVEYANCE OR RELEASE.** Lender shall be obligated to cause Trustee to reconvey portions of the Property only upon:

(a) Receipt by Lender of all net proceeds from the closing of the sale of the parcel to be released. As used herein, "net proceeds" shall mean all remaining proceeds from the sale after payment of any applicable third-party brokerage commissions, and taxes, assessments, and closing costs to be paid by seller pursuant to the contract of sale. The net closing proceeds shall not be reduced by any Seller overhead or profit, nor by any charges that are not customarily charged to a seller in a residential real estate transaction in Omaha, Nebraska; and

(b) Receipt by Lender of such additional funds (in addition to the net closing proceeds) as may be necessary to bring the Loan back into balance in accordance with the Loan Documents after the partial reconveyance, as determined by Lender. Lender may elect to review loan balances after providing the partial reconveyance, in which event Borrower shall pay the amount necessary to bring the Loan back into balance immediately upon demand by Lender.

28. **SUBSTITUTION OF TRUSTEE.** To the extent authorized by law, Lender 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 Lender and recorded in the office of the recorder 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 the title, estate, rights, powers and duties. Such instrument shall contain the name and address of the new Trustee. The procedure herein provided for substitution of Trustees shall not be exclusive of other provisions for substitution provided by law.

29. **TRUSTEE.** Except as required by law, Trustee is not obligated to notify any party hereto of pending sale under any other instrument or of any action or proceeding in which Borrower, Lender or Trustee shall be a party.

30. **TIME OF ESSENCE.** Time is of the essence for all of Borrower's obligations hereunder and the Loan Documents.

31. **WAIVER OF STATUTE OF LIMITATIONS.** To the extent permitted by law, Borrower waives all present or future statutes of limitation with respect to any debt, demand or obligation secured hereunder in any action or proceeding for the purpose of enforcing this Instrument or any rights or remedies hereunder.

32. **INJURY TO PROPERTY.** All causes of action of Borrower, whether accrued before or after the date of this Instrument for damages or injury to the Property or any part thereof, or in connection with or affecting the Property or any part thereof, including causes of action arising in tort or contract and causes of action for fraud or concealment of a material fact, are, at Lender's option, assigned to Lender, and the proceeds thereof shall be paid to Lender who, after deducting therefrom all of its expenses, including reasonable attorneys' fees, may apply such proceeds to the sums secured by this Instrument or to any deficiency under this Instrument or may release any monies so received by it or any part thereof as Lender may elect. Lender may, at its option, appear in and prosecute in its own name any action or proceeding to enforce any such cause of action and may make any compromise or settlement thereof. Borrower agrees to execute any further assignments and other instruments as from time to time may be necessary to effectuate the foregoing provisions and as Lender shall request.

33. **OFFSETS.** No indebtedness secured by this Instrument shall be deemed to have been offset or compensated by all or part of any claim, cause of action, counterclaim or part of any claim, cause of action,

98-16525I

counterclaim or cross-claim, whether liquidated or unliquidated, which Borrower now or hereafter may have or may claim to have against Lender; and, in respect to the indebtedness now or hereafter secured hereby, Borrower waives, to the fullest extent permitted by law, the benefits of any applicable law, regulation or procedure which substantially provides that where cross-demands for money have existed between persons at any point in time when neither demand was barred by the applicable statute of limitations, and an action is thereafter commenced by one such person, the other person may assert in its answer the defense of payment in that the two demands are compensated so far as they equal each other, notwithstanding that an independent action asserting his claim would at the time of filing his answer be barred by the applicable statute of limitations.

34. **MISREPRESENTATION OR NONDISCLOSURE.** Borrower has made certain written representations and disclosures in order to induce Lender to make the loan evidenced by the Note which this Instrument secures and, in the event that Borrower has made any material misrepresentations or failed to disclose any material fact, Lender, at its option and without prior notice, shall have the right to declare the indebtedness secured by this Instrument, irrespective of the maturity date specified in the Note, immediately due and payable.

35. **WAIVER OF MARSHALLING.** Notwithstanding the existence of any other security interests in the Property held by Lender or by any other party, Lender shall have the right to determine the order in which any or all of the Property shall be subjected to the remedies provided herein. Lender shall have the right to determine the order in which any or all portions of the indebtedness secured hereby are satisfied from the proceeds realized upon the exercise of the remedies provided herein. Borrower, any party who consents to this Instrument and any party who now or hereafter acquires a security interest in the Property and who has actual or constructive notice hereof, hereby waives any and all right to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.

36. **REQUEST FOR NOTICES.** Borrower requests that copies of any notice of default and notice of sale hereunder be sent to Borrower at Borrower's address stated above.

37. **GENERAL PROVISIONS.**

(a) This Instrument applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns, and shall be the joint and several obligation of each person comprising Borrower.

(b) The term "Lender" shall mean the owner and holder (including a pledgee) of the Note secured hereby, whether or not named as Lender herein.

(c) Wherever the context so requires, the masculine gender includes the feminine and neuter, and the singular number includes the plural, and vice versa.

(d) Captions and paragraphs headings used herein are for convenience only, are not part of this Instrument, and shall not be used in construing it.

38. **ADJUSTABLE RATE PROVISIONS.** The Note and the Loan Agreement contain provisions which permit: (a) increases and decreases to the rate of interest provided in the Note; (b) increases and decreases to the payment of principal and interest; and (c) increases in the outstanding principal amount due on the loan. Reference is made to the Note and the Loan Agreement for a complete description of the adjustable rate terms of the indebtedness secured by this Instrument.

39. **FUTURE ADVANCES AND RE-ADVANCES.** Upon request of Borrower, Lender, at Lender's option, so long as this Instrument secures indebtedness held by Lender, may make future advances and re-advances to Borrower. Such future advances and re-advances, with interest thereon, shall be secured by this Instrument when evidenced by promissory notes stating that such notes are secured hereby.

40. **CORRECTION OF DEFECTS.** Borrower, upon request of Lender, shall promptly correct any defect, error or omission that may be discovered by Lender in the content of this Instrument or in the execution or acknowledgment hereof. In addition, Borrower shall do such further acts as may be deemed necessary by Lender or that Lender may reasonably request to carry out more effectively the purposes of this Instrument, to subject any property intended to be encumbered hereby to the lien and security interest hereof, and to perfect and maintain the first lien and security interest hereof.

41. **INVALID PROVISIONS.** Should any term, provision, covenant or condition of this Instrument be held to be void or invalid, the same shall not affect any other term, provision, covenant or condition of this Instrument, but the remainder hereof shall be effective as though such term, provision, covenant or condition had not been contained herein. In addition, should this Instrument be or become ineffective as a deed of trust, then

98-16525K

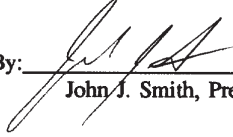
these presents shall be construed and enforced as a realty mortgage with the borrower being the Mortgagor and Lender being the Mortgagee.

42. **NO HOMESTEAD.** Borrower hereby waives all right of homestead and any other exemption in the Property under state or federal law presently existing or hereinafter enacted.

43. **REPLACEMENT OF DEED OF TRUST.** The parties hereto intend that this Deed of Trust shall constitute a replacement Deed of Trust with continuing lien priority for any deed of trust, mortgage or security instrument securing indebtedness retired by the proceeds of the Note, including, but not limited to, those set forth on Exhibit "B" attached hereto, and shall be entitled to the lien priority position of such replaced deeds of trust, mortgages or security instruments.

**IN WITNESS WHEREOF,** Borrower has executed this Instrument or has caused the same to be executed by its representatives thereunto duly authorized.

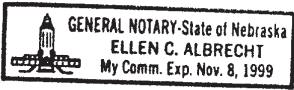
**HEARTHSTONE HOMES, INC.,** a Nebraska corporation, f/k/a Construction Sciences, Inc., a Nebraska corporation, "Borrower"

By:   
John J. Smith, President

STATE OF NEBRASKA     )  
  ) SS.  
COUNTY OF DOUGLAS    )

The foregoing Loan Agreement was acknowledged before me on the 20 day of June, 1998, by JOHN J. SMITH, who is the President of **HEARTHSTONE HOMES, INC.,** a Nebraska corporation, f/k/a Construction Sciences, Inc., on behalf of the corporation.

  
Notary Public



98-16525 L

EXHIBIT "A"

Lots 1 - 167, 169 - 175, in Oakhurst, a Subdivision, in Sarpy County, Nebraska;  
and

Lot 168, EXCEPT that part more particularly described as follows: Beginning at the Northeast corner of said lot 168, Oakhurst, said point also being on the south right-of-way line of Sheridan Road; thence S00°47'04"E (assumed bearing) along the East line of said lot 168, Oakhurst, a distance of 114.17 feet to the southeast corner of said Lot 168, Oakhurst; thence S80°51'56"W along the south line of said lot 168, Oakhurst a distance of 26.13 feet to the Northeast corner of lot 169, said Oakhurst thence N09°14'31"E a distance of 119.77 feet to a point on the North line of said Lot 169, Oakhurst, said point also being on said South right-of-way line of Sheridan Road: thence Easterly along said North line of lot 168, Oakhurst, said line also being said South right-of-way line of Sheridan Road, on a curve to the right with a radius of 662.29 feet a distance of 5.00 feet, said curve having a long chord which bears N88°69'57"E, a distance of 5.00 feet to the point of beginning, in Oakhurst, a Subdivision, in Sarpy County, Nebraska.

Lots 2, 13, 14, 15, 21, 25, 26, 27, 29, 31, Lots 33, 34, 35, 43, 45, 47, 48, Lots 50 through 65, both inclusive, Lots 67 through 77, Lots 81, 84, 85, Lots 87 through 92, Lots 97, 98, 100, in Birchfield 2nd Addition, a Subdivision, in Sarpy County, Nebraska.

Lots 1 and 2, in Ardmore, an Addition to the City of LaVista, Sarpy County, Nebraska.

Lots 8, 9, 10, 11, 41, 42, 43, 44, 45 through 69, both inclusive, Lots 73 through 88, both inclusive, Lot 109, and Lots 164 through 167, both inclusive, in Ardmore East, a Subdivision, in Sarpy County, Nebraska.

Lots 1, 2, 3, 4, 5, 56, 57, 59, 60, 61, 62, 63, 64, 65 and 66, in Emerald Oaks, a Subdivision in Sarpy County, Nebraska.

Lots 16, 36, 97 through 107, both inclusive, Lots 111, 114, Lots 117 through 124, both inclusive, Lots 127 and 130, in Emerald Oaks 2nd Addition, a Subdivision, in Sarpy County, Nebraska.

Lots 1 through 4, both inclusive, Lots 11, 12, 13, Lots 21, 22, 23, 30, 31 and 35, in Castle Ridge, a Subdivision, in Sarpy County, Nebraska.

Lots 1 through 39, both inclusive, Lots 42 through 86, both inclusive, in Southern Oaks, a Subdivision in Sarpy County, Nebraska.

Lots 1 through 6, both inclusive, Lot 14, Lots 16 through 130, both inclusive, in Oakridge East, a Subdivision, in Sarpy County, Nebraska.

Lots 1 through 261, in Hickory Ridge, a Subdivision in Sarpy County, Nebraska.

Lots 2, 3, 4 and 5, in Chalco Pointe, a Subdivision in Sarpy County, Nebraska.