

This Mortgage is entered into between TERRY L. DOWLING AND PHYLLIS A. DOWLING,

Husband and Wife (herein "Mortgagor") and

THE OVERLAND NATIONAL BANK OF GRAND ISLAND, Grand Island, NE (herein "Mortgagee").

Mortgagor is indebted to Mortgagee in the principal sum of \$ 9,500.00, evidenced by Mortgagor's note dated 10/27/78 (herein "Note") providing for payments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on 11/10/83.

To secure the payment of the Note, with interest as provided therein, the payment of all other sums, with interest, advanced by Mortgagee to protect the security of this Mortgage, and the performance of the covenants and agreements of the Mortgagor contained herein, Mortgagor does hereby mortgage and convey to Mortgagee the following described property located in Hall County, Nebraska.

Lot Nineteen (19) in Bishop Heights Second Subdivision,
Hall County, Nebraska.

Together with all buildings, improvements, fixtures, streets, alleys, passageways, easements, rights, privileges and appurtenances located thereon or in anywise pertaining thereto, and the rents, issues and profits, reversions and remainders thereof, including, but not limited to, heating and cooling equipment and such personal property that is attached to the improvements so as to constitute a fixture; all of which, including replacements and additions thereto, is hereby declared to be a part of the real estate secured by the lien of this Mortgage and all of the foregoing being referred to herein as the "Property".

Mortgagor further covenants and agrees, with Mortgagee, as follows:

1. **Payment.** To pay the indebtedness and the interest thereon as provided in this Mortgage and the Note

2. **Title.** Mortgagor is the owner of the Property, has the right and authority to mortgage the Property, and warrants that the lien created hereby is a first and prior lien on the Property, except as may otherwise be set forth herein

The Property is subject to a Mortgage wherein _____

is the Mortgagee, recorded at Book _____, Page _____ of the Mortgage Records of _____ County, Nebraska, which Mortgage is a lien prior to the lien created hereby.

Other prior liens or encumbrances: _____

3. **Taxes, Assessments.** To pay when due all taxes, special assessments and all other charges against the Property and, upon written demand by Mortgagee, to add to the payments required under the Note secured hereby, such amount as may be sufficient to enable the Mortgagee to pay such taxes, assessments or other charges as they become due.

4. **Insurance.** To keep the improvements now or hereafter located on the real estate described herein insured against damage by fire and such other hazards as Mortgagee may require, in amounts and with companies acceptable to the Mortgagee, and with loss payable to the Mortgagee. In case of loss under such policies the Mortgagee is authorized to adjust, collect and compromise, in its discretion, all claims thereunder at its sole option, authorized to either apply the proceeds to the restoration of the Property or upon the indebtedness secured hereby, but payments hereunder shall continue until the sums secured hereby are paid in full.

5. **Escrow For Taxes and Insurance.** Notwithstanding anything contained in paragraphs 3 and 4 hereof to the contrary, Mortgagor shall pay to the Mortgagee at the time of paying the monthly installments of principal and interest, one-twelfth of the yearly taxes, assessments, hazard insurance premiums, and ground rents (if any) which may attain a priority over this Mortgage, all as reasonably estimated from time to time by the Mortgagee. The amounts so paid shall be held by the Mortgagee without interest and applied to the payment of the items in respect to which such amounts were deposited. The sums paid to Mortgagee hereunder are pledged as additional security for the indebtedness secured by this Mortgage. Mortgagor shall pay to Mortgagee the amount of any deficiency between the actual taxes, assessments, insurance premiums and ground rents and the deposits hereunder within 10 days after demand is made upon Mortgagor requesting payment thereof.

6. **Repair, Maintenance and Use.** To promptly repair, restore or rebuild any buildings or improvements now or hereafter on the Property; to keep the Property in good condition and repair, without waste, and free from mechanic's or other liens not expressly subordinated to the lien hereof; not to make, suffer or permit any nuisance to exist, nor to diminish or impair the value of the Property by any act or omission to act; and to comply with all requirements of law with respect to the Property.

7. Condemnation. In the event the Property, or any part thereof, shall be taken by eminent domain, the Mortgagee is empowered to collect and receive all compensation which may be paid for any property taken or for damages to property not taken, and Mortgagee shall apply such compensation, at its option, either to a reduction of the indebtedness secured hereby or to repair and restore the property so damaged.

8. Performance by Mortgagee. Mortgagee may, but shall have no obligation, to do any act which the Mortgagor has agreed but fails to do, and Mortgagee may also do any act it deems necessary to protect the lien hereof. Mortgagor agrees to repay, upon demand, any sums so expended by the Mortgagee for the above purposes, and any sums so expended by the Mortgagee shall be added to the indebtedness secured hereby and become subject to the lien hereof. Mortgagee shall not incur any personal liability because of anything it may do or omit to do hereunder.

9. Default; Assignment of Rents. Time is of the essence hereof, and upon Mortgagor's default in any covenant or agreement of this Mortgage, including covenants to pay when due the sums secured by this Mortgage, the Mortgagee shall be entitled, at its sole option and without notice, to declare all sums secured by this Mortgage to be immediately due and payable and may commence foreclosure of this Mortgage by judicial proceedings; and, provided further, that upon such default the Mortgagee, or a receiver appointed by a court, may at its option and without regard to the adequacy of the security, enter upon and take possession of the Property and collect the rents, issues and profits therefrom and apply them first to the cost of collection and operation of the Property and then upon the indebtedness secured by this Mortgage; said rents, issues and profits being assigned to the Mortgagee as further security for the payment of the indebtedness secured hereby.

10. Transfer of Property. If all or any part of the Property is sold or transferred without the express written consent of the Mortgagee, Mortgagee may at its sole option, declare all sums secured by this Mortgage to be immediately due and payable.

11. Future Advances. Upon request of Mortgagor, Mortgagee may make additional and future advances to Mortgagee. Such advances, with interest thereon, shall be secured by this Mortgage when evidenced by promissory notes stating that said notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced to protect the security of this Mortgage, exceed the original Note.

12. Miscellaneous Provisions.

- Any forbearance in exercising any right or remedy shall not be a waiver thereof.
- All remedies provided herein are distinct and cumulative to any other right afforded by law or equity, and may be exercised concurrently, independently or successively.
- The covenants and agreements contained herein shall bind, and the rights inure to, the respective successors and assigns of the Mortgagor and the Mortgagee.
- All covenants and agreements of the Mortgagor are joint and several.
- The headings of the paragraphs of this Mortgage are for convenience only and shall not be used to interpret or define the provisions hereof.

13. Release. Upon payment of all sums secured by this Mortgage, Mortgagee shall discharge this Mortgage and shall execute and deliver a satisfactory release therefor.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage on the 27th day of October, 19 78.

Terry L. Dowling
Borrower

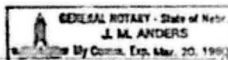
Phyllis A. Dowling
Borrower

State of Nebraska, Hall County ss

On this 27th day of October, 19 78, before me, the undersigned, a Notary Public duly commissioned and qualified for said county, personally came Terry L. Dowling and Phyllis A. Dowling, Husband and Wife, to me known to be the identical person(s) whose name(s) are subscribed to the foregoing instrument and acknowledged the execution thereof to be his and her voluntary act and deed.

Witness my hand and notarial seal at Grand Island in said county, the date aforesaid.

My Commission expires:



[Signature]
Notary Public

Space Below This Line Reserved For Lender and Recorder)

Entered as Document No.
78-007223

2 Grants
1 Grant
Numerical
1-2-3-4
STATE OF NEBRASKA)
COUNTY OF HALL) SS

*78 NOV 3 AM 9 51

[Signature]
REG. OF DEEDS