

64-109

STATE OF NEBRASKA)

JEFFERSON COUNTY)§ 2010-01475

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Record the 24th day of November A.D. 2010
At 10:12 o'clock a.m. and recorded in
MTG Record No. 210 Page 64

Sandra Stelling, County Clerk

Sandra Stelling
Deputy County Clerk
\$ 45.50 pd Midwest Bank 4

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DISCLAIMER OF RIGHT TO DESIGNATE HOMESTEAD

(To be filed as a preface to the Security Instrument)

DATE AND PARTIES. The date of this Disclaimer Of Right To Designate Homestead is ~~February 8, 2010~~. The parties and their addresses are: **November 9, 2010**

W.H.M. *L.C.M.*

GRANTOR:

WAYNE H MILTON
802 PAR 3 DR
FRIEND, NE 68359

LORRAINE C MILTON
HUSBAND AND WIFE
802 PAR 3 DR
FRIEND, NE 68359

LENDER:

MIDWEST BANK
105 W Elm, PO Box 545
York, NE 68467

1. DISCLAIMER. In accordance with the Farm Homestead Protection Act, prior to executing the attached Security Instrument, Grantor states as follows:

- A. I intend to grant a security interest in real property (Property) described on the attached Security Instrument.
- B. No part of my homestead is presently situated on the Property, nor will any of my homestead be situated on the Property in the future.
- C. I understand that if, contrary to this Disclaimer, I establish a homestead on any part of the Property during the time the Security Instrument remains unsatisfied and a lien upon the Property, I will have no right to make a designation of homestead in the event of a foreclosure or trustee's sale upon such Security Instrument.
- D. I disclaim my right to designate my homestead.



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DEED OF TRUST
(With Future Advance Clause)

DATE AND PARTIES. The date of this Deed Of Trust (Security Instrument) is NOVEMBER 9, 2010. The parties and their addresses are:

TRUSTOR (Grantor):
WAYNE H MILTON
802 PAR 3 DR
FRIEND, NE 68359

LORRAINE C MILTON
HUSBAND AND WIFE
802 PAR 3 DR
FRIEND, NE 68359

TRUSTEE:
MIDWEST BANK
a Corporation
105 W Elm, PO Box 545
York, NE 68467

BENEFICIARY (Lender):
MIDWEST BANK
Organized and existing under the laws of Nebraska
105 W Elm, PO Box 545
York, NE 68467

1. CONVEYANCE. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debts and Grantor's performance under this Security Instrument, Grantor does hereby irrevocably grant, convey and sell to Trustee, in trust for the benefit of Lender, with power of sale, the following described property:

THE SOUTH HALF OF SECTION 17, TOWNSHIP 2 NORTH, RANGE 2 EAST OF THE 6TH PRINCIPAL MERIDIAN, JEFFERSON COUNTY, NEBRASKA.

The property is located in Jefferson County at RR JEFFERSON COUNTY, , Nebraska .

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, wells, ditches and water stock, crops, timber, all diversion payments or third party payments made to crop producers and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described (all referred to as Property). This Security Instrument will remain in effect until the Secured Debts and all underlying agreements have been terminated in writing by Lender.

2. MAXIMUM OBLIGATION LIMIT. The total principal amount secured by this Security Instrument at any one time and from time to time will not exceed \$2,500,000.00. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

3. SECURED DEBTS AND FUTURE ADVANCES. The term "Secured Debts" includes and this Security Instrument will secure each of the following:

HRW FARMING

Nebraska Deed Of Trust

NE/4XKSTOOPS00000000000601029110910N

Wolters Kluwer Financial Services ©1996, 2010 Bankers Systems™

Initials _____

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A. Specific Debts. The following debts and all extensions, renewals, refinancings, modifications and replacements. A guaranty, dated November 9, 2010, from Grantor to Lender, guarantying the debt of HRW FARMING, with a modified maximum credit limit of \$3,500,000.00.

B. Future Advances. All future advances from Lender to Grantor under the Specific Debts executed by Grantor in favor of Lender after this Security Instrument. If more than one person signs this Security Instrument, each agrees that this Security Instrument will secure all future advances that are given to Grantor either individually or with others who may not sign this Security Instrument. All future advances are secured by this Security Instrument even though all or part may not yet be advanced. All future advances are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future advances in any amount. Any such commitment must be agreed to in a separate writing. In the event that Lender fails to provide any required notice of the right of rescission, Lender waives any subsequent security interest in the Grantor's principal dwelling that is created by this Security Instrument. This Security Instrument will not secure any other debt if Lender fails, with respect to that other debt, to fulfill any necessary requirements or limitations of Sections 19(a), 32, or 35 of Regulation Z.

C. Sums Advanced. All sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

4. PAYMENTS. Grantor agrees that all payments under the Secured Debts will be paid when due and in accordance with the terms of the Secured Debts and this Security Instrument.

5. WARRANTY OF TITLE. Grantor warrants that Grantor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to irrevocably grant, convey and sell the Property to Trustee, in trust, with power of sale. Grantor also warrants that the Property is unencumbered, except for encumbrances of record.

6. PRIOR SECURITY INTERESTS. With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Grantor agrees:

A. To make all payments when due and to perform or comply with all covenants.

B. To promptly deliver to Lender any notices that Grantor receives from the holder.

C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.

7. CLAIMS AGAINST TITLE. Grantor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Grantor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Grantor's payment. Grantor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Grantor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Grantor may have against parties who supply labor or materials to maintain or improve the Property.

8. DUE ON SALE OR ENCUMBRANCE. Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable.

9. WARRANTIES AND REPRESENTATIONS. Grantor has the right and authority to enter into this Security Instrument. The execution and delivery of this Security Instrument will not violate any agreement governing Grantor or to which Grantor is a party.

10. PROPERTY CONDITION, ALTERATIONS AND INSPECTION. Grantor will keep the Property in good condition and make all repairs that are reasonably necessary. Grantor will not commit or allow any waste, impairment, or deterioration of the Property. Grantor will keep the Property free of noxious weeds and grasses. Grantor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Grantor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Grantor will notify Lender of all demands, proceedings, claims, and actions against Grantor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Grantor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Grantor will not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender will give Grantor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property will be entirely for Lender's benefit and Grantor will in no way rely on Lender's inspection.

11. AUTHORITY TO PERFORM. If Grantor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Grantor appoints Lender as attorney in fact to sign Grantor's name or pay any amount necessary for performance. Lender's right to perform for Grantor will not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.



or together with any other Grantor. Lender may release any part of the Property and Grantor will still be obligated under this Security Instrument for the remaining Property. If this Security Instrument secures a guaranty between Lender and Grantor, Grantor agrees to waive any rights that may prevent Lender from bringing any action or claim against Grantor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Grantor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Grantor's consent. Such a change will not release Grantor from the terms of this Security Instrument. The duties and benefits of this Security Instrument will bind and benefit the successors and assigns of Lender and Grantor.

24. AMENDMENT, INTEGRATION AND SEVERABILITY. This Security Instrument may not be amended or modified by oral agreement. No amendment or modification of this Security Instrument is effective unless made in writing and executed by Grantor and Lender. This Security Instrument and any other documents relating to the Secured Debts are the complete and final expression of the agreement. If any provision of this Security Instrument is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

25. INTERPRETATION. Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Security Instrument.

26. NOTICE, FINANCIAL REPORTS, ADDITIONAL DOCUMENTS AND RECORDING TAXES. Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one Grantor will be deemed to be notice to all Grantors. Grantor will inform Lender in writing of any change in Grantor's name, address or other application information. Grantor will provide Lender any financial statements or information Lender requests. All financial statements and information Grantor gives Lender will be correct and complete. Grantor agrees to pay all expenses, charges and taxes in connection with the preparation and recording of this Security Instrument. Grantor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Grantor's obligations under this Security Instrument and to confirm Lender's lien status on any Property, and Grantor agrees to pay all expenses, charges and taxes in connection with the preparation and recording thereof. Time is of the essence.

27. DESIGNATION OF HOMESTEAD. Pursuant to the Farm Homestead Protection Act, designation of homestead has been disclaimed; the disclaimer is attached to this Security Instrument and made a part hereof.

SIGNATURES. By signing, Grantor agrees to the terms and covenants contained in this Security Instrument. Grantor also acknowledges receipt of a copy of this Security Instrument.

GRANTOR:


WAYNE H MILTON
Individually


LORRAINE C MILTON
Individually

LENDER:

Midwest Bank

By 
Chad Hammer, Loan Officer

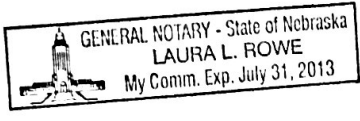


ACKNOWLEDGMENT.

(Individual)

STATE OF NEBRASKA, COUNTY OF YORK ss.
This instrument was acknowledged before me this 9th day of NOVEMBER, 2010
by WAYNE H MILTON, and LORRAINE C MILTON, HUSBAND AND WIFE.

My commission expires:

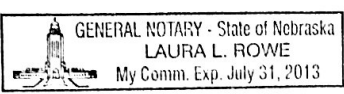


Laura L. Rowe
(Notary Public)

(Lender Acknowledgment)

STATE OF NEBRASKA, COUNTY OF YORK ss.
This instrument was acknowledged before me this 9th day of NOVEMBER, 2010
by Chad Hammer -- Loan Officer of Midwest Bank, a corporation, on behalf of the corporation.

My commission expires:



Laura L. Rowe
(Notary Public)



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