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CLERK ON SEPTEMBER 30, 2005 AT 8:30 AM
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FEE 50.50 chg.
REC _____ INDEX _____
RETURN Farmers + Merchants Bank

THAYER COUNTY CLERK Marie E. Rounwal

State of Nebraska _____ Space Above This Line For Recording Data _____

REAL ESTATE DEED OF TRUST
(With Future Advance Clause)

Construction Security Agreement Master form recorded by _____

1. **DATE AND PARTIES.** The date of this Deed of Trust is 09-29-2005 and the parties and their addresses are as follows:

TRUSTOR: ERIC W. MILTON, A SINGLE PERSON
P O BOX 243
MILLIGAN, NE 68406

Refer to the Addendum which is attached and incorporated herein for additional Trustors.

TRUSTEE: FARMERS AND MERCHANTS BANK
P O BOX 10
MILLIGAN, NE 68406

BENEFICIARY: FARMERS AND MERCHANTS BANK
ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF NEBRASKA
P O BOX 10
MILLIGAN, NE 68406

2. **CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (hereafter defined), Trustor irrevocably grants, conveys and sells to Trustee, in trust for the benefit of the Beneficiary, with power of sale, the following described property:

SOUTHWEST QUARTER (SW 1/4) OF SECTION THIRTY (30), TOWNSHIP THREE (3) NORTH, RANGE ONE (1) WEST OF THE 6TH P.M., THAYER COUNTY, NEBRASKA

The property is located in THAYER (County) at RURAL
HEBRON (City), Nebraska 68370 (Zip Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, 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 above (all referred to as "Property"). The term Property also includes, but is not limited to, any and all water wells, water, ditches, reservoirs, reservoir sites and dams located on the real estate and all riparian and water rights associated with the Property, however established.

EWM ANM BHM WHM
ROm SRM ASM RCM

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3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount of the Secured Debt (hereafter defined) secured by this Deed of Trust at any one time shall not exceed \$ 400,000.00. This limitation of amount does not include interest, loan charges, commitment fees, brokerage commissions, attorneys' fees and other charges validly made pursuant to this Deed of Trust and does not apply to advances (or interest accrued on such advances) made under the terms of this Deed of Trust to protect Beneficiary security and to perform any of the covenants contained in this Deed of Trust. Future advances are contemplated and, along with other future obligations, are secured by this Deed of Trust even though all or part may not yet be advanced. Nothing in this Deed of Trust, however, shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment would need to be agreed to in a separate writing.

4. **SECURED DEBT DEFINED.** The term "Secured Debt" includes, but is not limited to, the following:
 A. The promissory note(s), contract(s), guaranty(ies) or other evidence of debt described below and all extensions, renewals, modifications or substitutions (Evidence of Debt). *(When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)*

PROMISSORY NOTES DATED 9-29-05 AS FOLLOWS: 475490 TO ERIC W. MILTON; 475500 TO ROBERT D. MILTON; 475510 TO WAYNE H. AND LORRAINE C. MILTON; 475520 TO HARVEY N. AND SANDRA K. MILTON; 475530 TO BRENT H. AND AMY JO MILTON

- B. All future advances from Beneficiary to Trustor or other future obligations of Trustor to Beneficiary under any promissory note, contract, guaranty, or other evidence of debt existing now or executed after this Deed of Trust whether or not this Deed of Trust is specifically referred to in the evidence of debt.
- C. All obligations Trustor owes to Beneficiary, which now exist or may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Trustor and Beneficiary.
- D. All additional sums advanced and expenses incurred by Beneficiary for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Beneficiary under the terms of this Deed of Trust, plus interest at the highest rate in effect, from time to time, as provided in the Evidence of Debt.
- E. Trustor's performance under the terms of any instrument evidencing a debt by Trustor to Beneficiary and any Deed of Trust securing, guarantying, or otherwise relating to the debt.

If more than one person signs this Deed of Trust as Trustor, each Trustor agrees that this Deed of Trust will secure all future advances and future obligations described above that are given to or incurred by any one or more Trustor, or any one or more Trustor and others. This Deed of Trust will not secure any other debt if Beneficiary fails, with respect to such other debt, to make any required disclosure about this Deed of Trust or if Beneficiary fails to give any required notice of the right of rescission.

5. **PAYMENTS.** Trustor agrees to make all payments on the Secured Debt when due and in accordance with the terms of the Evidence of Debt or this Deed of Trust.
6. **WARRANTY OF TITLE.** Trustor covenants that Trustor is lawfully seized of the estate conveyed by this Deed of Trust and has the right to irrevocably grant, convey and sell to Trustee, in trust, with power of sale, the Property and warrants that the Property is unencumbered, except for encumbrances of record.
7. **CLAIMS AGAINST TITLE.** Trustor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Beneficiary may require Trustor to provide to Beneficiary copies of all notices that such amounts are due and the receipts evidencing Trustor's payment. Trustor will defend title to the Property against any claims that would impair the lien of this Deed of Trust. Trustor agrees to assign to Beneficiary, as requested by Beneficiary, any rights, claims or defenses which Trustor may have against parties who supply labor or materials to improve or maintain the Property.
8. **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 and that may have priority over this Deed of Trust, Trustor agrees:
 A. To make all payments when due and to perform or comply with all covenants.
 B. To promptly deliver to Beneficiary any notices that Trustor receives from the holder.
 C. Not to make or permit any modification or extension of, and not to request or accept any future advances under any note or agreement secured by, the other mortgage, deed of trust or security agreement unless Beneficiary consents in writing.
9. **DUE ON SALE OR ENCUMBRANCE.** Beneficiary may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of any lien, encumbrance, transfer, or sale, or contract for any of these on the Property. However, if the Property includes Trustor's residence, this section shall be subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. For the purposes of this section, the term "Property" also includes any interest to all or any part of the Property. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Deed of Trust is released.
10. **TRANSFER OF AN INTEREST IN THE GRANTOR.** If Trustor is an entity other than a natural person (such as a corporation or other organization), Beneficiary may demand immediate payment if (1) a beneficial interest in Trustor is sold or transferred; (2) there is a change in either the identity or number of members of a partnership; or (3) there is a

change in ownership of more than 25 percent of the voting stock of a corporation. However, Beneficiary may not demand payment in the above situations if it is prohibited by law as of the date of this Deed of Trust.

- 11. ENTITY WARRANTIES AND REPRESENTATIONS.** If Trustor is an entity other than a natural person (such as a corporation or other organization), Trustor makes to Beneficiary the following warranties and representations which shall be continuing as long as the Secured Debt remains outstanding:
- A. Trustor is an entity which is duly organized and validly existing in the Trustor's state of incorporation (or organization). Trustor is in good standing in all states in which Trustor transacts business. Trustor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Trustor operates.
 - B. The execution, delivery and performance of this Deed of Trust by Trustor and the obligation evidenced by the Evidence of Debt are within the power of Trustor, have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.
 - C. Other than disclosed in writing Trustor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Beneficiary's prior written consent, Trustor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Secured Debt is satisfied.
- 12. PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Trustor will keep the Property in good condition and make all repairs that are reasonably necessary. Trustor will give Beneficiary prompt notice of any loss or damage to the Property. Trustor will keep the Property free of noxious weeds and grasses. Trustor will not initiate, join in or consent to any change in any private restrictive covenant, zoning ordinance or other public or private restriction limiting or defining the uses which may be made of the Property or any part of the Property, without Beneficiary's prior written consent. Trustor will notify Beneficiary of all demands, proceedings, claims, and actions against Trustor or any other owner made under law or regulation regarding use, ownership and occupancy of the Property. Trustor will comply with all legal requirements and restrictions, whether public or private, with respect to the use of the Property. Trustor also agrees that the nature of the occupancy and use will not change without Beneficiary's prior written consent.

No portion of the Property will be removed, demolished or materially altered without Beneficiary's prior written consent except that Trustor 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 Deed of Trust. Trustor shall not partition or subdivide the Property without Beneficiary's prior written consent. Beneficiary or Beneficiary's agents may, at Beneficiary's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Any inspection of the Property shall be entirely for Beneficiary's benefit and Trustor will in no way rely on Beneficiary's inspection.

- 13. AUTHORITY TO PERFORM.** If Trustor fails to perform any of Trustor's duties under this Deed of Trust, or any other mortgage, deed of trust, security agreement or other lien document that has priority over this Deed of Trust, Beneficiary may, without notice, perform the duties or cause them to be performed. Trustor appoints Beneficiary as attorney in fact to sign Trustor's name or pay any amount necessary for performance. If any construction on the Property is discontinued or not carried on in a reasonable manner, Beneficiary may do whatever is necessary to protect Beneficiary's security interest in the Property. This may include completing the construction.

Beneficiary's right to perform for Trustor shall not create an obligation to perform, and Beneficiary's failure to perform will not preclude Beneficiary from exercising any of Beneficiary's other rights under the law or this Deed of Trust. Any amounts paid by Beneficiary for insuring, preserving or otherwise protecting the Property and Beneficiary's security interest will be due on demand and will bear interest from the date of the payment until paid in full at the interest rate in effect from time to time according to the terms of the Evidence of Debt.

- 14. ASSIGNMENT OF LEASES AND RENTS.** Grantor irrevocably assigns, grants and conveys to Lender as additional security all the right, title and interest in the following (Property).
- A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to, any extensions, renewals, modifications or replacements (Leases).
 - B. Rents, issues and profits, including but not limited to, security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Grantor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property (Rents).

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement.

Grantor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed. Grantor may collect, receive, enjoy and use the Rents so long as Grantor is not in default. Grantor will not collect in advance any Rents due in future lease periods, unless Grantor first obtains Lender's written consent. Upon default, Grantor will receive any Rents in trust for Lender and Grantor will not commingle the Rents with any other funds. When Lender so directs, Grantor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting and preserving the Property, and other necessary expenses. Grantor agrees that this Security Instrument is immediately effective between Grantor and Lender and effective as to third parties on the recording of this Assignment.

27. **NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Deed of Trust, or to any other address designated in writing. Notice to one trustor will be deemed to be notice to all trustors.

28. **U.C.C. PROVISIONS.** If checked, the following are applicable to, but do not limit, this Deed of Trust:

- Construction Loan.** This Deed of Trust secures an obligation incurred for the construction of an improvement on the Property.
- Fixture Filing.** Trustor grants to Beneficiary a security interest in all goods that Trustor owns now or in the future and that are or will become fixtures related to the Property.
- Crops; Timber; Minerals; Rents, Issues and Profits.** Trustor grants to Beneficiary a security interest in all crops, timber, and minerals located on the Property as well as all rents, issues, and profits of them including, but not limited to, all Conservation Reserve Program (CRP) and Payment in Kind (PIK) payments and similar governmental programs (all of which shall also be included in the term "Property").
- Personal Property.** Trustor grants to Beneficiary a security interest in all personal property located on or connected with the Property. This security interest includes all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Trustor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property. The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.
- Filing As Financing Statement.** Trustor agrees and acknowledges that this Deed of Trust also suffices as a financing statement and as such, may be filed of record as a financing statement of purposes of Article 9 of the Uniform commercial Code. A carbon, photographic, image or other reproduction of this Deed of Trust is sufficient as a financing statement.

29. **OTHER TERMS.** If checked, the following are applicable to this Deed of Trust:

- Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Deed of Trust will remain in effect until released.
- Agricultural Property.** Trustor covenants and warrants that the Property will be used principally for agricultural or farming purposes and that Trustor is an individual or entity allowed to own agricultural land as specified by law.
- Separate Assignment.** The Trustor has executed or will execute a separate assignment of leases and rents. If the separate assignment of leases and rents is properly executed and recorded, then the separate assignment will supersede this Security Instrument's "Assignment of Leases and Rents" section.
- Additional Terms.**

Secured Debt is fully and finally paid, Beneficiary agrees to release this Deed of Trust and Trustor agrees to pay for any recordation costs. All such amounts are due on demand and will bear interest from the time of the advance at the highest rate in effect, from time to time, as provided in the Evidence of Debt and as permitted by law.

- 19. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) "Environmental Law" means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) "Hazardous Substance" means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law. Trustor represents, warrants and agrees that, except as previously disclosed and acknowledged in writing:
- A. No Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.
 - B. Trustor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.
 - C. Trustor will immediately notify Beneficiary if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Trustor will take all necessary remedial action in accordance with Environmental Law.
 - D. Trustor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Trustor or any tenant of any Environmental Law. Trustor will immediately notify Beneficiary in writing as soon as Trustor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Beneficiary has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.
 - E. Trustor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.
 - F. There are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Beneficiary first consents in writing.
 - G. Trustor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.
 - H. Trustor will permit, or cause any tenant to permit, Beneficiary or Beneficiary's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Trustor and any tenant are in compliance with applicable Environmental Law.
 - I. Upon Beneficiary's request and at any time, Trustor agrees, at Trustor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Beneficiary. The choice of the environmental engineer who will perform such audit is subject to Beneficiary's approval.
 - J. Beneficiary has the right, but not the obligation, to perform any of Trustor's obligations under this section at Trustor's expense.
 - K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Trustor will indemnify and hold Beneficiary and Beneficiary's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Beneficiary and Beneficiary's successors or assigns may sustain; and (2) at Beneficiary's discretion, Beneficiary may release this Deed of Trust and in return Trustor will provide Beneficiary with collateral of at least equal value to the Property secured by this Deed of Trust without prejudice to any of Beneficiary's rights under this Deed of Trust.
 - L. Notwithstanding any of the language contained in this Deed of Trust to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Deed of Trust regardless of any passage of title to Beneficiary or any disposition by Beneficiary of any or all of the Property. Any claims and defenses to the contrary are hereby waived.
- 20. CONDEMNATION.** Trustor will give Beneficiary prompt notice of any action, real or threatened, by private or public entities to purchase or take any or all of the Property, including any easements, through condemnation, eminent domain, or any other means. Trustor further agrees to notify Beneficiary of any proceedings instituted for the establishment of any sewer, water, conservation, ditch, drainage, or other district relating to or binding upon the Property or any part of it. Trustor authorizes Beneficiary to intervene in Trustor's name in any of the above described actions or claims and to collect and receive all sums resulting from the action or claim. Trustor assigns to Beneficiary the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Deed of Trust. This assignment of proceeds is subject to the terms of any prior security agreement.
- 21. INSURANCE.** Trustor agrees to maintain insurance as follows:
- A. Trustor shall keep the Property insured against loss by fire, theft and other hazards and risks reasonably associated with the Property due to its type and location. Other hazards and risks may include, for example, coverage against loss due to floods or flooding. This insurance shall be maintained in the amounts and for the periods that Beneficiary requires. What Beneficiary requires pursuant to the preceding three sentences can change during the term of the Secured Debt. The insurance carrier providing the insurance shall be chosen by

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ADDENDUM TO DEED OF TRUST DATED September 29, 2005

DISCLAIMER OF RIGHT TO DESIGNATE HOMESTEAD:

Trustor acknowledges that Trustor is about to execute the attached Deed of Trust upon the Property. Trustor, and each of them if more than one, hereby disclaims Trustor's right to designate a homestead on said real estate. No part of Trustor's homestead is presently or will in the future be situated upon said real estate. Trustor understands that if Trustor establishes a homestead on any part of said real estate during the time the Deed of Trust remains unsatisfied and a lien upon said real estate, there shall be no right to make a designation of homestead in the event of a foreclosure or trustee's sale with respect to said Deed of Trust.

ADDITIONAL SIGNATURES:

By signing below, Trustor agrees to the terms and covenants contained in this Deed of Trust and in any attachments. Trustor also acknowledges receipt of a copy of this Deed of Trust on the date stated above on Page 1.

Wayne H. Milton, husband
802 Par Three Dr.
Friend, NE 68359

Wayne H. Milton 9-29-05
(Signature) (Date)

Lorraine C. Milton, wife
802 Par Three Dr.
Friend, NE 68359

Lorraine C. Milton 9/29/05
(Signature) (Date)

Harvey N. Milton, husband
216 6th Street
Friend, NE 68359

Harvey N. Milton 9-29-05
(Signature) (Date)

Sandra K. Milton, wife
216 6th Street
Friend, NE 68359

Sandra K. Milton 9-29-05
(Signature) (Date)

Brent H. Milton, husband
614 Main Street
Friend, NE 68359

Brent H. Milton 9-29-05
(Signature) (Date)

Amy Jo Milton, wife
614 Main Street
Friend, NE 68359

Amy Jo Milton 9-29-05
(Signature) (Date)

Robert D. Milton, a single person
801 Par Three Dr.
Friend, NE 68359

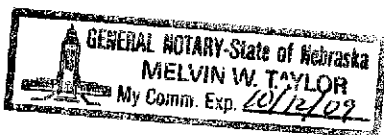
Robert D. Milton 9-29-05
(Signature) (Date)

ACKNOWLEDGMENT:

STATE OF NEBRASKA, COUNTY OF FILLMORE

This instrument was acknowledged before me this 29th day of September, 2005, by Wayne H. Milton and Lorraine C. Milton, husband and wife; Harvey N. Milton and Sandra K. Milton, husband and wife; Brent H. Milton and Amy Jo Milton, husband and wife; and Robert D. Milton, a single person.

My commission expires: 10-12-09



Melvin W. Taylor
(Notary Public)

DESIGNATION OF HOMESTEAD

Pursuant to the Farm Homestead Protection Act, designation of homestead is attached to this Deed of Trust and made a part hereof has been disclaimed; the disclaimer is attached to this Deed of Trust and made a part hereof.

SIGNATURES: By signing below, Trustor agrees to the terms and covenants contained in this Deed of Trust and in any attachments. Trustor also acknowledges receipt of a copy of this Deed of Trust on the date stated above on Page 1.

Actual authority was granted to the parties signing below by resolution signed and dated _____

Entity Name: _____

Eric W. Milton 9-29-05
(Signature) ERIC W. MILTON (Date) (Signature) (Date)

(Signature) (Date) (Signature) (Date)

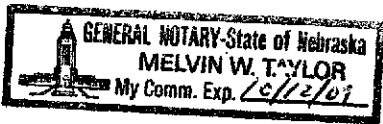
Refer to the Addendum which is attached and incorporated herein for additional Trustors, signatures and acknowledgments.

ACKNOWLEDGMENT:

STATE OF NE _____, COUNTY OF FILLMORE _____ } ss.

(Individual) This instrument was acknowledged before me this day 29TH of SEPTEMBER, 2005
by ERIC W. MILTON, A SINGLE PERSON
My commission expires: 10-12-2009

Melvin W. Taylor
(Notary Public)
MELVIN W. TAYLOR



STATE OF _____, COUNTY OF _____ } ss.

This instrument was acknowledged before me this day _____ of _____
by _____

(Business or Entity Acknowledgment) _____ (Title(s))

of _____ (Name of Business or Entity)

a _____ on behalf of the business or entity.

My commission expires: _____

(Notary Public)

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DISCLAIMER OF RIGHT TO DESIGNATE HOMESTEAD

Each of the undersigned states as follows:

Non-Homestead

I intend to grant a security interest in real property legally described on the attached mortgage or deed of trust. No part of my homestead is presently situated on said real estate, nor will any of my homestead be situated on said property in the future. However, if I establish a homestead on any part of said real estate during the time the mortgage or deed of trust remains unsatisfied and is a lien upon the real estate, I will have no right to make a designation of homestead in the event of a foreclosure or trustee's sale upon such mortgage or deed of trust.

Homestead

I intend to grant a security interest in real property legally described on the attached mortgage or deed of trust. My homestead is located on said real estate, and I understand I have the right to make a designation of homestead in the mortgage or deed of trust. If I waive or disclaim the right to designate my homestead I am waiving rights, that I would otherwise have, to retain my homestead in the event of default upon such mortgage or deed of trust. I hereby waive and disclaim the right to designate my homestead.

I have read the paragraph checked above, and I understand the contents of that paragraph.

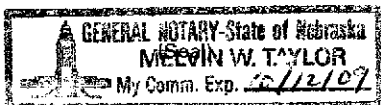
This disclaimer was signed before execution of the mortgage or deed of trust.

Dated: 9-29-05 Eric W. Milton
ERIC W. MILTON Mortgage/Trustor

Dated: _____
Mortgagor/Trustor

State of Nebraska
County of FILLMORE

The foregoing instrument was acknowledged before me this 29TH day of SEPTEMBER, 2005,
by ERIC W. MILTON, A SINGLE PERSON



My commission expires: 10-12-2007
Melvin W. Taylor
Notary Public
MELVIN W. TAYLOR

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