

It is mutually understood and agreed that this mortgage is being executed in triplicate original counterparts, one of which will be recorded as a real estate mortgage in Douglas County, Kansas, one will be filed as a chattel mortgage in Douglas County, Kansas, and one will be filed as a chattel mortgage in Montgomery County, Kansas. It is further agreed that in the event of default, the mortgagee herein, at its sole option and without limiting or affecting any rights or remedies conferred upon it by this mortgage either as a mortgage on real estate or as a chattel mortgage may exercise all remedies under said liens concurrently or in such order as mortgagee may determine and may sell or cause to be sold in such order as mortgagee may determine, the personal property and/or the real estate mortgaged herein.

It is covenanted and agreed that the Mortgagors will furnish to the Mortgagee within 90 days after the end of each fiscal year an annual operating statement, certified by a certified public accountant or by any other qualified person and in such manner as is mutually agreeable, showing, among other things, (a) the names of all tenants; (b) the rent each tenant pays; (c) the expiration date of each lease; (d) a detailed statement of all operating expenses and income with respect to the above described premises for the preceding year.

#### MORTGAGORS COVENANT AND AGREE:

1. That at the time of the execution and delivery of this mortgage, Mortgagors are well seized of said premises in fee simple, have good right and authority to mortgage the same as herein provided, that said premises are free from all incumbrances and charges whatever, and that Mortgagors will forever warrant and defend the same against all lawful claims whatsoever.
2. To keep said premises insured for the protection of Mortgagee in such manner, in such amounts and in such companies as Mortgagee may from time to time approve, and to keep the policies therefor, properly endorsed, on deposit with Mortgagee; and that loss proceeds (less expenses of collection) shall, at Mortgagee's option, be applied on said indebtedness, whether due or not, or to the restoration of said improvements.
3. To pay all taxes and special assessments of any kind that have been or may be levied or assessed within the State of Kansas upon said premises, or any part thereof, or upon the note or debt secured hereby, or upon the interest of Mortgagee in said premises or in said note or said debt, and procure and deliver to Mortgagee, at its home office, ten days before the day fixed by law for the first interest or penalty to accrue thereon, the official receipt of the proper officer showing payment of all such taxes and assessments.
4. To keep said premises free from all prior liens and upon demand of Mortgagee to pay and procure release of any lien which in any way may impair the security of this mortgage.
5. In the event of default by Mortgagors under paragraphs 2, 3 or 4 above, Mortgagee, at its option (whether electing to declare the whole indebtedness hereby secured due and collectible or not), may (a) effect the insurance above provided for and pay the reasonable premiums and charges therefor; (b) pay all said taxes and assessments without determining the validity thereof (unless Mortgagors have instituted proper legal proceedings to test the validity of such taxes or assessments and have deposited with Mortgagee security therefor acceptable to it); and (c) pay such liens, and all costs, expenses and attorneys' fees herein covenanted to be paid by Mortgagors; and all such payments, with interest thereon from the time of payment at the highest rate allowed by law, shall be deemed a part of the indebtedness secured by this mortgage and shall be immediately due and payable by Mortgagors to Mortgagee.
6. That there is no assignment or pledge of any leases of, or rentals or income from, said premises now in effect, and that, until said indebtedness is fully paid, they will not make any such assignment or pledge to anyone other than Mortgagee and will not, without the prior written approval of Mortgagee, consent to a cancellation of any of said leases having at the time an unexpired term of more than two years, or to a release or reduction of the liability of any lessee under such a lease.
7. To keep the buildings and other improvements now or hereafter erected in good condition and repair, not to commit or suffer any waste of said premises and to permit Mortgagee to enter at all reasonable times for the purpose of inspecting the premises.
8. That they will pay the indebtedness hereby secured promptly and in full compliance with the terms of said note and this mortgage, and that the time of payment of the indebtedness hereby secured, or of any portion thereof, may be extended or renewed, and any portions of the premises herein described may, without notice be released from the lien hereof, without releasing or affecting the personal liability of any person or corporation for the payment of said indebtedness or the lien of this instrument upon the remainder of said premises for the full amount of said indebtedness then remaining unpaid, and no change in the ownership of said premises shall release, reduce or otherwise affect any such personal liability or the lien hereby created.
9. That if the loan secured hereby is obtained to assist in financing building construction or remodeling, or any other improvements to the property: (a) if such improvements shall not, in accordance with plans and specifications approved by Mortgagee, be completed prior to the expiration date of the loan commitment, or (b) if work on such improvements shall cease before completion and remain abandoned for a period of fifteen consecutive days, the existence of either circumstance shall constitute an event of default under the terms of this instrument, and at any time thereafter, the said note and the whole indebtedness secured hereby shall, at the option of the Mortgagee and without notice to Mortgagors (such notice being hereby expressly waived), become due and collectible at once by foreclosure or otherwise. In the event of such cessation or abandonment of work as aforesaid, Mortgagee may, at its option, also enter upon the property and complete the improvements and Mortgagors hereby give to Mortgagee full power and authority to make such entry and to enter into such contracts or arrangements as it may consider necessary to complete the same. All moneys expended by Mortgagee in connection with completion of said improvements shall be included in the indebtedness hereby secured and shall be payable by Mortgagors immediately and without demand, with interest at the rate of ten per cent per annum. Until the loan shall have been fully disbursed, the agents of the Mortgagee shall have the right to enter upon the property at any and all times to inspect the improvement project that is under way.
10. That if this mortgage is given by a corporation, such Corporate Mortgagor expressly waives any right to a period of redemption after foreclosure sale in the event of foreclosure of this mortgage.