

REAL ESTATE MORTGAGE FOR KANSAS
(INSURED LOANS TO INDIVIDUALS)

BOOK 142

3571

KNOW ALL MEN BY THESE PRESENTS, Dated December 10, 1965

WHEREAS, the undersigned John L. Roller and Emma J. Roller, husband and wife,

residing in Douglas

County, Kansas, whose post office

address is 321 High Street Baldwin,

Kansas

herein called "Borrower," are (is) justly indebted to the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, herein called the "Government," as evidenced by a

certain promissory note, herein called "the note," dated December 10, 19 65, for the principal sum of

Fourteen Thousand Six Hundred and no cents Dollars (\$14,600.00), with interest at

the rate of Five percent (5 %) per annum, executed by Borrower and payable to the order

of the Government in installments as specified therein, the final installment being due on December 10, 1998, which note authorizes acceleration of the entire indebtedness at the option of the Government upon any default by Borrower, and

WHEREAS, the note evidences a loan to Borrower in the principal amount specified therein, made with the purpose and intention that the Government, at any time, may assign the note and insure the payment thereof pursuant to the Consolidated Farmers Home Administration Act of 1961, or Title V of the Housing Act of 1949; and

WHEREAS, when payment of the note is insured by the Government, it may be assigned from time to time and each holder of the insured note, in turn, will be the insured lender; and

WHEREAS, when payment of the note is insured by the Government, the Government will execute and deliver to the insured lender along with the note an insurance endorsement insuring the payment of the note fully as to principal and interest; and

WHEREAS, at all times when payment of the note is insured by the Government, the Government by agreement with the insured lender set forth in the insurance endorsement will be entitled to a specified portion of the interest payments on the note, to be designated the "annual charge"; and

WHEREAS, a condition of the insurance of payment of the note will be that the holder will forego his rights and remedies against Borrower and any others in connection with said loan, as well as any benefit of this instrument, and will accept the benefits of such insurance in lieu thereof, and upon the Government's request will assign the note to the Government; and

WHEREAS, it is the purpose and intent of this instrument that, among other things, at all times when the note is held by the Government, or in the event the Government should assign this instrument without insurance of the note, this instrument shall secure payment of the note; but when the note is held by an insured lender, this instrument shall not secure payment of the note or of the debt evidenced thereby, but as to the note and such debt shall constitute an indemnity mortgage to secure the Government against loss under its insurance endorsement by reason of any default by Borrower;

NOW, THEREFORE, in consideration of said loan and (a) at all times when the note is held by the Government, or in the event the Government should assign this instrument without insurance of the payment of the note, to secure prompt payment of the note and any renewals and extensions thereof and any agreements contained therein, (b) at all times when the note is held by an insured lender, to secure performance of Borrower's agreement herein to indemnify and save harmless the Government against loss under its insurance endorsement by reason of any default by Borrower, and (c) in any event and at all times to secure the prompt payment of all advances and expenditures made by the Government, with interest, as hereinafter described, and the performance of every covenant and agreement of Borrower contained herein or in any supplementary agreement, Borrower does hereby mortgage, assign, and warrant to the Government the following property situated in the

State of Kansas, County(ies) of Douglas

Lots Twenty-Seven (27) and Twenty-Nine (29), on Elm Street in Baldwin City,

FHA 427-1 Kans. (Rev. 3-30-65)

together with all rights, interests, easements, hereditaments and appurtenances thereto belonging, the rents, issues, and profits thereof and revenues and income therefrom, all improvements and personal property now or later attached thereto or reasonably necessary to the use thereof, all water, water rights, and water stock pertaining thereto, and all payments at any time owing to Borrower by virtue of any sale, lease, transfer, conveyance, or condemnation of any part thereof or interest therein—all of which are herein called "the property";

BORROWER for himself, his heirs, executors, administrators, successors and assigns WARRANTS THE TITLE TO the property to the Government against all lawful claims and demands whatsoever except any liens, encumbrances, easements, reservations, or conveyances specified hereinabove, and COVENANTS AND AGREES as follows:

(1) To pay promptly when due any indebtedness to the Government hereby secured and to indemnify and save harmless the Government against any loss under its insurance of payment of the note by reason of any default by Borrower. At all times when the note is held by an insured lender, Borrower shall continue to make payments on the note to the Government, as collection agent for the holder.

(2) To pay to the Government any initial fees for inspection and appraisal, and any delinquency charges, now or hereafter required by regulations of the Farmers Home Administration.

(3) At all times when the note is held by an insured lender, any amount due and unpaid under the terms of the note, less the amount of the annual charge, may be paid by the Government to the holder of the note as provided in the note and insurance endorsement for the account of Borrower. Any amount due and unpaid under the terms of the note, whether it is held by the Government or by an insured lender, may be credited by the Government on the note and thereupon shall constitute an advance by the Government for the account of Borrower. Any advance by the Government as described in this paragraph shall bear interest at the note rate from the date on which the amount of the advance was due to the date of payment to the Government.

(4) Whether or not the note is insured by the Government, the Government may at any time pay any other amounts required herein to be paid by Borrower and not paid by him when due, as well as any costs and expenses for the preservation, protection, or enforcement of this lien, as advances for the account of Borrower. All such advances shall bear interest at the note rate until paid to the Government.