

BOOK 144

5253

REAL ESTATE MORTGAGE FOR KANSAS  
(INSURED LOANS TO INDIVIDUALS)

KNOW ALL MEN BY THESE PRESENTS, Dated May 31, 1966

WHEREAS, the undersigned Vernon C. Heine and Velma A. Heine, husband and wife

residing in Douglas

County, Kansas, whose post office

address is 2406 Iowa St., Lawrence

Kansas 66044

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 May 9, 19 66, for the principal sum of Fourteen Thousand Nine Hundred Eighty & 00/100 - - - Dollars (\$ 14,980.00), with interest at

the rate of Five and three-fourths percent (5 3/4 %) per annum, executed by Borrower and payable to the order

of the Government in installments as specified therein, the final installment being due on May 9, 1999, 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 attach to 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

A tract beginning at a point 210 feet South of the Northwest corner of the Southwest Quarter of the Northwest Quarter of Section Thirty-six (36), Township Thirteen (13) South, Range Nineteen (19) East of the 6th Principal Meridian, thence South 150 feet; thence East 44.85 feet; thence North 150 feet; thence West to the point of beginning.

(Cont'd)

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

Any of the property constructed, improved, or purchased with the loan will be personally occupied and used by borrower and not rented or leased, unless the Government gives written consent otherwise.

This mortgage given to correct defective interest rate in mortgage given 5/9/66 to & by the same parties herein.

together with all rights, interests, easements, hereditaments and appurtenances thereunto 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.