

BOOK 156

Loan No. DC-3015

THE UNDERSIGNED

Stanley D. Penny and Theo M. Penny, husband and wife
of Lawrence County of Douglas State of Kansas

hereinafter referred to as the Mortgagor, does hereby mortgage and warrant to
LAWRENCE SAVINGS ASSOCIATION

a corporation organized and existing under the laws of

THE STATE OF KANSAS

hereinafter referred to as the Mortgagee, the following real estate

in the County of Douglas in the State of Kansas

Lot Four (4), in Block Four (4), in Prairie Meadows No. 1,
an Addition to the City of Lawrence, as shown by the
recorded plat thereof.

The Montgagors understand and agree that this is a purchase money mortgage.

Together with all buildings, improvements, fixtures or appurtenances now or hereafter erected thereon or placed therein, including all apparatus, equipment, fixtures or articles, whether in single units or centrally controlled, used to supply heat, gas, air conditioning, water, light, power, refrigeration, ventilation or other services, and any other thing now or hereafter thereon or therein, the furnishing of which by lessors is customary or appropriate, including screens, window shades, storm doors and windows, door covers, screen doors, in-a-door beds, awnings, stoves and water heaters, all of which are intended to be and are hereby declared to be appurtenant and real estate with the physically attached thereto or not, and also together with all easements and the rents, issues and profits of and premises which are hereby pledged, assigned, transferred and set over unto the Mortgagee, whether now due or hereafter to become due or accumulated herein. The Mortgagee is hereby subrogated to the rights of all mortgages, lienholders and owners paid off by the proceeds of the loan hereby secured.

TO HAVE AND TO HOLD the said property, with said buildings, improvements, fixtures, appurtenances, appliances and equipment, unto said Mortgagee forever, for the use hereof set forth free from all rights and benefits under the homestead exemption and valuation laws of any state, which said rights and benefits said Mortgagor does hereby release and waive.

TO SECURE

(1) the payment of a Note executed by the Mortgagor to the order of the Mortgagee bearing even date herewith in the principal sum of

Twenty Thousand and no/100-

Dollars

(\$ 20,000.00), which Note, together with interest thereon as therein provided, is payable as follows: Interest shall be paid quarterly on the last day of May, 1970; the last day of August, 1970; the last day of November, 1970 and the last day of February, 1971 until said indebtedness has been paid in full. All amounts due hereunder shall be due and payable not later than February 27, 1971 after date hereto.

which payments are to be applied, first, to interest, and the balance to principal, until said indebtedness is paid in full

[illegible]

Upon transfer of title to said land by any means the entire balance remaining due hereunder, may at the option of the Association or the holder, be declared due and payable at once.

THE MORTGAGOR COVENANTS:

A (1) To pay said indebtedness and the interest thereon as herein and in said note provided; or according to any agreement extending the time of payment thereof; (2) To pay when due and before any penalty attaches thereto all taxes, special taxes, special assessments, water charges, and sewer service charges against said property (including those heretofore due), and to furnish Mortgagee, upon request, duplicate receipts therefor, and all such items extended against said property shall be conclusively deemed valid for the purpose of this requirement; (3) To keep the improvements now or hereafter upon said premises insured against damage by fire, and such other hazards as the Mortgagee may require to be insured against; and to provide public liability insurance and such other insurance as the Mortgagee may require, until said indebtedness is fully paid, or in case of foreclosure, until expiration of the period of redemption, for the full insurable value thereof, in such companies, through such agents or brokers, and in such form as shall be satisfactory to the Mortgagee; such insurance policies shall remain with the Mortgagee during said period or periods, and contain the usual clause satisfactory to the Mortgagee making them payable to the Mortgagee; and in case of foreclosure sale payable to the owner of the certificate of sale, owner of any deficiency, any receiver or redemptioner, or any grantee in a Master's or Commissioner's deed; and in case of loss under such policies, the Mortgagee is authorized to adjust, collect and compromise, in its discretion, all claims thereunder and to execute and deliver on behalf of the Mortgagee all necessary proofs of loss, receipts, vouchers, and acquittances required to be signed by the insurance companies, and the Mortgagee agrees to sign, upon demand, all receipts, vouchers and releases required of him to be signed by the Mortgagee for such purpose; and the Mortgagee is authorized to apply the proceeds of any insurance claim to the restoration of the property or upon the indebtedness hereby secured in its discretion, but monthly payments shall continue until said indebtedness is paid in full; (4) Immediately after destruction or damage, to commence and promptly complete the rebuilding or restoration of buildings and improvements now or hereafter on said premises, unless Mortgagee elects to apply on the indebtedness secured hereby the proceeds of any insurance covering such destruction or damage; (5) To keep said premises in good condition and repair, without waste, and free from any mechanic's or other lien or claim of lien not expressly subordinated to the lien hereof; (6) Not to make, suffer or permit any unlawful use of or any nuisance to exist on said property nor to diminish nor impair its value by any act or omission to act; (7) To comply with all requirements of law with respect to mortgaged premises and the use thereof; (8) Not to make, suffer or permit, without the written permission of the Mortgagee being first had and obtained, (a) any use of the property for any purpose other than that for which it is now used, (b) any alterations of the improvements, apparatus, appurtenances, fixtures or equipment now or hereafter upon said property, (c) any purchase on conditional sale, lease or agreement under which title is reserved in the vendor, of any apparatus, fixtures or equipment to be placed in or upon any buildings or improvements on said property.