

## MORTGAGE

BOOK 156

20993

KANSAS BANK ACT

MORTGAGOR(S):		ACCOUNT NUMBER 055-12145	MORTGAGEE: Seaboard Finance Co.	
LAST NAME Garcia John		FIRST T.	INITIALS	SPOUSE'S NAME Carol J. Garcia
MAILING ADDRESS 1108 West 22nd Street Terr		CITY Lawrence	STATE Kansas	ZIP 66044
			1005 Kansas Ave. Topeka (TYPE IN CORPORATE NAME AND ADDRESS OF MORTGAGEE) KANSAS	

WITNESSETH that Mortgagor(s) for and in consideration of valuable consideration paid to it by Mortgagee, does hereby mortgage, warrant, grant, bargain, sell, alien, enfeoff, release, convey and confirm unto Mortgagee, its successors or assigns the following described Real Estate in the county of Douglas State of Kansas, to wit: A tract of land described as follows to-wit: Lot Eighteen (18) in Block "C" in Southwest Addition Number Four, an Addition to the City of Lawrence, in Douglas County, Kansas.

together with all buildings and improvements now or hereafter erected thereon including but not limited to all screens, awnings, shades, storm sash and blinds, and heating, lighting, plumbing, gas, electric, ventilating, refrigerating and air-conditioning equipment used in connection therewith, all of which, for the purpose of this mortgage, shall be deemed fixtures and subject to the lien hereof, and the hereditaments and appurtenances pertaining to the property above described, and all streets, lanes, alleys, passages, ways, waters, water courses, rights, liberties and privileges, whatsoever thereunto belonging or in anywise appertaining and the reversions and remainders, all of which is referred to hereinafter as the "premises".

TO HAVE AND TO HOLD the above-described premises, together with all and singular the appurtenances and fixtures, unto the said Mortgagee, its successors and assigns, forever, for the purposes and uses herein set forth, free from all rights and benefits under and by virtue of any Homestead Exemption Laws of the State of Kansas now existing or which may be enacted, which said rights and benefits the said Mortgagor does hereby expressly release and waive.

Mortgagor also assigns to Mortgagee all rents, issues and profits of said premises, reserving the right to collect and use the same, according to law, during continuance of default hereunder, or to apply against any deficiency remaining after foreclosure sale if permitted by law and during continuance of such default authorizing Mortgagee or his agent to enter upon said premises if permitted by law and/or to collect and enforce the same without regard to adequacy of any security for the indebtedness hereby secured by any lawful means including appointment of a receiver in the name of any party hereto, and to apply the same less costs and expenses of operation and collection upon any indebtedness secured hereby, in such order as Mortgagee may determine or at Mortgagee's option to apply the same to payments for repair or improvements necessary to keep said premises in tenable condition. The taking of possession hereunder shall in no way prevent or retard said Mortgagee in the collection of said sums by foreclosure or otherwise.

FOR THE PURPOSE OF SECURING: (1) Performance of each agreement of Mortgagor contained herein; (2) Payment of the principal sum with interest, as provided in accordance with the terms and provisions of a Loan Agreement hereby incorporated by reference dated April 27, 1970, herewith executed by Mortgagor and payable to the order of Mortgagee; (3) Payment of any additional advances, not in a principal sum in excess of \$ 10,000, the established line of credit, with interest thereon, as may hereafter be loaned by Mortgagee or the then holder of this Mortgage to Mortgagor when evidenced by a Renewal Loan Statement, and such Renewal Loan Statement shall be included in the phrase "Loan Agreement" whenever it appears in the context of this Mortgage. This paragraph shall not constitute a commitment to make additional Loans in any amount; (4) The payment of any money that may be advanced by the Mortgagee to Mortgagor for any reason or to third parties, with interest thereon, where the amounts are advanced to protect the security or in accordance with the covenants of this Mortgage.

All payments made by Mortgagor on the obligation secured by this Mortgage shall be applied in the following order:  
FIRST: To the payment of taxes and assessments that may be levied and assessed against said premises, insurance premiums, repairs, and all other charges and expenses agreed to be paid by the Mortgagor.

SECOND: To the payment of interest due on said loan.

THIRD: To the payment of principal.

TO PROTECT THE SECURITY HEREOF, MORTGAGOR(S) COVENANTS AND AGREES: (1) to keep said premises insured against loss by fire or other hazards, casualty and contingencies up to the full value of all improvements 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 expense of collection) shall, at Mortgagee's option, be applied on said indebtedness, whether due or not or to the restoration of said improvements. In event of loss Mortgagor will give immediate notice by mail to the Mortgagee, who may make proof of loss if not made promptly by Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Mortgagee instead of to the Mortgagor. (2) 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, and to procure and deliver to Mortgagee ten (10) 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. (3) To keep said premises free from all prior liens not excepted in paragraph 7 below and upon demand of Mortgagee to pay and procure release of any lien not so excepted which in any way may impair the security of this Mortgage. (4) In the event of default by Mortgagor under Paragraphs 1, 2 or 3 above, Mortgagee, at its option (whether electing to declare the whole indebtedness secured hereby 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 Mortgagor has instituted proper legal proceedings to test the validity of such taxes or assessments and have deposited with Mortgagee security thereon acceptable to it); and (c) pay such liens and all such disbursements with interest thereon from the time of payment at the highest rate allowed by law, and such disbursements shall be deemed a part of the indebtedness secured by this Mortgage and shall be immediately due and payable by Mortgagor to Mortgagee. (5) To keep the buildings and other improvements now existing or hereafter erected in as good condition and repair, not to