

## THE FEDERAL LAND BANK OF WICHITA

Loan No.

## First Farm and Ranch Mortgage

THIS INDENTURE, Made this 2nd day of AUGUST, 1971, between

HAROLD W. SHERMAN and MARY V. SHERMAN, husband and wife,

hereinafter called mortgagor, whether one or more, and THE FEDERAL LAND BANK OF WICHITA, Wichita, Kansas, a corporation, organized and existing under the Federal Farm Loan Act approved July 17, 1916, hereinafter called mortgagee.

WITNESSETH: That said mortgagor, for and in consideration of the making of a loan as evidenced by a note described herein, receipt of which is hereby acknowledged, mortgages to said mortgagee, all of the following described real estate situate in the County of DOUGLAS, and State of KANSAS, to-wit:

Beginning at a point on the south line of the Northeast Quarter of Section 24, Township 12 South, Range 19 East, 1827.2' east of the southwest corner of said Northeast Quarter; thence north 1315.4' thence west 1427.45' on a line toward the northwest corner of the Southwest Quarter of said Northeast Quarter, to a point on the Easterly right-of-way line of the A. T. and S.F. Railroad Co., said point being 401.75' east of said northwest corner of the Southwest Quarter of the Northeast Quarter; thence southeasterly along the easterly railroad right-of-way line 1394.13' to a point on the south line of the Northeast Quarter of Section 24, Township 12 South, Range 19 East; thence east along said south line of the Northeast Quarter 983.49' to the point of beginning.

Containing 36.47 acres, more or less.  
Subject to existing easements and rights of way and except mineral interests owned by third persons under valid reservations or conveyances now of record.

Together with all privileges, hereditaments and appurtenances thereto belonging, or in any wise appertaining, including all water, irrigation and drainage rights of every kind and description, however evidenced or manifested, and all rights-of-way, apparatus and fixtures belonging to or used in connection therewith, whether owned by mortgagor at the date of this mortgage, or thereafter acquired; also abstracts or other evidence of title to the above described real estate.

This mortgage is given to secure the payment of a promissory note of even date herewith, executed by mortgagor to mortgagee, in the principal amount of \$ 3,800.00, with interest at rates provided in said note, principal and interest being due in installments, the last due January 1, 1996. The note provides for future changes in interest rates.

Mortgagor hereby covenants and agrees with mortgagee as follows:

1. To be now lawfully seized of the fee simple title to all of said above described real estate; to have good right to sell and convey the same; that the same is free from all encumbrances; and to warrant and defend the title thereto against the lawful claims or demands of all persons whomsoever.
2. To pay when due all payments provided for in the note secured hereby.
3. To pay when due all taxes, liens, judgments, or assessments which may be lawfully assessed or levied against the property herein mortgaged.
4. To insure and keep insured buildings and other improvements now on, or which may hereafter be placed on, said premises, against loss or damage by fire and/or tornado, in companies and amounts satisfactory to mortgagee, any policy evidencing such insurance to be deposited with, and loss thereunder to be payable to, mortgagee as its interest may appear. At the option of mortgagor, and subject to general regulations of the Farm Credit Administration, sums so received by mortgagee may be used to pay for reconstruction of the destroyed improvement(s); or, if not so applied may, at the option of the mortgagee, be applied in payment of matured indebtedness, or as extra payments on unmatured indebtedness, in the manner provided in the note secured hereby.
5. To use the proceeds from the loan secured hereby solely for the purposes set forth in mortgagor's application for said loan.