

V.A. Form 25-5214 (Home Loan)
Rev. Jan. 1968. Use optional.
Section 1510, Title 38, U.S.C.
Acceptable to Federal National
Mortgage Association.

KANSAS

BOOK 162 27398

MORTGAGE

THIS INDENTURE, Made this 1st day of November, 1971, by and between
of Joel Clyde Freed and Barbara A. Freed, his wife
Douglas County, Kansas, Mortgagee, and

THE FIDELITY INVESTMENT COMPANY

under the laws of the State of Kansas, a corporation organized and existing
Mortgagee:

WITNESSETH, That the Mortgagor, for and in consideration of the sum of Twelve Thousand Two Hundred Fifty and no/100 - - - - Dollars (\$12,250.00), the receipt of which is hereby acknowledged, does by these presents mortgage and warrant unto the Mortgagee, its successors and assigns, forever, the following-described property, situated in the county of DOUGLAS State of Kansas, to wit:

Lot 15, in The Moramar Addition, an Addition in the City of Lawrence,
in Douglas County, Kansas;

together with the tenements, hereditaments and appurtenances thereunto belonging, and the rents, issues and profits thereof (provided, however, that the Mortgagor shall be entitled to collect and retain the said rents, issues, and profits until default hereunder) and all fixtures now or hereafter attached to or used in connection with the premises herein described and in addition thereto the following household appliances, which are, and shall be deemed to be, fixtures and a part of the realty, and are a portion of the security of the indebtedness herein mentioned:

TO HAVE AND TO HOLD the above described property unto the Mortgagee, forever.

Mortgagor covenants with the Mortgagee that he is lawfully seized in fee of the premises hereby conveyed (or has such other estate as is stated hereinbefore), that he has good right to sell and convey the same, as aforesaid, and that he will warrant and defend the aforesaid title thereto against the claims and demands of all persons whomsoever.

This mortgage is given to secure the payment of the principal sum aforesaid as evidenced by a certain promissory note of even date herewith, the terms of which are incorporated herein by reference, payable with interest at the rate of seven per centum (7 %) per annum on the unpaid balance until paid, principal and interest to be paid at the office of The Fidelity Investment Company in Wichita, Kansas or at such other place as the holder of the note may designate in writing delivered or mailed to the Mortgagor, in monthly installments of Eighty One and 51/100 - - - - Dollars (\$81.51), commencing on the first day of December, 1971, and continuing on the first day of each month thereafter, until said note is fully paid, except that, if not sooner paid, the final payment of principal and interest shall be due and payable on the first day of November, 2001.

The Mortgagor covenants as follows:

1. He will promptly pay the principal of and interest on the indebtedness evidenced by the said note, at the times and in the manner therein provided. Privilege is reserved to prepay at any time, without premium or for the entire indebtedness, any part thereof not less than the amount of one hundred dollars (\$100.00), which ever comes due, in accordance with the Amortization Schedule on the first day of any month.
2. Together with, and in addition to, the monthly payments of principal and interest payable under the terms of the note secured hereby, the Mortgagor will pay to the Mortgagee as trustee (under the terms of this trust as hereinafter stated) until the said note is fully paid:

- (a) A sum equal to the ground rents if any and the taxes and special assessments next due on the premises covered by this mortgage, plus the premiums that will next become due and payable on policies of fire and other hazard insurance on the premises covered hereby (all as estimated by the Mortgagee, and of which the Mortgagor is notified), less all sums already paid therefor, divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, taxes and assessments will become delinquent, such sums to be held by Mortgagee in trust to pay said ground rents, premiums, taxes and special assessments, before the same become delinquent.
- (b) The aggregate of the amounts payable pursuant to subparagraph (a) and those payable on the note secured hereby, shall be paid in a single payment each month, to be applied to the following items in the order stated:
 - (i) ground rents, if any, taxes, assessments, fire and other hazard insurance premiums;
 - (ii) interest on the note secured hereby; and
 - (iii) amortization of the principal of said note.

Any deficiency in the amount of such aggregate monthly payment shall, unless made good by the Mortgagor prior to the due date of the next such payment, constitute an event of default under this mortgage. At Mortgagee's option, Mortgagor will pay a "late charge" not exceed-