

MORTGAGE RECORD No. 79

the payment of such bond and interest thereon only to the sum so deposited in the hands of said Trustee and not to the Church Trustees, but said sum so deposited shall be held by The First National Bank, Trustee, to the credit and for the full payment of such bond and interest thereon, and shall be paid by said Trustee to the holder or holders thereof upon presentation and delivery to it of such bond together with interest coupons thereto belonging as fixed at the date of redemption in said notice.

Any and all of such bonds, when and as paid, and the interest coupons belonging thereto, shall be immediately canceled by The First National Bank as Trustee, and delivered as canceled to said Church Trustees.

The said J. B. Holmes, President, and J. M. Sanderson, Secretary, of the Board of Trustees of The First Presbyterian Church of Lawrence, Kansas, as and for Church Trustees, but not in their individual capacity, do covenant, promise and agree that they will well and truly pay the principal of each of the bonds issued hereunder together with interest to become due thereon according to the terms of such bonds and interest coupons, and do further agree that they will pay all taxes and assessments now assessed against the real estate herein described, or thereafter to be assessed or become due and payable, at the times when such payments are due. That they will not permit said real estate or any part thereof to be sold for taxes and will not do anything in connection with said property which may in any wise tend to impair the value thereof or to impair the security intended to be given under and by virtue of this instrument.

The said Church Trustees, as such, do further agree that they will, at all times until all bonds herein mentioned have been fully paid together with interest thereon, keep all the insurable property on said real estate insured to the full insurable value thereof against damage from fire or windstorm in good and reliable insurance companies, such insurance to be made payable to the Trustee for the protection of the owner of all the bonds herein mentioned as their interests may appear. Provided, however, that in case of loss, the said Church Trustees may use such moneys for the restoration of any property so insured, for the purpose of restoring any impairment of the security behind such bonds which may have been caused by such loss.

The said Church Trustees, as such, do hereby warrant the title to the property above described to be in said Church, free and clear of all encumbrances, and that said Church has full power and authority to mortgage such property according to the terms hereof; and the said Trustees, as Trustees of said Church, do hereby agree that they will warrant and forever defend the title to said property against all persons lawfully claiming the same.

If said Church Trustees shall well and faithfully pay the principal sum due on said bonds when the same become payable, according to the tenor thereof, together with the interest then accrued and due thereon, upon the presentation and surrender of said coupons and bonds respectively, and shall well and truly perform, according to the true intent and meaning thereof, all other things required by these presents to be done by said Church Trustees, then and thereupon all the estate, right, title and interest of the said Trustee hereunder shall cease and determine, and said Trustee shall, by proper instrument in writing, release and discharge this indenture. It shall be deemed, within the meaning of this mortgage, full payment of any bond or interest coupon not presented at the proper time and place for payment, if the money necessary to pay and discharge said bond or interest coupon shall be deposited in the First National Bank, Trustee, upon the next succeeding business day thereafter, leaving said Trustee to make actual payment to the holder; and such deposit of money due and payable to the bond or coupon holder shall have the same effect in respect to the rights and obligations of the said Church Trustees as if the money were actually paid by the said Church Trustees directly to said bond or coupon holder on the date when such bond or coupon became payable.

If default be made by said Church Trustees in the payment of any of the interest on any of the said bonds according to the tenor and effect thereof on the presentation of said coupons respectively, or if said Church Trustee shall fail to faithfully observe any obligation required of it by these presents and such default shall continue for the space of sixty days, then, in the discretion of the said First National Bank, Trustee, it shall be lawful for the Trustee, at its own election, and, upon request in writing of the holders of not less than ten per cent of the bonds hereby secured and then outstanding, it shall become the duty of the First National Bank, Trustee, to declare the whole of the principal of said bonds then outstanding together with all accrued and unpaid interest thereon at once due and payable, and thereupon the whole of the principal of said bonds then outstanding, together with all accrued and unpaid interest thereon, shall at once become due and payable.

In case of sixty days default being made and not waived, or in case of default in the payment of the principal of any of said bonds at maturity, the Trustee may file foreclosure proceedings in the proper Court having jurisdiction thereof against the said Church Trustees, their successors and assigns, to obtain a judgment on behalf of the bond holders for the amount then due; also a decree for the sale of the real estate herein involved according to law, and out of the proceeds of any such foreclosure sale, shall pay the costs of such suit and all of their own expenses, any advances which they may have made or liabilities under the provisions of this Trust Deed, including expenses for abstract of title or continuations thereof, or insurance, taxes, or any other liens or assessments, together with interest thereon at the highest rate allowed by law, and shall then pay the principal of any bonds outstanding and defaulted, together with interest thereon, and the balance of the proceeds of such sale, if any, shall be paid to the said Church Trustees, their successors or assigns, upon reasonable request, and it shall not be the duty of any purchaser at such sale to see to the application of said purchase money.

No holder or holders of the bonds or coupons herein mentioned shall have any right to institute any proceedings for the foreclosure of this instrument of any other remedy hereunder without first giving notice in writing to the said Trustee of default having been made and continued for a period of sixty days, and unless one-tenth in amount of the holders of the then outstanding bonds have notified and requested said Trustee and a reasonable opportunity has been afforded to such Trustee after receipt of such notice and request to institute suit in their own name and without also having offered to said Trustee adequate security and indemnity for all liability and expense to be incurred by the Trustee therein, and such notice and offer of indemnity may be required by the said Trustee as a condition precedent to the exercise of its powers hereunder and for any act of any kind for the foreclosure hereof.

Should any suit or other proceeding be brought against said Trustee by reason of any of the matters in connection with this instrument, said Church Trustees do hereby agree to indemnify said Trustee for any and all liability of such suit and agree to reimburse said Trustee for any and all expenses which it may have in connection with said litigation.

The Trustee shall be entitled to reimbursement from the Church Trustees for all their necessary expenses on account of it being Trustee hereunder and shall also be entitled to a reasonable compensation for services rendered and any such outlay, fees, compensation, or disbursements, shall constitute and continue a lien on the premises prior to any other claim hereunder.