

DOUGLAS COUNTY

MORTGAGE

THIS INDENTURE, Made this Twenty-third day of April, 1943, by and between JAMES I. PERRY AND WAUNETTA V. PERRY, his wife, of Lawrence, Kansas, Mortgagee and THE PRUDENTIAL INSURANCE COMPANY OF AMERICA a corporation organized and existing under the laws of NEWARK, NEW JERSEY, Mortgagee:

WITNESSETH, That the Mortgagee, for and in consideration of the sum of FIVE THOUSAND FIVE HUNDRED AND NO/100 Dollars (\$5,500.00) 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 real estate, situated in the County of Douglas, State of Kansas, to wit:

LOT 15, UNIVERSITY HEIGHTS, PART 2, REVISED PLAT, ADJACENT TO CITY OF LAWRENCE, DOUGLAS COUNTY, KANSAS.

TO HAVE AND TO HOLD the premises described, together with all and singular the tenements, hereditaments and appurtenances thereunto belonging, and the rents, issues and profits thereof; and also all apparatus, machinery, fixtures, chattels, furnaces, heaters, ranges, mantles, gas and electric light fixtures, elevators, screens screen doors, awnings, blinds and all other fixtures of whatever kind and nature at present contained or hereafter placed in the buildings now or hereafter standing on the said real estate, and all structures, gas and oil tanks and equipment erected or placed in or upon the said real estate or attached to or used in connection with the said real estate, or to any pipes or fixtures therein for the purpose of heating, lighting, or as part of the plumbing therein, or for any other purpose appertaining to the present or future use or improvement of the said real estate, whether such apparatus, machinery, fixtures or chattels have or would become part of the said real estate by such attachment thereto, or not, all of which apparatus, machinery, chattels and fixtures shall be considered as annexed to and forming a part of the freehold and covered by this mortgage; and also all the estate right, title and interest of the Mortgagee, of, in and to the mortgaged premises unto the Mortgagee, forever.

And the Mortgagee covenants with the Mortgagee that he is lawfully seized in fee of the premises hereby conveyed, that he has good right to sell, and convey the same, as aforesaid, and that he will warrant and defend the title thereto forever against the claims and demands of all persons whomsoever.

This mortgage is given to secure the payment of the principal sum of FIVE THOUSAND FIVE HUNDRED AND NO/100 Dollars (\$5,500.00) 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 Four and one-half per centum (4½%) per annum on the unpaid balance until paid, principal and interest to be paid at the office of THE PRUDENTIAL INSURANCE COMPANY OF AMERICA in NEWARK, NEW JERSEY or at such other place as the holder of the note may designate in writing in monthly installments of Thirty-four and 82/100 Dollars (\$34.82) commencing on the first day of June 1943, and on the first day of each month, thereafter, until the principal and interest are fully paid, except that the final payment of principal and interest, if not sooner paid, shall be due and payable on the first day of May, 1963.

The Mortgagee covenants and agrees as follows:

1. That 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 pay the debt in whole, or in an amount equal to one or more monthly payments on the principal that are next due on the note, on the first day of any month prior to maturity: Provided, however, that written notice of an intention to exercise such privilege is given at least thirty (30) days prior to prepayment; and provided further that in the event the debt is paid in full prior to maturity and at that time it is insured under the provisions of the National Housing Act, he will pay to the Mortgagee and adjusted premium charge of one per centum (1%) of the original principal amount thereof, except that in no event shall the adjusted premium exceed the aggregate amount of premium charges which would have been payable if the mortgage had continued to be insured until maturity; such payment to be applied by the Mortgagee upon its obligation to the Federal Housing Administrator on account of mortgage insurance.

2. That, together with, and in addition to, the monthly payments of principal and interest payable under the terms of the note secured hereby, the Mortgagee will pay to the Mortgagee until the said note is fully paid, the following sums:

(a) If this mortgage and the note secured hereby are insured under the provisions of the National Housing Act and so long as they continue to be so insured, one-twelfth (1/12) of the annual mortgage insurance premium for the purpose of putting the Mortgagee in funds with which to discharge the said Mortgagee's obligation to the Federal Housing Administrator for mortgage insurance premiums pursuant to the provisions of Title II of the National Housing Act, as amended, and Regulations thereunder. The Mortgagee shall, on the termination of its obligation to pay mortgage insurance premiums, credit to the account of the Mortgagee all payments made under the provisions of this subsection which the Mortgagee has not become obligated to pay to the Federal Housing Administrator.

(b) 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) less all sums 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.

(c) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid by the Mortgagee each month in a single payment to be applied by the Mortgagee to the following items in the order set forth:

- (I) premium charges under the contract of insurance with the Federal Housing Administrator;
- (II) ground rents, if any taxes, assessments, fire and other hazard insurance premiums;
- (III) interest on the note secured hereby; and
- (IV) amortization of the principal of said note.

Any deficiency in the amount of such aggregate monthly payment shall, unless made good by the Mortgagee prior to the due date of the next such payment, constitute an event of default under this mortgage. The Mortgagee may collect a "late charge" not to exceed two cents (2¢) for each dollar (\$1) of each payment more than fifteen (15) days in arrears to cover the extra expense involved in handling delinquent payments.

3. That if the total of the payments made by the Mortgagee under (b) of paragraph 1 preceding shall exceed the amount of payments actually made by the Mortgagee for ground rents, taxes, and assessments or insurance premiums, as the case may be, such excess shall be credited by the Mortgagee on subsequent payments of the same nature to be made by the Mortgagee. If however, the monthly payments made by the Mortgagee under (b) of paragraph 2 preceding shall not be sufficient to pay ground rents, taxes and assessments or insurance premiums, as the case may be, when the same shall become due and payable, then the Mortgagee shall pay to the Mortgagee any amount necessary to make up the deficiency, on or before the date when payment of such ground rents, taxes, assessments or insurance premiums shall be due. If at any time the Mortgagee shall tender to the Mortgagee, in accordance with the provisions of the note secured hereby, full payment of the entire indebtedness represented thereby, the Mortgagee shall, in computing the amount of such indebtedness, credit to the account of the Mortgagee all payments made under the provisions of (a) of paragraph 2 hereof, which the Mortgagee has not become obligated to pay to the Federal Housing Administrator, and any balance remaining in the funds accumulated under the provisions of (b) of paragraph 2 hereof. If there shall be a default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby or if the Mortgagee acquires the property otherwise after default, the Mortgagee shall apply, at the time of the commencement of such proceedings, or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under (b) of paragraph 2 preceding, as a credit against the amount of principal then remaining unpaid under said note and shall properly adjust any payments which shall have been made under (a) of paragraph 2.

4. That he will pay all taxes, assessments, water rates, and other governmental or municipal charges, fines, or impositions, for which provision has not been made hereinbefore, and in default thereof the Mortgagee

This amount secured by this mortgage has been paid in full and the same is hereby cancelled this 5th day of May 1953.
 The Budgeting Company, Corporation of Missouri
 by W.C. Leake, Jr. Assistant Secretary (Copy Seal)

This release was written on the original mortgage.

Witness my hand and seal this 20th day of May 1953.

Barbara Leake
 Deputy