

MORTGAGE

This mortgage made this 2nd day of September, 1946, between the Kansas Laundry and Dry Cleaners, Inc., a Corporation, duly organized and existing under and by virtue of the laws of the State of Kansas, with its principal place of business at, and whose Post Office address is Lawrence, Douglas County, Kansas, hereinafter called "Mortgagor", Party of the First Part, and Frank M. Stone, Fort Scott, Kansas, Mrs. Grace S. Brunner, Lawrence, Kansas, and Mrs. Nina Conger, Yates Center, Kansas, hereinafter called "Mortgagees", Parties of the Second Part.

WITNESSETH: That the said Party of the First Part, for an in consideration of the sum of Fifty Thousand (\$50,000.00), to-wit, in hand paid, by the said Parties of the Second Part, the receipt of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell and convey, unto the Parties of the Second Part, and to their heirs and assigns forever, all the following described tracts, pieces and parcels of land, to-wit:

Lots Nos. Two, Three, Four and Five (2,3,4,5), all in Block Two (2), of Johnson's Addition to the City of Hutchinson, Reno County, Kansas, said property being located at Nos. 321, 323, 325, and 327, on West 5th Street, in said City of Hutchinson, Kansas.

Also, Lots Nos. 93, and 95 on New Hampshire Street, in the City of Lawrence, Douglas County, Kansas, which said property is located at Nos. 1001 and 1005 New Hampshire Street, Lawrence Kansas.

Together with all the machinery and equipment used in connection with the use and operation of the business on the above described locations.

To have and to hold the same with all and singular the tenements hereditaments and appurtenances thereunto belonging, unto the said parties of the second part, and to their heirs and assigns, forever.

Provided, always, and these presents are upon the express condition, that whereas, the said mortgagor has this day executed and delivered its four certain promissory notes in writing, to the parties of the Second Part, of which the following are copies, viz:

"\$21,000.00

Lawrence, Kansas,"
September 2, 1946

Ten (10) years after date for value received, the Kansas Laundry and Dry Cleaners Inc., promises to pay to the Order of Frank M. Stone Twenty one thousand and no/100 Dollars. with interest at the rate of Five (5%) per cent per annum from date until paid. Payable at the home office of said Corporation at Lawrence, Kansas, interest payable quarterly, and if not punctually paid when due, to become a part of the principal and bear interest at the same rate. Payee reserves the right to pay Five Hundred Dollars (\$500.00) or any multiple thereof, at any interest paying date.

Attest:

O. Kenneth Neal
Secretary

Kansas Laundry and Dry Cleaners Inc.
By Eugene F. Shmalberg, President

"\$5,500.00

Lawrence, Kansas,"
September 2, 1946

Ten (10) years after date for value received, the Kansas Laundry and Dry Cleaners Inc., promises to pay to the order of Mrs. Grace S. Brunner, Five thousand Five hundred and No/100 Dollars with interest at the rate of Five (5%) per cent per annum from date until paid. Payable at the home office of said Corporation at Lawrence, Kansas, interest payable quarterly, and if not punctually paid when due, to become a part of the principal and bear interest at the same rate. Payee reserves the right to pay Five Hundred Dollars (\$500.00) or any multiple thereof, at any interest paying date.

Attest:

O. Kenneth Neal
Secretary

Kansas Laundry and Dry Cleaners Inc.
By Eugene F. Shmalberg, President

"\$1,000.00

Lawrence, Kansas"
September 2, 1946

Ten (10) years after date for value received, the Kansas Laundry and Dry Cleaners Inc., promises to pay to the Order of Mrs. Nina Conger One thousand and No/100 Dollars with interest at the rate of Five (5%) per cent per annum from date until paid. Payable at the home office of said Corporation at Lawrence, Kansas, interest payable quarterly, and if not punctually paid when due, to become a part of the principal and bear interest at the same rate. Payee reserves the right to pay Five Hundred Dollars (\$500.00) or any multiple thereof, at any interest paying date.

Attest:

O. Kenneth Neal
Secretary

Kansas Laundry and Dry Cleaners Inc.
By Eugene F. Shmalbert, President

"\$22,500.00

Lawrence, Kansas,"
September 2, 1946

Ten (10) years after date for value received, the Kansas Laundry and Dry Cleaners Inc., promises to pay to the Order of Mrs. Nina Conger Twenty two thousand five hundred and No/100 Dollars. with interest at the rate of Five (5%) per cent per annum from date until paid. Payable at the home office of said Corporation at Lawrence, Kansas, interest payable quarterly, and if not punctually paid when due, to become a part of the principal and bear interest at the same rate. Payee reserves the right to pay Five Hundred Dollars (\$500.00) or any multiple thereof, at any interest paying date.

Attest:

O. Kenneth Neal
Secretary

Kansas Laundry and Dry Cleaners Inc.
By Eugene F. Shmalbert, President

Now if said Mortgagor shall, will and truly pay, or cause to be paid, the several sums of money in said notes mentioned, with the interest thereon, according to the tenor and effect of said notes, then these presents shall be null and void. But if said sums of money, or any part thereof, or any interest thereon, be not paid when the same become due, then, in that case, the whole of said several sums and interest, shall by virtue of this mortgage, immediately become due and payable; or if the taxes and assessments of every nature, which are or may be assessed or levied against said lands and appurtenances, and personal property, or any part thereof, are not paid at the time when the same are by law made due and payable, then in like manner the said notes and the whole of said sums shall immediately become due and payable; and said mortgagees shall be entitled to take possession of said premises herein described.

It is further provided that the said First party shall not pay any dividends on any outstanding stock of said party of the first part until the principal debt herein has been reduced to Twenty Five Thousand and no/100 Dollars (\$25,000.00), or less, and further provided that no such dividends shall be paid in any year in which payments on the outstanding principal debt have not equalled Ten per cent (10%) of the same. It is hereby mutually agreed by the parties hereto that the mortgagor may, and it is thereby permitted, to make payments on the said notes herein, in such different sums as it may desire, consistent with the provisions of the promissory notes delivered in connection herewith.

See Kansas Real Estate Book 103, Page 407