

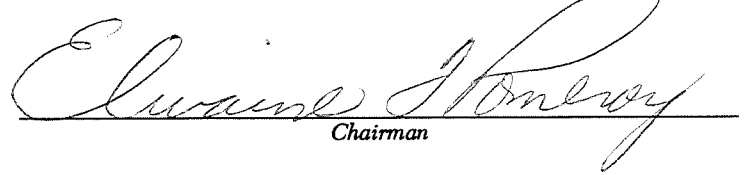
MINUTES OF THE SENATE COMMITTEE ON JUDICIARY

Held in Room 519 S, at the Statehouse at 10:00 a. m./~~p.m.~~, on January 24, 1979.

All members were present except: Senator Burke

The next meeting of the Committee will be held at 10:00 a. m./~~p.m.~~, on January 25, 1979.

~~These minutes of the meeting held on xxxxxxxxxxxxxxxxxxxxxx 19. xx were considered corrected and approved~~


Chairman

The conferees appearing before the Committee were:

- Helen Jagers - Register of Deeds, Saline County
- Tom Green - Attorney General's Office
- L. M. Cornish - Kansas Library Association
- Duane F. Johnson F. Johnson - Public Library, Hutchinson

Staff present:

- Art Griggs - Revisor of Statutes
- Jerry Stephens - Legislative Research Department
- Wayne Morris - Legislative Research Department

Mortgage Registration Tax Discussion. Senator Simpson explained that he had been contacted by the Register of Deeds Association concerning problems they had encountered as a result of an attorney general's opinion with regard to the calculation of the mortgage registration fee required on certain types of mortgages. He, therefore, had arranged an opportunity for the association to present the problem to the committee to see if legislation should be introduced to deal with the problem.

Helen Jagers explained the problems that had been encountered by her and other Registers of Deeds. Copies of the attorney general's opinions were distributed; copies are attached hereto. Committee discussion with her followed. She stated the association would like to have principal indebtedness defined as the amount of money financed; she does not feel that the Register of Deeds should be obligated to make calculations as to the total amount on which the mortgage registration fee should be collected.

Mr. Tom Green discussed the matter, and pointed out that principal indebtedness is not defined in the mortgage registration tax statute.

Following committee discussion, Senator Steineger moved that a bill be introduced and referred back to the committee; Senator Parrish seconded the motion, and the motion carried.

continued -

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

Senate Bill 73 - Defense to certain obscenity prosecutions, libraries. Mr. Bud Cornish testified in support of the bill. He introduced various members of the Kansas Library Association who were present. He explained that the purpose of the bill is to provide a defense to librarians in the same manner as persons involved in educational institutions are protected, and pointed out that there are presently protections for projectionists also. He further testified that the Kansas Library Association would like to have the words "director, trustee" inserted in lines 62 and also in line 122. The intention of the bill is to provide a defense in any prosecution against librarians.

Mr. Wayne Johnson testified in support of the bill. He stated he feels that librarians were not included in the original statute simply as a result of an oversight. In answer to a question, he stated that the bill is an attempt to prevent problems, rather than to respond to past difficulties. He did state that the lack of a defense does have a chilling effect on librarians. Committee discussion with him followed.

Senator Steineger moved to amend the bill as requested in lines 62 and 122; Senator Gaines seconded the motion, and the motion carried. Senator Steineger moved to report the bill favorably as amended; Senator Gaines seconded the motion. Committee discussion followed. Senator Allegrucci made a substitute motion to amend the bill on page 2 to provide the same sort of a defense for educational institutions in Section 1 as is presently provided in Section 2; Senator Berman seconded the motion, and the motion carried. Senator Simpson moved to report the bill favorably as amended; Senator Hess seconded the motion, and the motion carried.

Senate Bill 88 - Procedure for change of name. Senator Allegrucci gave background and explained the bill, and pointed out that an identical bill was introduced by him in 1977, and it passed the Senate, but did not pass the House. Following committee discussion, Senator Steineger moved to amend the bill to change the residency requirement from 30 days to 60 days; Senator Parrish seconded the motion. Following committee discussion, with the consent of the second, Senator Steineger withdrew his motion. Senator Berman moved to report the bill favorably; Senator Simpson seconded the motion, and the motion carried.

Senate Bill 55 - Administrative procedures act; establishing uniform procedures for licensure action. The chairman inquired of the subcommittee as to how their work was coming on preparing the letter for his signature requesting an attorney general's opinion. The subcommittee reported that the letter was not quite ready.

Senate Bill 22 - Juvenile code, issuance of warrants to take children into custody. Mr. Griggs distributed ballooned copies of the bill showing proposed amendments in accordance with prior instructions from the committee. Committee discussion followed.

continued -

Minutes of the Senate Committee on Judiciary January 24, 19⁷⁹

SB 22

Senator Berman moved that the bill be amended as indicated on the ballooned copy; Senator Steineger seconded the motion, and the motion carried. Senator Berman moved to report the bill favorably as amended; Senator Steineger seconded the motion, and the motion carried.

The meeting adjourned.

These minutes were read and approved
by the committee on 1-24-79.

GUESTS

SENATE JUDICIARY COMMITTEE

| NAME | ADDRESS | ORGANIZATION |
|-------------------|-----------------------|---------------------------------|
| WAYNE SACKMAN | STATEHOUSE | BUDGET Div |
| Dan Close | | Topeka Capital-Journal |
| Rosa Mary Moore | Hutchinson (Kns Co) | Register of Deeds |
| Velma Branford | Clay Center (Clay Co) | Register of Deeds |
| Jusie Farmer | Leavenworth Co | Register of Deeds |
| Helen Jagers | Saline Co | Register of Deeds |
| J. J. J. | Ab's | Ab. 8 |
| Sue Neustifter | Douglas Co | Register of Deeds |
| Gladys Meek | Rice Co. | Register of Deeds |
| Vivian Erickson | Cloud Co. | Register of Deeds |
| Beverly Gavin | Graham Co. | Register of Deeds |
| Rodney Biehn | Topeka, Ks. | Attorney General's office |
| Bill B. Carlsson | Topeka | AJP |
| John Bundeff | Dodge City | Intern Don. Magill |
| Jon Kessler | | Intern to Don Allegretti |
| DOUGLAS H. DIBBLE | HUTCHINSON | PUBLIC LIBRARY |
| DURIE F. JOHNSON | HUTCHINSON | Public Library |
| Allyn A. Hazlett | 704 KPL Tower, Topeka | Ks. Magazine Wholesalers Assoc. |
| Henry L. Niebert | | |
| Burtam (Topeka) | Johnson County | Public Library |
| Mrs. Icha | Moore Co. | Kansas Library Association |
| Charles Boller | Emporia | Kansas Lib. Assoc. |
| Roy Fox | Johnson County | Public Library |
| L.M. CORNISH | Topeka, Kans | Kansas Public Library Assn |
| Max Moses | Topeka | KCOAA |

GUESTS

1-24-79

SENATE JUDICIARY COMMITTEE

NAME

ADDRESS

ORGANIZATION

Jim Marvin

Topoka

Topoka Public Library

Tom Muth

Topoka

Topoka Public Library



STATE OF KANSAS

Office of the Attorney General

1st Floor, State Capitol Bldg. (913) 296-2215 Topeka, Kansas 66612

Curt T. Schneider
Attorney General

July 13, 1978

Bernis G. Terry
Lowe, Terry & Roberts, Attorneys
Colonial Building
Olathe, Kansas 66061

RE: Opinion No. 78-171

Dear Gene:

We have your letter of July 7, 1978, again reviewing the difficult problem of whether "finance charges", including interest, etc, which are detailed in the payments listed in a mortgage, are part of the "principal debt or obligation" and therefore subject to the Mortgage Registration Tax.

This problem arises because the legislature, in its wisdom, gave no definition or guideline as to what is the "principal debt". Rather, the responsibility for determining this was left to the Register of Deeds. It has been this way since 1925, and there is the rub.

We were asked for help by the Register of Deeds Association as to how to interpret the words "principal debt". We read Frost v. Kirkpatrick to say that no mortgage registration tax on interest is due where only a "rate" of interest is stated, because, at the time of recording, no interest had then accrued. No obligation that moment existed to pay any specific amount of interest, and, so, no interest could be included in the "principal debt".

UCCC loans appear to us to fit into this decision. While the Truth in Lending Act of Congress, and which is followed by Kansas UCCC, requires all lenders to consumers to detail all possible payments which could be paid, yet, that act mandates that consumers have an absolute right of pre-payment and to cancel any unaccrued payments.

On the other hand, we now have non-consumer mortgages which prohibit any prepayment without penalty or which go the whole

distance of stating that all finance charges, including interest, shall be included in the mortgage lien. We believe that in such instances, the penalty or the whole finance charge must be included in the principal debt for the simple reason that the obligation exists on the date of recording as part of the principal debt.

Gene, what is really needed to clarify this matter and lift judgment responsibility from the shoulders of the Register of Deeds is for the legislature to amend the definition statute K.S.A. 79-3101 by spelling out exactly how and when interest and finance charges shall be included in "principal debt". We have made this recommendation to the Register of Deeds Association.

Yours very truly,

CURT T. SCHNEIDER
Attorney General

BY:


CLARENCE J. MALONE
Assistant Attorney General

CJM:bn

cc: Lynette Keddie, President
Register of Deeds Association
St. John, Kansas 67576

1-24-79

RECEIVED
JUL 11 11 00 AM
MELONE

LAW OFFICES
LOWE, TERRY & ROBERTS
COLONIAL BUILDING - 110 WEST LOULA
P. O. Box 588
OLATHE, KANSAS 66061
913 782-0422

ROY S. LOWE (1887-1976)
GEORGE A. LOWE
ROY G. LOWE
BERNIS G. TERRY
RICHARD L. ROBERTS
FREDERICK B. FARMER
BRUCE F. LANDECK
CHRISTOPHER BACON

July 7, 1978

Clarence J. Malone, Esq.
Assistant Attorney General
1st Fl., State Capitol Building
Topeka, Kansas 66612

Re: Attorney General Opinion No. 78-171

Dear Clarence:

I appreciated the opportunity to discuss the above-numbered Opinion with you recently.

We have reviewed the Opinion again and should like to communicate the following comments to you for your consideration:

We agree with the result reached with reference to the taxation of the UCCC mortgages only upon the principal lent. The basis for our view, however, is the proposition that the mortgage registration fee should be computed upon the ".....principal debt or obligation which is secured by such mortgage....." (K.S.A. 79-3102) Because of the disclosure requirements of UCCC mortgages, the principal debts or obligations secured by such mortgages are readily apparent.

Where the sum stated in the consideration clause of a conventional mortgage contains both the principal debt or obligation and the interest calculated over the term of the mortgage, it is our view that, as noted in your Opinion numbered 78-12, the tax must be based upon the total sum for the practical reason that there is no way, without extensive mathematical calculations and guess work on the part of the Register of Deeds, to determine what part of the sum is principal and what part is interest. Under the circumstances and, in view of the presumption that the consideration recited in a mortgage is the amount of the debt, it would seem appropriate to base the mortgage registration fee upon the entire stated consideration.

We suggest that, where in conventional mortgages, notwithstanding the sum stated in the consideration clause constitutes the principal

Clarence J. Malone, Esq.
Page - 2

debt or obligation, the mortgage thereafter either sets out a schedule of periodic payments, which include both principal and interest, or specifically provides that the accrued interest shall be a lien upon the real estate, no additional tax be levied upon the interest. The first reason, it seems to us, is because K.S.A. 79-3102 bases the mortgage registration fee upon the principal debt or obligation. The second reason, we suggest, is that the interest, as a matter of law, becomes a lien upon the real estate without specific provision therefor in the mortgage. This proposition appears to be supported by the decision in Frost v. Kirkpatrick, 141 Kan. 517, 41 P.2d 719, wherein a mortgagee was permitted to foreclose its mortgage for, not only the principal debt upon which the mortgage registration fee had previously been paid, but, inter alia, upon the subsequently approved interest without the payment of any additional mortgage registration fee.

We further suggest, for your consideration, that the presence or absence of a pre-payment privilege or of a provision for rebate should not affect the decision. We do not perceive any statutory provision for any exemption based upon pre-existence of provisions for pre-payment privileges or rebates and, as has been noted by the Supreme Court upon numerous occasions, claims for exemption are strictly construed. Prior Opinions of your office seem to indicate, for instance, that, where a mortgage states a larger consideration than that actually advanced, the mortgage registration tax fee should be based upon the larger sum. Opinions of the Attorney General (1971), p. 1110; Opinions of the Attorney General (1976), Nos. 76-191, 76-280. This is true notwithstanding that the additional monies may never, in fact, be advanced. This seems to be roughly analogous to the possibility of pre-payment or rebate. We believe that the same result may be reached by not basing the mortgage registration fee upon the interest where it is clearly stated separately from the principal debt or obligation.

We should appreciate your consideration of the suggestions and would welcome your comments.

Very truly yours,

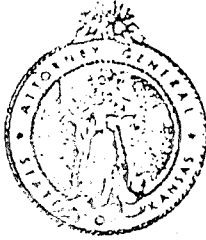
LOWE, TERRY & ROBERTS



Bernis G. Terry

BGT:lw

cc: Lyndus A. Henry, Esq., County Counselor



STATE OF KANSAS

Office of the Attorney General

1st Floor, State Capitol Bldg. (913) 296-2215 Topeka, Kansas 66612

Curt T. Schneider
Attorney General

April 27, 1978

ATTORNEY GENERAL OPINION NO. 78- 171

Velma Branfort
Register of Deeds
Clay County Courthouse
Clay Center, Kansas 67432

RE: Mortgage Registration Tax - Collection -
Principal Debt Defined - Uniform Commercial
Code and Truth in Lending Transactions Dis-
tinguished. K.S.A. 79-3102; K.S.A. 16a-2-501,
16a-2-509, 16a-2-510, 16a-3-203, 16a-3-206;
K.A.R. 75-6-3.

SYNOPSIS: Mortgage Registration Tax is collected upon the principal debt or obligation secured by a lien on real estate. Where the mortgage instrument states a total obligation, which includes not only the amount loaned but also a finance charge for interest, taxes, insurance, official fees, etc. all of which are payable in a specific number of consecutive monthly payments, there appearing no provision for rebate upon prepayment and the finance charge becomes part of the lien, then the tax is due on the whole sum of payments. A distinction must be made for transactions under the Kansas Uniform Commercial Code where by law the lender must set out in detail in the debt instrument exactly what charges are made and how the debt shall be paid. The borrower has positive notice that the debt may be prepaid at any time without penalty, and receive a rebate of all unearned finance charges. In such case, the finance charge must not be taxed, because, at the time of filing, no obligation existed to pay a definite sum for finance charge.

*

*

*

Velma Branfort
April 27, 1978
Page Two

Dear Ms. Branfort:

You send us three mortgages, a Household Finance loan secured by a mortgage on real estate and a contract for the sale of real estate, and you ask us to review the manner in which you have been assessing the mortgage registration tax.

The Cannizzo and Hahn mortgages are for a single sum loaned. Provision is made for repayment at a certain rate of interest upon unpaid balances by monthly installments which include both principal or interest. But provision is made in the instruments for acceleration in payment of the loan. In Cannizzo, the interest payments are qualified by the words: "if not sooner paid". In Hahn, provision is made for interest "as may become due" and "until" payment of the loan is made in full.

You were correct in charging tax only on the basic loan sum and not including the interest, in Cannizzo and Hahn. K.S.A. 79-3102 does not require or contemplate that the Register of Deeds collect, or the mortgagee pay, at the time of recording, mortgage registration tax on unaccrued items just because the mortgagor agrees to pay them as they accrue, nor is such tax collectable at the time of foreclosure. Frost v. Kirkpatrick, 141 Kan. 517, 518, 41 P.2d 719 (1935).

The third mortgage, Barnes, is different. The language of the mortgage makes no reference in any way to prepayment or rebate. It just says that the note for \$12,596.50 is "due and payable as follows: 120 monthly installments of \$163.00 due an(d) payable on the 24th of each month beginning with the month of April, 1978." Your stamp on the back indicates that you collected tax in the sum of \$31.50 only on \$12,596.50.

But, if you continue to read this mortgage, it contains some language that does not appear in the first two mortgages. The Barnes mortgage calls for Barnes to pay taxes, interest, costs and insurance, and then says: "and the expense of such taxes and accruing penalties, interest and costs, and insurance, shall from the payment thereof be

Velma Branfort
April 27, 1978
Page Three

and become an additional lien under this mortgage upon the above described premises, . . ."

If you multiply 120 monthly payments by \$163.00, you get a total payment of \$19,560.00, or \$6,919.50 in excess of the amount loaned. The mortgagee, in this case, has given public notice to all intervening lienholders and creditors of a priority of a lien, not for \$12,650.50, but for \$19,560.00. This is a situation similar to that which generated our Opinion No. 78-12, which we again reaffirm. If an instrument undertakes to place a lien on real estate, a tax of 25 cents on each \$100.00 of the principal debt or obligation secured shall be assessed. We would suggest that the Barnes mortgagee be called upon to pay an additional mortgage registration tax on \$6,919.50, unless by recording the note there is shown a positive right for prepayment without penalty.

The fourth instrument you submit is an installment loan made to Brown by a Finance Corporation "licensed under Kansas Uniform Consumer Credit Code." Both the Kansas UCCC and the Federal Truth In Lending Act require a complete pre-computation which shows, not only the method of payment, but all items which will constitute the principal debt and the "finance charge". K.S.A. 16a-2-501, 16a-3-202.

Under UCCC rules, any taxes paid by the mortgagee in connection with a consumer credit transaction will not be made a part of the finance charge, but must be itemized and added to the principal debt. K.S.A. 16a-2-501(1)(a). There has been no objection about the payment of the mortgage registration tax on this principal debt. But the objection arises when the finance charge is added to the principal debt, and additional mortgage registration tax is assessed against such added charge. There is a positive right under UCCC to prepay the principal debt, and to be rebated any unearned finance charge. K.S.A. 16a-2-509, 16a-2-510. But there is no way for the consumer to be rebated an overpayment in mortgage registration tax.

It is our opinion that in UCCC mortgages, where the pre-computation of finance charges is strictly a statutory requirement for disclosure, such charges are not accrued at the time of filing, and some may never accrue because of prepayment rights. To tax the finance charge in full at the time of recording the mortgage would result in an overpayment of tax and an unjust burden on the consumer.

Velma Branfort
April 27, 1978
Page Four

We are further impressed by K.A.R. 75-6-3, a regulation of the Kansas Consumer Credit Commissioner, which says: "A dollar amount of finance charge disclosed to comply with the federal truth-in-lending act does not in itself constitute a pre-computed finance charge." The only purpose of the pre-computation is to disclose full information to the consumer, not to create a debt certain.

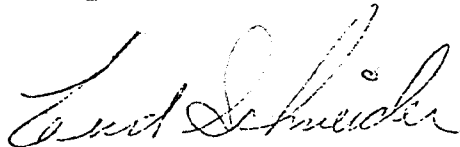
We believe that in the Brown instrument a registration tax should be assessed only on the basic loan of \$4,751.32, and that all UCCC Consumer Credit transactions be considered in the same light as the first two mortgages above and the case of Frost, supra. The right to prepay at any time without penalty renders it impossible to include a finance charge as a part of a taxable obligation at the time of recording.

The last instrument you submit, an executory contract for the sale of real estate to Johnson, which names a sale price of \$34,000.00, but it shows that \$9,860.00 was paid down, leaving a balance of \$24,140.00 owing, payable in annual installments over a period of five years. You charged the registration tax on \$24,140.00.

You are correct in charging a mortgage registration fee upon recording this instrument. K.S.A. 79-3101 says that an executory contract for the sale of land, complete performance of which is delayed for a longer period than ninety days, where the grantee is entitled to possession and the grantor holds title as security, shall be treated as a mortgage of real estate for the purpose of this act.

You are further correct in assessing the tax only on \$24,140.00. This is the "debt or obligation" secured by the instrument at the time of recording and upon which K.S.A. 79-3102 requires taxation.

Very truly yours,



CURT T. SCHNEIDER
Attorney General

CTS:CJM:gw

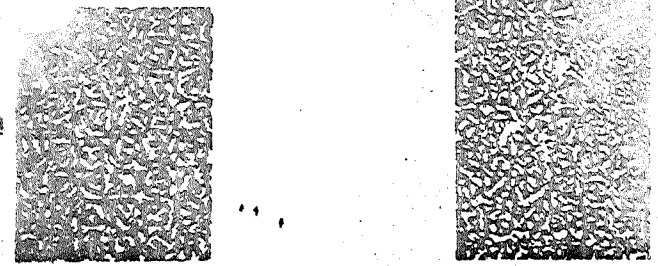
WALTER YARBROUGH MARY M
BOX 427 71409 MONTANA/
GOODLAND KS 67739

7-24-78
7-22-78
OTHER MONTHLY INSTALLMENTS
TOTAL PAYABLE IN MONTHLY 60 INSTALLMENTS

STATE OF KANSAS
Instrument No. 11,464
Recorded at
Goodland, Kansas
at
10 o'clock
in Book 25
Page 11,464
Fee \$ 5.00
Hazel M. McDaniel
REGISTER OF DEEDS

| DATE OF LOAN | DATE | FINAL INSTALLMENT | FIRST INSTALLMENT | AMOUNT | OTHER MONTHLY INSTALLMENTS | TOTAL PAYABLE IN MONTHLY |
|--------------|---------|-------------------|-------------------|--------|----------------------------|--------------------------|
| 7-15-78 | 8-04-78 | 8-04-83 | 189.11 | 158.00 | 60 | INSTALLMENTS |

\$ 9511.11 TOTAL OF PAYMENTS
\$ 3289.08 FINANCE CHARGE
\$ 6222.03 AMOUNT FINANCED



REGISTRATION FEE
\$9511.11
\$23.75
paid 7-20 1978
No. 11,464
Hazel M. McDaniel
REGISTER OF DEEDS

The Mortgagors signed below of the said city and state, to secure the payment of the indebtedness evidenced by their promissory note above described payable to the Mortgagee named above, and for the purpose of securing the repayment of any future advances made by the Mortgagee at its option to the Mortgagors, hereby mortgage and warrant to said Mortgagee, the following tract of land in Sherman County, Kansas.

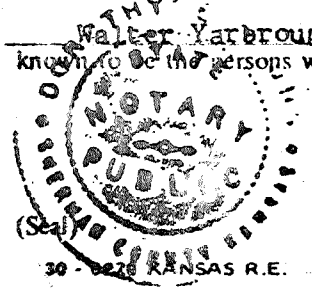
All of Lots Fourteen (14), Fifteen (15), Sixteen (16), Seventeen (17), Eighteen (18), Nineteen (19), Twenty (20) and Twenty-One (21), Block Thirty-Seven (37), First Addition to the City of Goodland, Kansas, as shown by the recorded plat thereof.

Witness the hands and seals of the said Mortgagors the day of the date hereof above written.

In the presence of
Albert B. Channell Type Name: Albert B. Channell
Walter Yarbrough Type Name: Walter Yarbrough (SEAL) Mortgagor
Mary M. Yarbrough Type Name: Mary M. Yarbrough (SEAL) Mortgagor

STATE OF KANSAS
COUNTY OF Sherman SS.

Personally came before me this 19 day of July, 19 78, the above named Walter Yarbrough and Mary M. Yarbrough known to be the persons who executed the foregoing instrument, and severally acknowledged the execution of the same to me



Dorothy E. Young Type Name: Dorothy E. Young Notary Public

My commission expires August 25, 19 79.

ORIGINAL

REAL ESTATE MORTGAGE

MORTGAGE



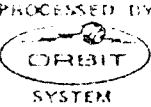
LITEN-OLDFATHER...
CONSUMER... 1973

HOUSEHOLD FINANCE CORPORATION OF KANSAS, INC.

1503 WASHINGTON STREET

P. O. BOX 205

JUNCTION CITY, KANSAS 66441



LOAN NO

MORTGAGOR(S) (Name, Address & Sec. No.)

40336-7

BROWN, CECIL RAY & DEBRA (HIS & WIFE)
GENERAL DELIVERY
LONGFORD KS 67453

| | | | | | |
|--|---|-----------------------------------|---|------------------------------------|---|
| DATE 01/09/73 | FIRST INSTALLMENT DUE DATE 02/09/73 | OTHERS: SAME DAY OF EACH MONTH | FINAL INSTALLMENT DUE DATE 01/09/81 | PERCENTAGE 101.00 | INSTALLMENTS OTHERS 103.00 |
| TOTAL OF PAYMENTS 7776.00 | FINANCE CHARGE 3024.68 | AMOUNT FINANCED 4751.32 | GROUP CREDITOR INSURANCE CHARGES LIFE 466.55 | SAVINGS 10.00 | None |
| TOTAL AMOUNT PAYABLE IN 72 MONTHLY INSTALLMENTS | UNIT CHARGE: (for delinquent charges) 1.1509 | OFFICIAL FEES 4.00 | REGISTRATION FEE 24.50 | ANNUAL PERCENTAGE RATE 17.863 % | CHattel MORTGAGE YES REAL ESTATE YES |

NOW THEREFORE, in consideration of said loan and to further secure payment of said note, the Mortgagors hereby mortgage and warrant to said above named corporation, its successors and assigns (herein called Mortgagee), the following real property: situated in the County of

Lots Thirteen (13), Fourteen (14), Fifteen (15), Sixteen (16) of Block 6 of Longford Ks

Default in making any installment shall render the entire sum remaining unpaid at once due and payable, less any required rebate of the Finance Charge, as provided in the note. Mortgagors agree to pay all taxes and assessments on the above property, not to commit waste, and to maintain adequate fire insurance on the improvements on said property. If mortgagors shall well and truly pay the note described above, this mortgage shall be void.

NOTICE TO CONSUMER: 1. Do not sign this agreement before you read it. 2. You are entitled to a copy of this agreement. 3. You may prepay the unpaid balance at any time without penalty.

Witness the hands and seals of the said Mortgagors the day of the date hereof above written

In the presence of

Brian Lickiss
Type Name Brian Lickiss

Cecil Ray Brown
Type Name Cecil Ray Brown Mortgagor

STATE OF KANSAS

COUNTY OF Clay

} ss.

Debra Brown
Type Name Debra Brown Mortgagor

Personally came before me this ninth day of January 19 78 the above named Cecil Ray Brown and Debra Brown his wife to me known to be the persons who executed the foregoing instrument, and severally acknowledged the execution of the same.

STATE OF KANSAS
NANCY LOUISE FRAKES
Geary County, Ks.
My Comm. Exp. Oct 30 1979

Nancy Louise Frakes
Type Name Nancy Louise Frakes Notary Public



THIS INDENTURE, Made this 24th day of March, in the year of our Lord One Thousand Nine Hundred Seventy Eight, between Dale A. & Georgia B. Barnes, husband and wife, in the County of Clay, and State of Kansas, of the first part, and the First National Bank of Clifton, Kansas, of the second part;

WITNESSETH, That the said part ies of the first part, in consideration of the sum of Twelve Thousand Five Hundred Ninety Six and 50/100 DOLLARS, to them duly paid, the receipt of which is hereby acknowledged, have sold and by these presents do grant, bargain, sell and mortgage to the said part y of the second part, its heirs and assigns, forever, all that tract or parcel of land situated in the County of Clay, and State of Kansas, described as follows, to wit:

Lot Seventeen (17) and the West eight feet (W8') of Lot Eighteen (18), in Block One (1) of South Clifton;

with the appurtenances, and all the estate, title and interest of the said part ies of the first part therein. And the said parties of the first part, for themselves do hereby covenant and agree that at the delivery hereof that they are the lawful owner s. of the premises above granted, seized of a good and indefeasible estate of inheritance therein, free and clear of all incumbrances, and that they will warrant and defend the same against all claims whatsoever. This grant is intended as a Mortgage to secure the payment of the sum of Twelve Thousand Five Hundred Ninety Six and 50/100 DOLLARS, according to the terms of a certain promissory note this day executed by the said parties of the first part to the said part y of the second part; said note being given for the sum of \$12,596.50 DOLLARS, dated 3-24-78, due and payable as follows:

120 monthly installments of \$163.00 due and payable on the 24th of each month beginning with the month of April 1978.

And this conveyance shall be void if such payment be made as in said note, and as is hereinafter specified, and the said part ies of the first part hereby agree to pay all taxes assessed on said premises before any penalties or costs shall accrue on account thereof, and to keep the said premises insured in favor of said mortgagee in the sum of Fifteen Thousand and no/100 DOLLARS, in some insurance company satisfactory to said mortgagee, in default whereof the said mortgagee may pay the taxes and accruing penalties, interests and costs, and insure the same at the expense of the part ies of the first part; and the expense of such taxes and accruing penalties, interests and costs, and insurance, shall from the payment thereof be and become an additional lien under this mortgage upon the above described premises, and shall bear interest at the rate of ten per cent per annum. But if default be made in such payment or any part thereof, or interest thereon, or the taxes assessed on said premises, or if the insurance is not kept up thereon then this conveyance shall become absolute and the whole principal of said note and interest thereon and all taxes and accruing penalties and interest and costs thereon remaining unpaid or which may have been paid by the part y of the second part, and all sums paid by the part y of the second part for insurance, shall be due and payable, or not, at the option of the part y of the second part; and it shall be lawful for the part y of the second part, its executors and administrators and assigns, at any time thereafter, to sell the premises hereby granted or any part thereof, in the manner prescribed by law—appraisal hereby waived or not, at the option of the part y of the second part its executors, administrators, or assigns; and out of all the moneys arising from such sale to retain the amount then due or to become due according to the conditions of this instrument, together with the costs and charges of making such sale, and the overplus, if any there be, shall be paid by the part y making such sale, on demand, to the said party of the second part, its heirs and assigns.

IN TESTIMONY WHEREOF, The said part ies of the first part have ve hereunto set their hand s and seal , the day and year first above written.

Signed and Delivered in Presence of

Dale A. Barnes (SEAL)
(Dale A. Barnes)

Georgia B. Barnes (SEAL)
(Georgia B. Barnes)

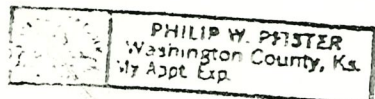
STATE OF KANSAS, Washington County, ss.

BE IT REMEMBERED, That on this 24th day of March, A. D. 19 78 before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Dale A. & Georgia B. Barnes, husband and wife,

to me personally known to be the same person s. who executed the within instrument of writing, and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial seal, on the day and year last above written.

(SEAL)



Philip W. Pfister (Philip W. Pfister)

(My commission expires Aug 18, 1980)

THIS INDENTURE, Made this 31st day of March 19 78

between Harold D. Hahn and Bernadette E. Hahn, husband and wife
at Clay County, in the State of Kansas, as mortgagor
and UNION STATE BANK, CLAY CENTER,
of Clay County, in the State of Kansas, as mortgagee.

WITNESSETH, That in consideration of the sum of Fifteen Thousand and no/100 DOLLARS,

the receipt of which is hereby acknowledged, said mortgagors do hereby mortgage and warrant unto said mortgagee their heirs and assigns, all of the following described Real Estate situated in Clay County, and State of Kansas to wit:

Lots 1 and 2, and the North 25 feet of Lot 3, of Brooklyn Heights Addition to the City of Clay Center, Kansas, except a tract of land in Lots 1, 2, and N25 feet of Lot 3 of Brooklyn Heights Addition deeded to the City of Clay Center, and described as follows: Beginning at a point on the west line of Brooklyn Heights Addition, 220.0 feet south of the North line of the Northeast Quarter section; thence South 90 feet along said west line; thence East 5 feet; thence North 90 feet parallel to said west line; thence West 5 feet to the place of beginning, containing 450.0 square feet, more or less;

ALSO:

Lot Four (4) in Block Thirty-one (31) of the Original Townsite of Clay Center, Kansas.

Said mortgagor S do hereby covenant and agree that at the delivery of this instrument they are the lawful owner S of the premises above granted, and seized of a good and indefeasible estate of inheritance therein, free and clear of all incumbrances except

and that will warrant and defend the same against all claims whatsoever.

TO HAVE AND TO HOLD THE SAME, Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, forever.

Said mortgagor S hereby agree to pay all taxes and assessments levied on said premises before any penalties or costs shall accrue on account thereof, and to keep said premises insured in favor of mortgagee in the sum of at least Fifteen Thousand and no/100 DOLLARS in an insurance company satisfactory to mortgagee.

This mortgage is executed to secure payment of the sum of \$ 15,000.00 Dollars advanced by mortgagee to mortgagor S, with interest, and such charges as may become due to mortgagee under the terms of the note hereby secured, which note is hereby made a part hereof, and which is to be paid by mortgagors to mortgagee with interest at 9 % per annum as follows: Beginning on the 30th day of April, 1978 and monthly thereafter the sum of \$152.14 and the balance of said principal sum the 31st day of March, 1993 with interest at 9% per annum included in each monthly payment.

It is the intention and agreement of the parties that this mortgage also secures any future advancements made to mortgagor S by mortgagee and all indebtedness in addition to the above amount which mortgagor S may owe to mortgagee, however evidenced, whether by note, book account or otherwise. This mortgage shall remain in full force and effect until all amounts due hereunder, including future advancements, are paid in full, with interest. Upon the maturing of the indebtedness for any cause, the total debt on such additional loans, if any, with interest, shall at the same time and for the same specified causes be considered matured, and shall be collectible out of the proceeds of sale through foreclosure or otherwise.

Mortgagor S shall pay all costs, charges and expenses reasonably incurred or paid at any time by mortgagee, including abstract or title insurance expenses, because of the failure of mortgagor S to comply with the provisions of said note and this mortgage, and the same are hereby secured by this mortgage.

The failure of mortgagee to assert any of its rights hereunder at any time shall not be construed as a waiver of its right to assert the same at a later date, and to enforce strict compliance with all of the terms and provisions of said note and of this mortgage.

NOW, If said mortgagor shall pay or cause to be paid to said mortgagee, their heirs or assigns, said sum of money in the above described note mentioned, together with the interest thereon, and all future advancements with interest thereon, according to the terms and tenor of the same, then these presents shall be wholly discharged and void; and otherwise shall remain in full force and effect. But if said sum or sums of money, or any part thereof, or any interest thereon, is not paid when the same is due, or if the taxes and assessments of every nature which are or may be assessed and levied against said premises, or any part thereof, are not paid when the same are by law made due and payable, or if insurance premiums are not paid when due, then the whole of said sum and sums, and interest thereon, shall become due and payable at the option of the holder hereof, and said mortgagee shall be entitled to the possession of said premises.

This mortgage shall extend to and be binding upon the heirs, executors, administrators and assigns of the respective parties.

IN WITNESS WHEREOF, said mortgagors hVE hereunto set their hands the day and year first above written.

Handwritten signature of Harold D. Hahn

Handwritten signature of Bernadette E. Hahn

MORTGAGE

THIS INDENTURE made this 5th day of April 1978 between Thomas L. Cannizzo & E. Roxanne Cannizzo, husband and wife of the County of Clay, and State of Kansas hereinafter referred to as Mortgagors, and BENEFICIAL FINANCE CO. OF KANSAS, a Kansas corporation having an office and place of business at 517 Court, Clay Center, Kansas 67432 Mortgagee,

WITNESSETH that the Mortgagors, for and in consideration of the sum made to them in the Actual Amount of Loan of SEVENTEEN THOUSAND, ONE HUNDRED SEVENTY FIVE AND 89/100 - - - - - Dollars (\$17,175.89) together with interest on unpaid principal balances at the rate of 18% per annum, receipt whereof being hereby acknowledged, hereby mortgage and warrant to the Mortgagee, its successors and assigns, the following described property situated in the County of CLAY and State of Kansas, to wit:

LOTS ONE (1), TWO (2), AND THREE (3) IN BLOCK FORTY-THREE (43) OF THE ORIGINAL TOWNSITE OF WAKEFIELD, KANSAS;

TO HAVE AND TO HOLD the premises described above, together with all and singular the tenements, hereditaments and appurtenances, and the rents, issues and profits thereof and all fixtures now or hereafter placed in any building now or hereafter on said premises, and also all the estate, right, title and interest of the Mortgagors, of, in and to the mortgaged premises, unto the Mortgagee, forever.

And the said Mortgagors, for themselves and their heirs, do hereby covenant to and with the Mortgagee, its successors and assigns, that they are lawfully seized of the premises aforesaid, that the premises are free and clear of encumbrances except as aforesaid, and that they will forever warrant and defend same with the appurtenances unto the said Mortgagee, its successors and assigns forever, against the lawful claims and demands of any and all persons, and the Mortgagors hereby release and convey all right of homestead in and to said premises.

This mortgage is given to secure payment of a promissory note of even date herewith and in the Actual Amount of Loan together with interest on unpaid principal balances, all of which is disclosed above, to be paid in 84 instalments of Three Hundred Sixty-one Dollars (\$361.00) each, beginning on the First Due Date of May 11, 1978 and continuing on the same day of each succeeding month thereafter until said note is fully paid, except that, if not sooner paid, the final payment shall be due and payable on the Final Due Date of April 11, 1985 as provided in said note.

The Mortgagors hereby agree to pay all taxes assessed on the mortgaged premises before any penalties or costs accrue thereon and also agree to keep said premises insured against loss by fire or such other hazards, and in such amounts as may be satisfactory to the Mortgagee; in default whereof the Mortgagee may pay any such taxes, accruing penalties, interest and costs, and insure the premises at the expense of the Mortgagors, and any such expense shall from the date of payment thereof by the Mortgagee become an additional lien on the premises under this mortgage, and shall bear interest at the rate of Ten Percent (10%) per annum until paid to the Mortgagee. The Mortgagors further covenant to and with the Mortgagee that they will neither permit nor commit waste, and they will maintain the property in as good condition as at present, reasonable wear and tear excepted.

This mortgage shall be void if all payments are made and all covenants performed as provided in said note or in this mortgage. Time is of the essence. If default is made in any such payment or performance, then the whole obligation secured by this mortgage shall immediately become due and payable at the sole option of the Mortgagee, and it shall be lawful for the Mortgagee at any time thereafter to take possession of said property and foreclose and sell the same, or any part thereof, in the manner prescribed by law. The Mortgagors, and each of them, hereby expressly waive appraisalment of said property and all benefits of the Homestead, Exemption and Stay Laws of the State of Kansas.

If there be only one mortgagor, all plural words herein referring to Mortgagors shall be construed in the singular.

IN WITNESS WHEREOF, the Mortgagors have hereunto set their hands and seals the day and year first above written.



Thomas L. Cannizzo (LS)
E. Roxanne Cannizzo (LS)

BE REMEMBERED, that on this 5th day of April, 1978, before me, the undersigned a Notary Public for the County and State aforesaid, came Thomas L. Cannizzo and E. Roxanne Cannizzo, husband and wife

known to be the same persons who executed the within instrument of writing, and such persons duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year last above written.

Ruth D. Barclay (Notary Public)

ACCOUNT NO. 33562-3 DUE 04

MORTGAGEE(S) WALTER YARBROUGH MARY M

BOX 427 / 1409 MONTANA / GOODLAND KS 67735

DATE OF LOAN 7-19-78 FIRST INSTALLMENT DUE DATE 9-04-78 FINAL INSTALLMENT DUE DATE 8-04-83 FIRST INSTALLMENT AMOUNT 189.11 OTHER MONTHLY INSTALLMENTS 158.00 TOTAL PAYABLE IN MONTHLY INSTALLMENTS 50

FINANCE CHARGE PERIOD ENDING TO ACCRUE 7-24-78 REGISTRATION PERIOD ENDING DATE 7-22-78

NOTE OF PAYMENTS 9511.11 FINANCE CHARGE 3289.03 AMOUNT FINANCED 3222.08

STATE OF KANSAS, SHERMAN COUNTY, S
 This instrument was filed for record this 20th day of July, 1978 at 8:15 o'clock PM and duly recorded in Book 23 on Page 297-Microfilm Fee \$ 5.00

Hazel M. ...
 REGISTER OF DEEDS

REGISTRATION FEE
 \$9511.11 Fee \$ 23.75
 Paid 7-20 1978 No. 11,464
Hazel M. ...
 Register of Deeds, Sherman County, Kansas

The Mortgagors signed below of the said city and state, to secure the payment of the indebtedness evidenced by their promissory note above described payable to the Mortgagee named above, and for the purpose of securing the repayment of any future advances made by the Mortgagee at its option to the Mortgagors, hereby mortgage and warrant to said Mortgagee, the following tract of land in Sherman County, Kansas.

All of Lots Fourteen (14), Fifteen (15), Sixteen (16), Seventeen (17), Eighteen (18), Nineteen (19), Twenty (20) and Twenty-One (21), Block Thirty-Seven (37), First Addition to the City of Goodland, Kansas, as shown by the recorded plat thereof.

Witness the hands and seals of the said Mortgagors the day of the date hereof above written.

In the presence of Albert B. Chammell
 Type Name: Albert B. Chammell

Walter Yarbrough (SEAL)
 Type Name: Walter Yarbrough Mortgagee

Mary M. Yarbrough (SEAL)
 Type Name: Mary M. Yarbrough Mortgagee

STATE OF KANSAS
 COUNTY OF Sherman SS.

Personally came before me this 19 day of July, 19 78, the above named Walter Yarbrough and Mary M. Yarbrough, to me known to be the persons who executed the foregoing instrument, and severally acknowledged the execution of the same.



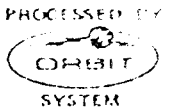
Dorothy E. Young
 Type Name: Dorothy E. Young Notary Public

My commission expires August 25, 19 79.

ORIGINAL

REAL ESTATE MORTGAGE

MORTGAGE



HOUSEHOLD FINANCE CORPORATION OF KANSAS, INC.
 1803 WASHINGTON STREET
 P. O. BOX 255
 JUNCTION CITY, KANSAS 66441

LOAN NO. MORTGAGOR'S Name, Address & Soc. Sec. No.

10321-0 ROY, C. DEL RAY & INDERA (HIS WIFE)
 CENTRAL DRIVE #47
 JUNCTION CITY, MO 67458

| | | | | | |
|---|--|--------------------------------|---|----------------------------------|---|
| DATE: 1/09/78 | FIRST INSTALLMENT DUE DATE: 02/09/78 | OTHERS: SAME DAY OF EACH MONTH | FINAL INSTALLMENT DUE DATE: 01/09/79 | FIRST INSTALLMENTS: \$103.00 | OTHERS: \$103.00 |
| TOTAL OF PAYMENTS: 7776.00 | FINANCE CHARGE: \$3024.68 | AMOUNT FINANCED: \$4751.32 | GROUP CREDITOR INSURANCE CHARGES: LIFE \$266.55 | SALES TAX: \$1.50 | |
| TOTAL AMOUNT PAYABLE: 72 MONTHLY INSTALLMENTS | UNIT CHARGE: (for delinquent charges) \$1.1509 | OFFICIAL FEES: \$4.00 | REGISTRATION FEE: \$24.50 | ANNUAL PERCENTAGE RATE: 17.863 % | CHattel MORTGAGE: YES REAL ESTATE: YES |

NOW THEREFORE, in consideration of said loan and to further secure payment of said note, the Mortgagors hereby mortgage and warrant to said above named corporation, its successors and assigns (herein called Mortgagee), the following real property: situated in the County of

Lots Thirteen (13), Fourteen (14), Fifteen (15), Sixteen (16) of Block 6 of Longford Ks

Default in making any installment shall render the entire sum remaining unpaid at once due and payable, less any required rebate of the Finance Charge, as provided in the note. Mortgagors agree to pay all taxes and assessments on the above property, not to commit waste, and to maintain adequate fire insurance on the improvements on said property. If mortgagors do not well and truly pay the note described above, this mortgage shall be void.

NOTICE TO CONSUMER: 1. Do not sign this agreement before you read it. 2. You are entitled to a copy of this agreement. 3. You may prepay the unpaid balance at any time without penalty.

Witness the hands and seals of the said Mortgagors the day of the date hereof above written

In the presence of
Brian Lickiss
 Type Name: Brian Lickiss

Cecil Ray Brown
 Type Name: Cecil Ray Brown Mortgagee

STATE OF KANSAS }
 COUNTY OF Clay } ss.

Debra Brown
 Type Name: Debra Brown Mortgagee

Personally came before me this ninth day of January 19 78, the above named Cecil Ray Brown and Debra Brown his wife to me known to be the persons who executed the foregoing instrument, and severally acknowledged the execution of the same.

(S) NANCY LOUISE FRAKES
 Geary County, Ks.
 My Appmt. Exp. 10-30-79

Nancy Louise Frakes
 Type Name: Nancy Louise Frakes Notary Public



THIS INDENTURE, Made this 24th day of March, in the year of our Lord One and Nine Hundred Seventy Eight, between Dale A. & Georgia B. Barnes, husband and wife, in the County of Clay, and State of Kansas, of the first part, and the First National Bank of Clifton, Kansas, of the second part;

WITNESSETH, That the said part ies of the first part, in consideration of the sum of Twelve Thousand Five Hundred Ninety Six and 50/100 DOLLARS, to them duly paid, the receipt of which is hereby acknowledged, ha ve sold and by these presents do grant, bargain, sell and mortgage to the said part y of the second part, its heirs and assigns, forever, all that tract or parcel of land situated in the County of Clay, and State of Kansas, described as follows, to wit:

Lot Seventeen (17) and the West eight feet (W8') of Lot Eighteen (18), in Block One (1) of South Clifton;

with the appurtenances, and all the estate, title and interest of the said part ies of the first part therein. And the said parties of the first part, for themselves do hereby covenant and agree that at the delivery hereof that they are the lawful owner s of the premises above granted, seized of a good and indefeasible estate of inheritance therein, free and clear of all incumbrances, and that they will warrant and defend the same against all claims whatsoever. This grant is intended as a Mortgage to secure the payment of the sum of Twelve Thousand Five Hundred Ninety Six and 50/100 DOLLARS, according to the terms of a certain promissory note this day executed by the said parties of the first part to the said part y of the second part; said note being given for the sum of \$12,596.50 DOLLARS, dated 3-24-78, due and payable as follows:

120 monthly installments of \$163.00 due an payable on the 24th of each month beginning with the month of April 1978.

And this conveyance shall be void if such payment be made as in said note and as is hereinafter specified, and the said part ies of the first part hereby agree to pay all taxes assessed on said premises before any penalties or costs shall accrue on account thereof, and to keep the said premises insured in favor of said mortgagee in the sum of Fifteen Thousand and no/100 DOLLARS, in some insurance company satisfactory to said mortgagee, in default whereof the said mortgagee may pay the taxes and accruing penalties, interests and costs, and insure the same at the expense of the part ies of the first part; and the expense of such taxes and accruing penalties, interests and costs, and insurance, shall from the payment thereof be and become an additional lien under this mortgage upon the above described premises, and shall bear interest at the rate of ten per cent per annum. But if default be made in such payment or any part thereof, or interest thereon, or the taxes assessed on said premises, or if the insurance is not kept up thereon then this conveyance shall become absolute and the whole principal of said note and interest thereon and all taxes and accruing penalties and interest and costs thereon remaining unpaid or which may have been paid by the part y of the second part, and all sums paid by the part y of the second part for insurance, shall be due and payable, or not, at the option of the part y of the second part; and it shall be lawful for the part y of the second part, its executors and administrators and assigns, at any time thereafter, to sell the premises hereby granted or any part thereof, in the manner prescribed by law—appraisal hereby waived or not, at the option of the part y of the second part its executors, administrators, or assigns; and out of all the moneys arising from such sale to retain the amount then due or to become due according to the conditions of this instrument, together with the costs and charges of making such sale, and the overplus, if any there be, shall be paid by the part y making such sale, on demand, to the said party of the second part, its heirs and assigns.

IN TESTIMONY WHEREOF, The said part ies of the first part ha ve hereunto set their hand s and seal the day and year first above written.

Signed and Delivered in Presence of

Dale A. Barnes (SEAL)
(Dale A. Barnes)

Georgia B. Barnes (SEAL)
(Georgia B. Barnes)

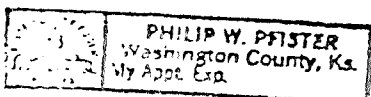
STATE OF KANSAS, Washington County, ss.

BE IT REMEMBERED, That on this 24th day of March, A. D. 19 78 before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Dale A. & Georgia B. Barnes, husband and wife,

to me personally known to be the same person s who executed the within instrument of writing, and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial seal, on the day and year last above written.

(SEAL)



Philip W. Pfister (SEAL)
(Philip W. Pfister)

(My commission expires Aug 14, 1980)

THIS INDENTURE, Made this 31st day of March 19 78

between Harold D. Hahn and Bernadette E. Hahn, husband and wife of Clay County, in the State of Kansas, as mortgagor and UNION STATE BANK, CLAY CENTER, of Clay County, in the State of Kansas, as mortgagee.

WITNESSETH, That in consideration of the sum of Fifteen Thousand and no/100 DOLLARS,

the receipt of which is hereby acknowledged, said mortgagor S do hereby mortgage and warrant unto said mortgagee their heirs and assigns, all of the following described Real Estate situated in Clay County, and State of Kansas to wit:

Lots 1 and 2, and the North 25 feet of Lot 3, of Brooklyn Heights Addition to the City of Clay Center, Kansas, except a tract of land in Lots 1, 2, and N25 feet of Lot 3 of Brooklyn Heights Addition deeded to the City of Clay Center, and described as follows: Beginning at a point on the west line of Brooklyn Heights Addition, 220.0 feet south of the North line of the Northeast Quarter section; thence South 90 feet along said west line; thence East 5 feet; thence North 90 feet parallel to said west line; thence West 5 feet to the place of beginning, containing 450.0 square feet, more or less;

ALSO:

Lot Four (4) in Block Thirty-one (31) of the Original Townsite of Clay Center, Kansas.

Said mortgagor S do hereby covenant and agree that at the delivery of this instrument they are the lawful owner S of the premises above granted, and seized of a good and indefeasible estate of inheritance therein, free and clear of all incumbrances except and that will warrant and defend the same against all claims whatsoever.

TO HAVE AND TO HOLD THE SAME, Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, forever.

Said mortgagor S hereby agree to pay all taxes and assessments levied on said premises before any penalties or costs shall accrue on account thereof, and to keep said premises insured in favor of mortgagee in the sum of at least Fifteen Thousand and no/100 DOLLARS in an insurance company satisfactory to mortgagee.

This mortgage is executed to secure payment of the sum of \$ 15,000.00 Dollars advanced by mortgagee to mortgagor S, with interest, and such charges as may become due to mortgagee under the terms of the note hereby secured, which note is hereby made a part hereof, and which is to be paid by mortgagor S to mortgagee with interest at 9 % per annum as follows: Beginning on the 30th day of April, 1978 and monthly thereafter the sum of \$152.14 and the balance of said principal sum the 31st day of March, 1993 with interest at 9% per annum included in each monthly payment.

It is the intention and agreement of the parties that this mortgage also secures any future advancements made to mortgagor S by mortgagee and all indebtedness in addition to the above amount which mortgagor S may owe to mortgagee, however evidenced, whether by note, book account or otherwise. This mortgage shall remain in full force and effect until all amounts due hereunder, including future advancements, are paid in full, with interest. Upon the maturing of the indebtedness for any cause, the total debt on such additional loans, if any, with interest, shall at the same time and for the same specified causes be considered matured, and shall be collectible out of the proceeds of sale through foreclosure or otherwise.

Mortgagor S shall pay all costs, charges and expenses reasonably incurred or paid at any time by mortgagee, including abstract or title insurance expenses, because of the failure of mortgagor S to comply with the provisions of said note and this mortgage, and the same are hereby secured by this mortgage.

The failure of mortgagee to assert any of its rights hereunder at any time shall not be construed as a waiver of its right to assert the same at a later date, and to enforce strict compliance with all of the terms and provisions of said note and of this mortgage.

NOW, If said mortgagor shall pay or cause to be paid to said mortgagee their heirs or assigns, said sum of money in the above described note mentioned, together with the interest thereon, and all future advancements with interest thereon, according to the terms and tenor of the same, then these presents shall be wholly discharged and void; and otherwise shall remain in full force and effect. But if said sum or sums of money, or any part thereof, or any interest thereon, is not paid when the same is due; or if the taxes and assessments of every nature which are or may be assessed and levied against said premises, or any part thereof, are not paid when the same are by law made due and payable, or if insurance premiums are not paid when due, then the whole of said sum and sums, and interest thereon, shall become due and payable at the option of the holder hereof, and said mortgagee shall be entitled to the possession of said premises.

This mortgage shall extend to and be binding upon the heirs, executors, administrators and assigns of the respective parties.

IN WITNESS WHEREOF, said mortgagorS h/ve hereunto set their hands the day and year first above written.

Handwritten signature of Harold D. Hahn

Handwritten signature of Bernadette E. Hahn

MORTGAGE

THIS INDENTURE made this 5th day of April 19 78 between Thomas L. Cannizzo & E. Roxanne Cannizzo, husband and wife of the County of Clay and State of Kansas, hereinafter referred to as Mortgagors, and BENEFICIAL FINANCE CO. OF KANSAS a Kansas corporation having an office and place of business at 517 Court, Clay Center, Kansas 67432 Mortgagee,

Witnesseth that the Mortgagors for and in consideration of a loan made to them in the Actual Amount of Loan of THIRTEEN THOUSAND, ONE HUNDRED SEVENTY FIVE AND 89/100 - - - - Dollars (\$ 17,175.89) together with interest on unpaid principal balances at the rate of 18% per annum, receipt whereof being hereby acknowledged, hereby mortgage and warrant to the Mortgagee, its successors and assigns, the following described property situated in the County of CLAY and State of Kansas, to wit:

LOTS ONE (1), TWO (2), AND THREE (3) IN BLOCK FORTY-THREE (43) OF THE ORIGINAL TOWNSITE OF WAKEFIELD, KANSAS;

TO HAVE AND TO HOLD the premises described above, together with all and singular the tenements, hereditaments and appurtenances, and the rents, issues and profits thereof and all fixtures now or hereafter placed in any building now or hereafter on said premises, and also all the estate, right, title and interest of the Mortgagors, of, in and to the mortgaged premises, unto the Mortgagee, forever.

And the said Mortgagors, for themselves and their heirs, do hereby covenant to and with the Mortgagee, its successors and assigns, that they are lawfully seized of the premises aforesaid, that the premises are free and clear of encumbrances except as aforesaid, and that they will forever warrant and defend same with the appurtenances unto the said Mortgagee, its successors and assigns forever, against the lawful claims and demands of any and all persons, and the Mortgagors hereby release and convey all right of homestead in and to said premises.

This mortgage is given to secure payment of a promissory note of even date herewith and in the Actual Amount of Loan together with interest on unpaid principal balances, all of which is disclosed above, to be paid in 84 instalments of Three Hundred Sixty-one Dollars (\$ 361.00) each, beginning on the First Due Date of May 11, 19 78 and continuing on the same day of each succeeding month thereafter until said note is fully paid, except that, if not sooner paid, the final payment shall be due and payable on the Final Due Date of April 11, 19 85 as provided in said note.

The Mortgagors hereby agree to pay all taxes assessed on the mortgaged premises before any penalties or costs accrue thereon and also agree to keep said premises insured against loss by fire or such other hazards, and in such amounts as may be satisfactory to the Mortgagee; in default whereof the Mortgagee may pay any such taxes, accruing penalties, interest and costs, and insure the premises at the expense of the Mortgagors, and any such expense shall from the date of payment thereof by the Mortgagee become an additional lien on the premises under this mortgage, and shall bear interest at the rate of Ten Percent (10%) per annum until paid to the Mortgagee. The Mortgagors further covenant to and with the Mortgagee that they will neither permit nor commit waste, and they will maintain the property in as good condition as at present, reasonable wear and tear excepted.

This mortgage shall be void if all payments are made and all covenants performed as provided in said note or in this mortgage. Time is of the essence. If default is made in any such payment or performance, then the whole obligation secured by this mortgage shall immediately become due and payable at the sole option of the Mortgagee, and it shall be lawful for the Mortgagee at any time thereafter to take possession of said property and foreclose and sell the same, or any part thereof, in the manner prescribed by law. The Mortgagors, and each of them, hereby expressly waive appraisalment of said property and all benefits of the Homestead, Exemption and Stay Laws of the State of Kansas.

If there be only one mortgagor, all plural words herein referring to Mortgagors shall be construed in the singular.

IN WITNESS WHEREOF, the Mortgagors have hereunto set their hands and seals the day and year first above written.



Thomas L. Cannizzo (LS)
E. Roxanne Cannizzo (LS)

REMEMBERED, that on this 5th day of April, 19 78, before me, the undersigned a Notary Public in and for the County and State aforesaid, came Thomas L. Cannizzo and E. Roxanne Cannizzo, husband and wife

known to be the same persons who executed the within instrument of writing, and such persons duly acknowledged the contents of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year last above written.

Ruth D. Barckley Notary Public

SENATE BILL No. 22

By Special Committee on Juvenile Facilities and Programs

Re Proposal No. 12

12-14

0018 AN ACT concerning the Kansas juvenile code; concerning the
0019 issuance of ~~warrant~~; amending K.S.A. 1978 Supp. 38-816a and
0020 repealing the existing section.

court orders to bring a child before the court

0021 *Be it enacted by the Legislature of the State of Kansas:*

0022 Section 1. K.S.A. 1978 Supp. 38-816a is hereby amended to
0023 read as follows: 38-816a. (a) If the court finds from a petition filed
0024 pursuant to K.S.A. 1978 Supp. 38-816, that there is probable cause
0025 to believe that a child is a delinquent or, miscreant, *deprived or*
0026 *wayward* child or a traffic offender *or truant*, the court may issue
0027 a ~~warrant~~ commanding that the child named in the petition be
0028 taken into custody and brought before the court. The ~~warrant~~ may
0029 designate the place the child is to be taken in the event the child is
0030 taken into custody at a time when the court is not open for the
0031 regular conduct of business. Such ~~warrant~~ shall describe the
0032 offense charged in the petition.

court order

order

order

0033 (b) When there is probable cause shown under oath or affir-
0034 mation that a person is in contempt of an order of the court issued
0035 pursuant to the juvenile code, the court may issue a warrant
0036 commanding the person alleged to be in contempt to be taken into
0037 custody and brought before the court to show cause why such
0038 person should not be held in contempt of court.

in the case of an alleged delinquent or miscreant child or a traffic offender. In the case of an alleged truant, wayward or deprived child, the order shall specify which of the foregoing classes has been alleged in the petition.

0039 Sec. 2. K.S.A. 1978 Supp. 38-816a is hereby repealed.

0040 Sec. 3. This act shall take effect and be in force from and after
0041 its publication in the official state paper.