

REAL ESTATE MORTGAGE

280

Date: September 12, 1990

Mortgagor (name or names, and mailing address):

Raymond C. Schindler and Linda S. Kumazawa  
800 E. Albuquerque St.  
Broken Arrow, OK 74011

Mortgagee: (name or names, and mailing address):

Davy McKee Corporation  
10810 East 45th St.  
Towne Centre  
Tulsa, OK 74101

Amount of initial indebtedness secured hereby:

\$39,000.00

Date final payment due:

March 12, 1991

Maximum principal indebtedness, including future advances, that may be secured hereby:

\$39,000.00

Mortgaged property:

2072 Cahaba Crest Dr.  
Birmingham, Al. 35242

Legally described as Lot 22 Altadena Woods, 2nd and 5th Section,  
Map Book 10, Page 54, of the Shelby County, Alabama Official Records

BOOK 316 PAGE 973

This instrument prepared by:

Raymond D. McGrew  
Vice President  
✓ Davy McKee Corporation  
2925 Briarpark, Suite 500  
Houston, Texas 77042

After filing return to:

Raymond D. McGrew  
Vice President  
✓ Davy McKee Corporation  
2925 Briarpark, Suite 500  
Houston, Texas 77042

1. Mortgage. In consideration of ten dollars and other valuable considerations received by Mortgagor (named above), Mortgagor hereby, on the date stated above, mortgages to Mortgagee (named above) the mortgaged property described herein, for the purposes identified below.

2. Secured indebtedness; ~~future advances; maximum amount and time.~~ This mortgage shall secure (a) the indebtedness of Mortgagor (and each of them, if more than one) to Mortgagee, as evidenced by a negotiable promissory note of even date herewith, executed by Mortgagor and payable to Mortgagee, in the amount specified on page one hereof, ~~and (b) any future advances made by Mortgagee to Mortgagor for any of them, if more than one.~~ The total amount of indebtedness secured hereby may decrease or increase from time to time, but the total unpaid balance so secured at any one time shall not exceed the maximum principal amount specified on page one hereof, plus interest thereon, and any disbursements made for the payment of taxes, levies, or insurance on the mortgaged property, and for maintenance, repair, protection, and preservation of the mortgaged property, with interest on such disbursements, all as provided in this mortgage. ~~This mortgage shall not secure any future advances made more than twenty years from the date hereof.~~

3. Payment of secured indebtedness. Mortgagor shall pay all indebtedness and perform all obligations secured hereby promptly when due.

4. Title covenants. Mortgagor covenants that the mortgaged property is free from all encumbrances (other than this mortgage) except as may be specifically stated herein, that lawful seisin of and good right to encumber the mortgaged property are vested in Mortgagor, and that Mortgagor hereby fully warrants the title to the mortgaged property and will defend the same against the lawful claims of all persons whomsoever.

5. Improvements, fixtures, etc. This mortgage extends to and shall encumber all buildings, improvements, fixtures or appurtenances now or hereafter erected or existing upon the mortgaged property, including all elevators and all gas, steam, electric, water, cooking, refrigerating, lighting, plumbing, heating, air conditioning, ventilation, and power systems, machines, appliances, fixtures, and appurtenances, even though they be detached or detachable, all of which shall be deemed part of the mortgaged property.

6. Maintenance and repair. Mortgagor shall permit, commit, or suffer no waste, impairment, or deterioration of the mortgaged property. Mortgagor shall maintain the mortgaged property in good condition and repair. If Mortgagor fails to do so, then Mortgagee, without waiving the option to foreclose, may take some or all measures that Mortgagee reasonably deems necessary or desirable for the maintenance, repair, preservation, or protection of the mortgaged property, and any expenses reasonably incurred by Mortgagee in so doing shall become part of the indebtedness secured hereby, shall become immediately due and payable, and shall bear interest at the highest lawful rate specified in any note evidencing any indebtedness secured hereby. Mortgagee shall have no obligation to care for and maintain the mortgaged property, or, having taken some measures therefor, to continue the same or take other measures.

7. Hazard insurance. If any buildings now or hereafter constitute part of the mortgaged property, Mortgagor shall keep the same insured against loss or damage by fire, lightning, windstorm, and other perils customarily insured against or as may be reasonably required by Mortgagee, in the full insurable value thereof (or such lesser amount as Mortgagee may authorize in writing), with an insurer of high financial reputation and to which Mortgagee has no reasonable objection. The policy or policies of insurance shall contain a standard mortgage clause in favor of Mortgagee and shall be delivered to Mortgagee. Mortgagor shall pay all premiums and charges for the maintenance and renewal of the insurance, and shall furnish Mortgagee with receipts and proofs thereof not less than ten days before the expiration thereof, without notice or demand from Mortgagee. If Mortgagor fails to do so, then Mortgagee, without waiving the option to foreclose, may obtain such insurance for the protection of Mortgagee, and any expenses reasonably incurred by Mortgagee in so doing shall become part of the indebtedness secured hereby, shall become immediately due and payable, and shall bear interest at the highest lawful rate specified in any note evidencing any indebtedness secured hereby. In the event of loss, the insurance proceeds shall be applied by Mortgagee to the reduction of the indebtedness secured hereby, or to the restoration and repair of the mortgaged property, at the option of Mortgagee. In the event of foreclosure of this mortgage or transfer of the mortgaged property in full or partial satisfaction

of the indebtedness secured hereby, all interest of Mortgator in the policy or policies of insurance (including any claim to proceeds attributable to losses theretofore occurring but not yet paid to Mortgator) shall pass to the purchaser, grantee, or transferee.

8. Rents and profits. This mortgage shall extend to and encumber all rents, issues, profits, proceeds, and revenues derived from the mortgaged property, but Mortgator may receive the same while this mortgage is not in default.

9. Receiver. If this mortgage falls into default, Mortgagee shall be entitled to the appointment of a receiver to take charge of the mortgaged property, and the rents, issues, profits, proceeds, and revenues arising therefrom, and hold the same subject to the direction of a court of competent jurisdiction, regardless of the solvency of Mortgator or the adequacy of the security.

10. Taxes, assessments, and liens. Mortgator shall pay all taxes, assessments, liens, and other charges upon or with respect to the mortgaged property before the same become delinquent, and shall furnish Mortgagee with receipts and proofs thereof at least ten days before the last day allowed for payment free from penalty, without notice or demand from Mortgagee. If Mortgator fails to do so, then Mortgagee, without waiving the option to foreclose, may pay the same, and the amount so paid shall become part of the indebtedness secured hereby, shall become immediately due and payable, and shall bear interest at the highest lawful rate specified in any note evidencing any indebtedness secured hereby.

11. Inspection. Mortgagee and Mortgagee's representative may enter upon the mortgaged property for inspection at all reasonable times and in a reasonable manner, both before and after default.\*

12. Eminent domain. This mortgage extends to and shall encumber any judgments, awards, damages, and settlements hereafter rendered or paid and resulting from condemnation proceedings with respect to the mortgaged property or the taking of the mortgaged property or any part thereof under the power of eminent domain, and Mortgagee may require that any sums payable to Mortgator and arising out of the power of eminent domain with respect to the property shall be applied to the indebtedness secured hereby.

13. Enforcement and collection expenses. Mortgator shall pay all expenses, including attorney's fees, reasonably incurred by Mortgagee with respect to collection of the indebtedness secured hereby or enforcement of Mortgagee's rights hereunder (including foreclosure or other litigation expenses), arising out of any default by Mortgator, and the amount thereof shall become part of the indebtedness secured hereby, shall become immediately due and payable, and shall bear interest at the highest lawful rate specified in any note evidencing any indebtedness secured hereby.

14. Acceleration upon default. If Mortgator fails to pay any indebtedness secured hereby promptly when due (or within such grace period as may be provided in the note or notes evidencing the indebtedness), or if Mortgator materially breaches any other covenant herein or otherwise materially defaults hereunder, then Mortgagee may declare all indebtedness secured hereby to be accelerated and immediately due and payable. Mortgagee's failure to declare an acceleration shall not impair the right to do so in the event of a continuing or subsequent breach or default.

15. Acceleration upon transfer of mortgaged property. If Mortgator sells or transfers the mortgaged property, then Mortgagee may declare all indebtedness secured hereby to be accelerated and immediately due and payable, unless Mortgagee consents in writing to the sale or transfer, and unless the transferee or grantee assumes the indebtedness secured hereby in a form satisfactory to Mortgagee.

16. No waiver. No delay by Mortgagee in exercising any option, right, or remedy hereunder or otherwise afforded by law shall waive or preclude the exercise thereof during the continuance of any breach or default hereunder. No waiver by Mortgagee of any provision, breach, or default shall be a waiver of any other provision or a consent to any subsequent breach or default.

\* Before default, reasonable prior notice shall be given to Mortgator before Mortgagee and/or Mortgagee's representative enter upon the mortgaged property.

17. Default under other mortgages. If the mortgaged property or any part thereof is now or hereafter encumbered by any other mortgage held by Mortgagee, then any default hereunder shall also be a default under each and all of such other mortgages, and any default under any of such other mortgages shall also be a default hereunder.

18. Extension, leniencies, and releases. Mortgagee may grant extensions of time for payment and other leniencies with respect to any indebtedness secured hereby, and may waive or fail to enforce any of Mortgagee's rights hereunder, and may release a portion or portions of the mortgaged property from the lien hereof, without releasing or diminishing the obligation or liability of any person constituting Mortgagor, or any guarantor or endorser.

19. Subrogation. Mortgagee shall be subrogated to the lien (notwithstanding its release or record) of any vendor, mortgagee, or other lienholder paid or discharged by the proceeds of any loan or advance made by Mortgagee to Mortgagor and secured hereby.

20. Release or satisfaction. Whenever there is no outstanding obligation secured hereby and no commitment to make advances, Mortgagee shall on written demand by Mortgagor give a release hereof, in recordable form.

21. General provisions. The singular shall include the plural and any gender shall be applicable to all genders when the context permits or implies. If more than one person constitutes Mortgagor, their covenants and obligations hereunder shall be joint and several. If Mortgagor sells or transfers the mortgaged property, Mortgagee may deal with the successor or successors in interest without in any way discharging or reducing Mortgagor's liability for Mortgagor's obligations secured hereby. Mortgagee's rights expressed herein are in addition to and cumulative of any other rights and remedies provided by law. The terms "Mortgagor" and "Mortgagee" shall extend to and include their respective heirs, legal representatives, successors and assigns. Any agreement hereafter made by Mortgagor and Mortgagee pursuant to this mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance.

22. Special provisions (if any). The mortgaged property is subject to a prior mortgage to Collateral Mortgage Ltd. All of Mortgagor's obligations in this Mortgage shall be performed on the date or dates and at the time or times specified, absolutely, unconditionally and without exception whatsoever.

IN WITNESS WHEREOF, Mortgagor has executed this mortgage as of the date first stated above.

Ray C. Schindler  
Raymond C. Schindler

Linda S. Kumazawa  
Linda S. Kumazawa

Signed, sealed and delivered in the presence of:

John L. Hight  
Charlotte A. Dyer

(Two Witnesses)

1. Principal	50.00
2. Interest	18.00
3. Taxes	
4. Insurance	
5. Notary	3.00
6. Other	1.00
Total	72.00

STATE OF NEVADA, SHERIFF'S OFFICE  
I CERTIFY THIS INSTRUMENT WAS FILED  
90 NOV -5 PM 1:20  
CLERK OF PROBATE

STATE OF  
COUNTY OF

I hereby certify that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements, personally appeared Raymond C. Schindler and Linda S. Kumazawa, well known to me to be the persons named as Mortgagee in the foregoing mortgage and that they severally acknowledged executing the same in the presence of the two subscribing witnesses freely and voluntarily for the purposes therein expressed.

WITNESS my hand and official seal in the County and State last aforesaid this 10th day of October, 1990.

Paula Dyer  
Notary Public

(Affix Notary Seal)

My commission expires: 2-9-92