



relief from Defendants, and all others acting on behalf of any such creditor or other persons . . . are hereby stayed and restrained from doing any act or thing whatsoever to interfere with the Receiver or to the possession of or management by the Receiver of the Assets, or to interfere in any manner during the pendency of this proceeding with the exclusive jurisdiction of this Court over the Defendants.

(See Temporary Injunction, filed Sept. 5, 2014, p. 7). As such, Movant must intervene in this proceeding before she may request relief from this Court. Denying the Movant the right to intervene would place Movant in the position of being completely unable to protect the interests of the Estates of Donald Holtslander and Pamela Holtslander.

3. The Estates of Donald Holtslander and Pamela Holtslander are the primary lien holders on certain properties which are the subject of a purchase contract entered by the Receiver, Ryan Leonard, in this matter.

4. The purchase contract was entered for the sale of five (5) properties collectively referred to as the "17th Street Properties". The details of the purchase contract are unknown to Holtslander with the exception of the purchase price identified as approximately \$1,185,000.00.

5. The 17th Street Properties are an "Asset" (as defined by the September 5, 2014 Injunction) of the receivership estate and may not be sold or foreclosed without the express approval of this Court.

6. The Estates of Donald Holtslander and Pamela Holtslander claim a first mortgage lien on three (3) of the five (5) properties included in the purchase contract of the 17th Street Properties. The Mortgages held by the Estates of Donald Holtslander and Pamela Holtslander encumber the following real property:

- a. **1419 NW 17th Street:** Lot Seven (7) of Block One (1) in NICHOLS UNIVERSITY PLACE, an Addition to Oklahoma City, Oklahoma County, Oklahoma, according to the recorded plat thereof;

- b. **1507 NW 17th Street:** Lot Eleven (11) of Block Two (2) in NICHOLS UNIVERSITY PLACE, an Addition to Oklahoma City, Oklahoma County, Oklahoma, according to the recorded plat thereof; and
- c. **1405 NW 17th Street:** Lot Four (4) of Block One (1) in NICHOLS UNIVERSITY PLACE, an Addition to Oklahoma City, Oklahoma County, Oklahoma, according to the recorded plat thereof;

(hereinafter the "Holtslander Properties").

7. The subject mortgage liens relate to indebtedness under Promissory Notes entered between Defendants, Tom and Karyn Seabrooke, individually, and Donald and/or Pamela Holtslander. Donald Holtslander and/or Pamela Holtslander sold the properties to Defendants and served as private mortgagees.

8. On October 5, 2007, Tom Seabrooke and Karyn Seabrooke, individually, entered and delivered a Promissory Note to Pamela Holtslander for the purchase of **1419 NW 17th Street** in the principal amount of \$90,000.00 at an interest rate of 7% per annum. The Note was secured by a Real Estate Mortgage with Power of Sale granted by Tom Seabrooke and Karyn Seabrooke on October 5, 2007 and recorded with the Oklahoma County Clerk on October 16, 2007 (at Book 10635, Pages 410-412).

9. Similarly, on October 5, 2007, Tom Seabrooke and Karyn Seabrooke, individually, entered and delivered a Promissory Note to Pamela Holtslander for the purchase of **1507 NW 17th Street** in the principal amount of \$90,000.00 at an interest rate of 7% per annum. The Note was secured by a Real Estate Mortgage with Power of Sale granted by Tom Seabrooke and Karyn Seabrooke on October 5, 2007 and recorded with the Oklahoma County Clerk on October 16, 2007 (at Book 10635, Page 413).

10. Thereafter, on May 22, 2008, Tom Seabrooke and Karyn Seabrooke, individually, renewed the Promissory Notes on the **1419 NW 17th Street** and **1507 NW 17th** properties (noted in Paragraphs 7 and 8 above).

11. Tom Seabrooke and Karyn Seabrooke, individually, entered and delivered an amended Promissory Note to Pamela Holtlander for **1419 NW 17th Street** in the principal amount of **\$45,000.00** at an interest rate of 7% per annum, having a final maturity date of May 1, 2018. The Note further provided for 5% of the monthly payment not received within fifteen (15) days of the payment date. The Note was secured by a Real Estate Mortgage with Power of Sale granted by Tom Seabrooke and Karyn Seabrooke on May 22, 2008 and recorded with the Oklahoma County Clerk on May 28, 2008 (at Book 10818, Pages 269-271). The previous Mortgage described in Paragraph 7 above was released. A copy of the Promissory Note and the Mortgage related to 1419 NW 17th Street are attached hereto as Exhibits "1" and "2".

12. Similarly, Tom Seabrooke and Karyn Seabrooke, individually, entered and delivered an amended Promissory Note to Pamela Holtlander for **1507 NW 17th Street** in the principal amount of **\$45,000.00** at an interest rate of 7% per annum, having a final maturity date of May 1, 2018. The Note further provided for 5% of the monthly payment not received within fifteen (15) days of the payment date. The Note was secured by a Real Estate Mortgage with Power of Sale granted by Tom Seabrooke and Karyn Seabrooke on May 22, 2008 and recorded with the Oklahoma County Clerk on May 28, 2008 (at Book 10818, Pages 269-271). The previous Mortgage described in Paragraph 8 above was released. A copy of the Promissory Note and the Mortgage related to 1507 NW 17th Street are attached hereto as Exhibits "3" and "4".

13. Lastly, on October 30, 2012, Tom Seabrooke and Karyn Seabrooke, individually, entered and delivered a Promissory Note to Donald Holtslander for the purchase of **1405 NW 17th Street** in the principal amount of **\$60,000.00** at an interest rate of 6% per annum. The Note provided for 10% interest in the event of default, described as follows: "the unpaid balance of th[e] Note shall bear interest at a rate of four percent (4%) per annum greater than the per annum interest rate prevailing on th[e] Note . . . ." The Note was secured by a Real Estate Mortgage with Power of Sale granted by Tom Seabrooke and Karyn Seabrooke on October 30, 2012 and recorded with the Oklahoma County Clerk on November 14, 2012 (at Book 12085, Page 1078). A copy of the Promissory Note and the Mortgage related to 1405 NW 17th Street are attached hereto as Exhibits "5" and "6".

14. Donald Holtslander entered an unrelated business loan with Tom Seabrooke and Karyn Seabrooke on September 12, 2008 for the principal amount of \$100,000.00. The loan provided for 12% interest with monthly payments consisting of interest only and a balloon payment due upon maturity. Said loan is not the subject of this motion and will be resolved through the claims process set forth by this Court.

15. The Estates of Pamela Holtslander and Donald Holtslander have Promissory Notes and Mortgages with first priority on the following 17th Street Properties, which are currently in default with a balance due as of September, 2014. The following are the *estimated* balances due upon the Notes and Mortgages, as of February 2015.

Property:	Principal Owning:	Delinquent Payments/Penalties:
1419 NW 17th Street	\$21,026.49	\$4,466.82
1507 NW 17th Street	\$21,026.49	\$4,466.82
1405 NW 17th Street	\$53,319.06	\$4,820.88

Attorneys Fees/Costs, to date \$6,699.78

**TOTAL : \$115,826.34**

16. The outstanding balances owed to the Estates of Pamela Holtslander and Donald Holtslander on the Promissory Notes entered by Tom Seabrooke and Karyn Seabrooke are estimated base upon the initiation of this Receivership. Movant has requested information or materials from the Receiver to confirm the outstanding balances. From Movant's best knowledge and belief, there is a total *minimum amount* of **\$115,826.34** currently due on the properties. **This amount is subject to additional attorney fees and legal expenses, all of which are legally and rightfully secured and recoverable pursuant to the Promissory Notes and Mortgages attached hereto.**

17. Donald Holtslander and Pamela Holtslander, or their respective Estates, were the holders of the Mortgages described above prior to the institution of this action by the Oklahoma Department of Securities. The Holtslander Estates are and have been, at all relevant times, the priority lien holders of the subject properties.

18. Movant was recently notified that a buyer of the 17th Street Properties was identified and a purchase contract was entered for the sale of the five (5) 17th Street Properties.

19. Movant has expressed willingness to consent to the sale of the 17th Street Properties, and thereby release the subject mortgage liens, in exchange for an agreement that the priority mortgage liens of the Holtslander Estates be fully and legally paid. As of the filing of this Motion, said offer has not been accepted.

20. It is believed from reviewing the filings in this action that agreements have been entered with other secured creditors in this action wherein the Receiver and/or Securities

Commission agreed to pay the principal amount owing and the unpaid accrued interest on secured notes in exchange for the creditors' consent to a proposed sale of real property. The Receiver reports the Securities Commission, however, refuses to enter such an agreement with Movant (a first mortgage holder) on the basis that she is an individual, not a financial institution.

21. It is believed the Receiver intends to object to Movant's Mortgages and intends to seek an Order from this Court disregarding the secured interests of the Holtlander Estates. As a result of telephone conferences with the Receiver, it is believed he desires to disregard the mortgage liens and reimburse the Holtlander Estates on a pro rata basis with other unsecured creditors notwithstanding the legal and valid mortgage liens held by the Holtlander Estates. For that reason, Movant, on behalf of the Holtlander Estates, has declined to consent to the sale of the 17th Street Properties.

22. Movant, on behalf of the Estates of Donald Holtlander and Pamela Holtlander, claims a first and prior lien on each of the Holtlander Properties: 1419 NW 17th, 1507 NW 17th, and 1405 NW 17th. Inasmuch as the Holtlander Estates have valid and legally binding priority liens on the properties, there is no legal basis for the Receiver to disregard or discredit said Notes and Mortgages.

23. The Receiver now demands Movant, on behalf of the Holtlander Estates, consent to the sale of the 17th Street Properties and expose the Estates to a pro rate return on the Promissory Notes.

24. Movant, however, owes a legal duty to the Estates of Donald and Pamela Holtlander to collect all assets of the Estates and is, therefore, precluded from consenting to an

agreement that greatly exposes the Estates to a substantially diminished recovery. Movant has a legal duty to protect the assets of the subject Estates.

25. Movant seeks to intervene in this action to protect the secured interests of the Estate of Pamela Holtlander and the Estate of Donald Holtlander relating to the "17th Street Properties" purchase contract.

### **BRIEF IN SUPPORT**

#### **I. MOVANT HAS A RIGHT TO INTERVENE.**

Any person claiming an interest relating to the property which is the subject of an action shall be permitted to intervene in the action. 12 O.S. § 2024. Oklahoma Statute provides that "[u]pon timely application anyone shall be permitted to intervene in an action . . . when the applicant claims an interest relating to the property or transaction which is the subject of the action and he is so situated that the disposition of the action may as a practical matter impair or impede his ability to protect that interest." *Id.* The Oklahoma Court of Appeals set forth four (4) requirements for a motion to intervene by right:

- (1) the motion to intervene must be timely;
- (2) the intervenor must claim a significant protectable interest relating to the property that is the subject of the action;
- (3) the disposition of the action will impair or impede the intervenor's ability to protect its interest; and
- (4) the existing parties may not adequately represent the intervenor's interest.

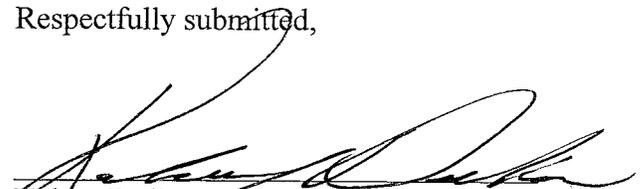
*Bank of Commerce v. Beakers, LLC*, 2001 OK CIV APP 45, ¶ 10.

Movant's request to intervene satisfies the requirements set forth above. Movant filed this Application timely and within one week of learning the intended position of the Receiver regarding the priority Mortgages of the Holtlander Estates. After numerous telephone conferences, on February 20, 2015 the Receiver informed counsel for Movant that he will request the Holtlander Estates' secured interest in the Mortgaged Properties be disregarded and request the Estates receive payment on a pro rata basis. Movant promptly moved to intervene. As the Holtlander Estates are the first mortgage holders on the Mortgaged Properties, Movant will seek an Order from this Court confirming payment of the priority mortgage liens of the Holtlander Estates. It is not the intent of Movant to thwart the sale of the 17th Street Properties but, rather, simply to protect her legal and valid liens on the properties.

It is without question the Holtlander Estates have a protectable interest relating to the Mortgaged Properties as reflected by the Promissory Notes and Mortgages attached hereto. As reflected in the probates of the Estates of Donald Holtlander and Pamela Holtlander pending in the District Court of Oklahoma County, Case Nos. PB-2015-196 and PB-2015-197, Movant represents the interests of the Estates and has a legal duty to collect the assets of the Estates. The disposition of this action in the absence of Movant will detrimentally impair Movant's ability to protect her interest in the Mortgaged Properties as the Receiver intends to sell the 17th Street Properties in the near future. By virtue of the Receiver suggesting the possibility of requesting this Court disregard Movant's secured lien on the Mortgaged Properties, it is clear the existing parties will not adequately represent Movant's interest. Only by allowing Movant to intervene can the Court be assured the Estates of Donald Holtlander and Pamela Holtlander will be given every opportunity to fairly defend and protect their liens on the subject properties.

WHEREFORE, premises considered, Movant respectfully prays the Court issue an Order expediting the hearing on this Application and setting the same for hearing on a date to be determined by this Honorable Court, and for an Order permitting Movant to intervene and proceed in accordance with this Application, together with such other and further relief as may be requested and ordered.

Respectfully submitted,



Kelsey Dulin, OBA No. 22240

DULIN LAW FIRM

15310 N. May Ave., Suite 102

Edmond, OK 73013

Telephone: (405) 513-8555

Email: [Kelsey@dulinlawfirm.com](mailto:Kelsey@dulinlawfirm.com)

*Attorney for Movant, Alicia Holtslander-Petrone*

**CERTIFICATE OF SERVICE**

This is to certify that on the 26 day of Feb, 2015, a true and correct copy of the foregoing Application to Intervene was mailed, postage prepaid, to:

Patricia A. Labarthe  
Jennifer L. Shaw  
**Oklahoma Department of Securities**  
120 N. Robinson, Suite 860  
Oklahoma City, OK 73102

Mark A. Robertson  
Michael P. Kirshner  
**Robertson & Williams**  
9658 N. May Avenue, Suite 200  
Oklahoma City, Ok 73120

David L. Nunn  
**David L. Nunn, PC**  
PO Box 230  
Edmond, OK 73083

Ryan Leonard  
**Meyer Leonard & Allison PLLC**  
116 East Sheridan Ave., Suite 207  
Oklahoma City, OK 73104

R. Stephen Haynes  
**Law Office of R. Stephen Haynes, P.C.**  
First Commerical Bank Building  
3805 West Memorial Rd.  
Oklahoma City, OK 73134

Billy Lewis  
**Lee, Goodwin, Lee, Lewis & Dobson**  
1300 E. 9th St, Suite 1  
Edmond, OK 73034

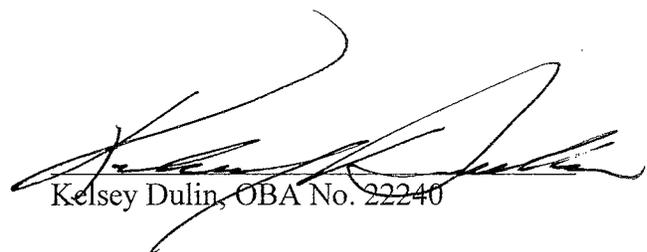
Jim W. Lee  
**Lee & Kiser**  
One Broadway, Executive Park  
201 NW 63rd St., Suite 230  
Oklahoma City, OK 73116

Robert Edinger  
**Robert Edinger PLLC**  
116 E. Sheridan, Suite 207  
Oklahoma City, OK 73104

John M. Thompson  
**CROWE & DUNLEVY**  
Braniff Building  
324 N. Robinson Ave, Suite 100  
Oklahoma City, OK 73102

Terry D. Kordeliski  
**Riggs & Abney**  
5801 N. Broadway Ext., Suite 101  
Oklahoma City, OK 73118

Rollin Nash Jr.  
**Nash, Cohenour, Kelley, Giessman & Knight, PC**  
4101 Perimeter Center Drive, Suite 200  
Oklahoma City, OK 73112



Kelsey Dulin, OBA No. 22240

PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned jointly and severally, promise to pay to the order of PAMELA TOMMIE HOLTSLANDER, 1909 NW 21ST STREET, OKLAHOMA CITY, OK 73106, the principal sum of Forty Five Thousand and 00/100 Dollars DOLLARS, with interest thereon from date at the rate of 7% per annum, until paid.

The principal of this Note, plus accrued interest at the rate aforesaid, shall be due and payable in equal and consecutive monthly installments of \$522.49, each, commencing on June 1, 2008, and continuing on the 1st day of each month thereafter until May 1, 2018, at which time the entire principal balance, together with accrued and unpaid interest thereon, shall be due and payable.

If any monthly installment under this Promissory Note is not paid when due, and remains unpaid after a date specified by a notice to Note Maker, the entire principal amount outstanding and accrued interest thereon, shall at once become due and payable at the option of Note Holder. The date specified shall not be less than thirty (30) days from the date such notice is mailed. The Holder of this Note may exercise this option to accelerate during any default by Note Maker regardless of any prior forbearance.

Note Maker shall pay the Note Holder a late charge of 5% of any monthly installment not received by the Note Holder within 15 days after the installment is due.

Note Maker may prepay the principal amount outstanding in whole or in part at any time without penalty.

The Maker of this Note agrees that if, and as often as, this Note is placed in the hands of an attorney for collection or to defend or enforce any of the Holders' rights hereunder, or any instrument securing payment of this Note, the undersigned will pay to such Holder its reasonable attorneys fees and all court costs and other expenses incurred in connection therewith.

This Note is issued by the undersigned and accepted by the Holder hereof, pursuant to a lending transaction negotiated, consummated and to be performed in the State of Oklahoma and the laws of the State of Oklahoma shall govern the validity, construction, interpretation, and legal effect of this Note and the rights and duties of the parties hereunder.

On the breach of any provision of this Note or any Mortgage securing payment hereof, or the default in payment of any other indebtedness owing by the undersigned to the Holder hereof, at the option of the Holder of this Note, the entire indebtedness hereby evidenced shall become due, payable and collectible then, or thereafter, as the Holder may elect, regardless of the maturity hereof; however, failure to exercise such option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default.

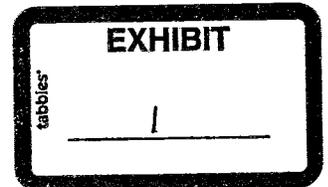
Notwithstanding any provisions herein or in the Mortgage securing this Note to the contrary, the total liability for payments in the nature of interest shall not exceed the limits not imposed by the usury laws of the State of Oklahoma, and no Holder shall ever be entitled to receive, collect, or apply, as interest on the indebtedness, any amount in excess of the maximum legal rate of interest permitted to be charged by applicable law, and, in the event any Holder ever receives, collects or applies, as interest, any such excess, such amount which would be excessive interest shall be applied to the reduction of the unpaid principal balance of the indebtedness, and if the unpaid principal of the indebtedness is paid in full, any remaining excess shall be forthwith paid to the Maker. In determining whether or not the interest paid or payable under any specific contingency exceeds the highest lawful rate, the Maker and Holder shall, to the extent permitted by applicable law: (a) characterize any nonprincipal payments as an expense, fee or premium rather than as interest; (b) exclude voluntary prepayments and the effect thereof; and (c) "spread" the total amount of interest throughout the entire term of the Note.

Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorsers hereof. This Note shall be the joint and several obligation of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their successors and assigns.

EXECUTED October 5, 2007.

  
TOM SEABROOKE

  
KARYN SEABROOKE



Doc # 2008070181  
Bk 10818  
Pg 272-274  
DATE 05/28/08 14:00:00  
Filing Fee \$17.00  
Documentary Tax \$0.00  
State of Oklahoma  
County of Oklahoma  
Oklahoma County Clerk  
Carolann Caudill

Loan No.

RETURN TO:  
PAMELA TOMMIE HOLTSLANDER  
1909 NW 21ST STREET  
OKLAHOMA CITY, OK 73106

TAX ID # 045161400

TREASURER'S ENDORSEMENT  
I hereby certify that I received \$ \_\_\_\_\_ & Ass'd rec No. \_\_\_\_\_  
Thereof in payment of mortgage tax on the within mortgage.  
Dated this 27 day of MAY 2008.  
FORREST "BUTCH" FREEMAN, County Treasurer

By PAULA WELLS Deputy

2

REAL ESTATE MORTGAGE WITH POWER OF SALE

"A POWER OF SALE HAS BEEN GRANTED IN THIS MORTGAGE. A POWER OF SALE MAY ALLOW THE MORTGAGEE TO TAKE THE MORTGAGED PROPERTY AND SELL IT WITHOUT GOING TO COURT IN A FORECLOSURE ACTION UPON DEFAULT BY THE MORTGAGOR UNDER THIS MORTGAGE"

This Mortgage is made this 5th day of October, 2007, by TOM SEABROOKE and KARYN SEABROOKE, husband and wife (hereinafter collectively called the "Mortgagor") and PAMELA TOMMIE HOLTSLANDER (hereinafter collectively called "Mortgagee"), whose address is 1909 NW 21ST STREET, OKLAHOMA CITY, OK 73106.

WHEREAS, the Mortgagor is justly indebted to the Mortgagee in the sum of \$45,000.00 with interest thereon, according to the terms of a certain Promissory Note ("Note") bearing an even date herewith, having a final maturity date of May 1, 2018.

NOW THEREFORE, to secure the Mortgagee the payment of the aforesaid indebtedness, with interest thereon, the payment of all other monies secured hereby or advanced hereunder, and the performance of the covenants and agreements herein contained, the Mortgagor does hereby grant, bargain, sell, convey and mortgage unto the Mortgagee and specifically grants to and confirms upon Mortgagee the power to sell in the manner provided in the "Oklahoma Power of Sale Mortgage Foreclosure Act," 46 O.S. §40-48, the following described real property located in Oklahoma County, Oklahoma, to wit:

Lot SEVEN (7) of  
Block ONE (1) in  
NICHOLS UNIVERSITY PLACE, an Addition to  
Oklahoma City, Oklahoma County, Oklahoma  
according to the recorded plat thereof.

together with all and singular the tenements, appurtenances and hereditaments thereof; all buildings and improvements now or hereafter constructed thereon; all fixtures, equipment, machinery, apparatus and articles of personal property of every kind and character now owned, or hereafter acquired by, the Mortgagor, and now or hereafter located in, or used for, the operation and maintenance of the aforesaid buildings and improvements. The above described real estate, appurtenances, improvements and collateral are hereafter collectively called the "Mortgaged Premises", are hereby declared to be subject to the Mortgage Lien and security interest created by this Mortgage as security for the payment of all indebtedness and obligations herein described.

Mortgagor hereby covenants that Mortgagor is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Mortgaged Premises, that the Mortgaged Premises are unencumbered and the Mortgagor will warrant and defend generally the title of the Mortgaged Premises against all claims and demands subject to any oil and gas leases, easements or restrictive covenants of record.

If, the Mortgagor shall pay the indebtedness as herein described, and shall in all things do and perform all other acts and agreements herein contained to be done, then, in that event only, this Mortgage shall be and become null and void.

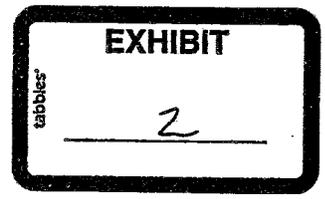
The Mortgagor and Mortgagee herein do hereby covenant and agree, while this Mortgage remains in force as follows:

1. Mortgagor shall promptly pay when due the principal and interest on the indebtedness evidenced by the Note and to comply with all provisions thereof.
2. The Mortgagor herein agrees to pay all taxes, special assessments, if any, when they become due, upon said premises before same become delinquent, and to keep the premises, free and clear of any liens or claims which might become prior to the lien of this Mortgage and to furnish Mortgagee proof of same upon request.

\*This mortgage being re-recorded to correct previously recorded mtg in book 10635, page 410, to correct mortgage amount.

510

3/17



3. The Mortgagor herein agrees to maintain insurance acceptable to, and for the benefit of, the Mortgagee insuring against loss by fire and other hazards included within the term "Extended Coverage", and such insurance policy shall name the Mortgagee herein as additional named insured. Such insurance shall be in an amount not less than the indebtedness due under the terms of this Mortgage and Mortgagor shall furnish Mortgagee proof of same upon request. Such insurance shall provide for at least ten days notice of cancellation to Mortgagee. In the event of damage or destruction to the Mortgaged Premises, unless otherwise agreed in writing by Mortgagee, the insurance proceeds, at the sole option of Mortgagee, shall be applied to the sums secured by this Mortgage with any excess paid to Mortgagor, or to restoration or repair of the Mortgaged Premises.

4. The Mortgagor herein will not sell, convey or otherwise transfer all, or any part of, the Mortgaged Premises. Occurrence of any of the foregoing events without the Mortgagee's prior written approval, at the Mortgagee's option, will constitute an event of default hereunder, and the Mortgagee will have the option to declare the indebtedness hereby secured immediately due and payable and exercise any or all of the Mortgagee's rights herein provided.

5. In the event of the failure of the Mortgagor to maintain hazard insurance and/or pay all taxes, special assessments or other charges as they become due, the Mortgagee herein may effect and maintain hazard insurance for their own benefit and pay such taxes, assessments or other charges against the property and the sum or sums so paid by the Mortgagee shall be a lien against the property and secured by this Mortgage and bear interest at the same rate provided in the Note.

6. In the event of default under the terms of this Mortgage or the Promissory Note, the Mortgagor shall furnish to the Mortgagee upon demand, an abstract of title to the Mortgaged Premises, or the title search of continuation evidence and documentation satisfactory to Mortgagee, certified by a bonded abstractor or other appropriate authority satisfactory to Mortgagee from Government Patent or origination down to then current date. In the event such abstract or other required title search or evidence is not furnished within ten (10) days after such demand, Mortgagee herein may order an abstract or other title evidence, search or documentation, and add the costs thereof, to the debt secured and collectible under this Mortgage.

7. Upon the Mortgagor's breach of any covenant or agreement of Mortgagor in this Mortgage, or the Note secured hereby, Mortgagee prior to acceleration shall mail notice to Mortgagor as provided herein specifying: (1) the breach; (2) the action required to cure such breach; (3) a date by which such breach must be cured, which shall be at least thirty (30) days from the date Notice is mailed; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of sums secured by this Mortgage, foreclosure by judicial proceedings or power of sale and sale of the Property. If any sum to be paid hereunder or under the Note is not paid on the due date thereof, or if a non-monetary breach is not cured on or before the date specified in the notice, Mortgagee, at Mortgagee's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Mortgagee shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorney's fees, and costs of documentary evidence, abstracts and title reports.

Mortgagee, as an alternative to judicial foreclosure, may elect to foreclose by power of sale as provided under and pursuant to the Oklahoma Power of Sale Mortgage Foreclosure Act, 46 O.S. §40-48, and for such purposes Mortgagor authorized Mortgagee or Mortgagee's attorney or agent the power, to sell and convey the Property to a purchaser and to foreclose all right, title, interest and estate of Mortgagor and all other persons having an interest subject to the lien of this Mortgage in and to the Property.

8. Notice to the Mortgagor provided for in the Mortgage shall be given by mailing such notice by certified mail, return receipt requested, addressed to the Mortgagor at the following address:

3040 HEMINGFORD LANE  
OKLAHOMA CITY, OK 73103

9. Appraisal of the Mortgaged Premises is hereby expressly waived or not, at the option of the Mortgagee, such option to be exercised at the time the judgment is rendered in any foreclosure of this Mortgage or at any time prior thereto.

10. The rights of the Mortgagee arising under the clauses and covenants contained in this Mortgage shall be separate, distinct and cumulative, and none of them shall be in exclusion of others; and no act of the Mortgagee herein shall be construed as an election to proceed under any one provision herein to the exclusion to proceed under any other provision, anything herein or otherwise to the contrary notwithstanding.

11. If any term, covenant or condition of this Mortgage shall be held to be invalid, illegal or unenforceable in any such respect, this Mortgage shall be construed without such provision.

12. This Mortgage may not be changed, added to, modified, amended or terminated except by written agreement signed by both the Mortgagor and Mortgagee herein.

13. This Mortgage will be binding on the Mortgagor and all heirs, personal representatives, successors and assigns of the Mortgagor and will inure to the benefit of the Mortgagee and all successors and assigns of the Mortgagees.

14. It is agreed that if, and as often as, this Mortgage or the Note hereby secured is placed in the hands of an attorney for collection, or to protect the priority or validity of this Mortgage, or to defend any suit affecting the title of the Mortgaged Premises, or to enforce or defend any of the Mortgagees' rights hereunder, the Mortgagor herein shall pay to the Mortgagee reasonable attorney's fees, together with all court costs, expenses for title examination, title insurance or other disbursements, relating to the Mortgaged Premises, which sums shall be secured hereby.

15. It is expressly understood that this Mortgage may not be assumed without the written consent of the Mortgagee.

IN WITNESS WHEREOF, the Mortgagor has duly executed this instrument this 5/22/08

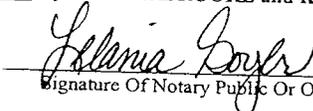
  
\_\_\_\_\_  
TOM SEABROOKE

  
\_\_\_\_\_  
KARYN SEABROOKE

State Of Oklahoma     }  
                                  } ss  
County Of OKLAHOMA    }

This instrument was acknowledged before me on this May 22, 2008 by TOM SEABROOKE and KARYN SEABROOKE, husband and wife.

Notarial Stamp Or Seal (Or Other Title Or Rank)

  
\_\_\_\_\_  
Signature Of Notary Public Or Other Official

File # 07081910



Mtg. Tax \_\_\_\_\_

PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned jointly and severally, promise to pay to the order of PAMELA TOMMIE HOLTSLANDER, 1909 NW 21ST STREET, OKLAHOMA CITY, OK 73106, the principal sum of Forty Five Thousand and 00/100 Dollars DOLLARS, with interest thereon from date at the rate of 7% per annum, until paid.

The principal of this Note, plus accrued interest at the rate aforesaid, shall be due and payable in equal and consecutive monthly installments of \$522.49, each, commencing on June 1, 2008, and continuing on the 1st day of each month thereafter until May 1, 2018, at which time the entire principal balance, together with accrued and unpaid interest thereon, shall be due and payable.

If any monthly installment under this Promissory Note is not paid when due, and remains unpaid after a date specified by a notice to Note Maker, the entire principal amount outstanding and accrued interest thereon, shall at once become due and payable at the option of Note Holder. The date specified shall not be less than thirty (30) days from the date such notice is mailed. The Holder of this Note may exercise this option to accelerate during any default by Note Maker regardless of any prior forbearance.

Note Maker shall pay the Note Holder a late charge of 5% of any monthly installment not received by the Note Holder within 15 days after the installment is due.

Note Maker may prepay the principal amount outstanding in whole or in part at any time without penalty.

The Maker of this Note agrees that if, and as often as, this Note is placed in the hands of an attorney for collection or to defend or enforce any of the Holders' rights hereunder, or any instrument securing payment of this Note, the undersigned will pay to such Holder its reasonable attorneys fees and all court costs and other expenses incurred in connection therewith.

This Note is issued by the undersigned and accepted by the Holder hereof, pursuant to a lending transaction negotiated, consummated and to be performed in the State of Oklahoma and the laws of the State of Oklahoma shall govern the validity, construction, interpretation, and legal effect of this Note and the rights and duties of the parties hereunder.

On the breach of any provision of this Note or any Mortgage securing payment hereof, or the default in payment of any other indebtedness owing by the undersigned to the Holder hereof, at the option of the Holder of this Note, the entire indebtedness hereby evidenced shall become due, payable and collectible then, or thereafter, as the Holder may elect, regardless of the maturity hereof; however, failure to exercise such option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default.

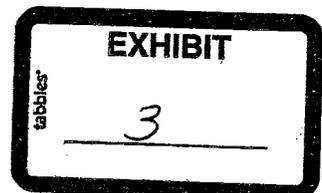
Notwithstanding any provisions herein or in the Mortgage securing this Note to the contrary, the total liability for payments in the nature of interest shall not exceed the limits not imposed by the usury laws of the State of Oklahoma, and no Holder shall ever be entitled to receive, collect, or apply, as interest on the indebtedness, any amount in excess of the maximum legal rate of interest permitted to be charged by applicable law, and, in the event any Holder ever receives, collects or applies, as interest, any such excess, such amount which would be excessive interest shall be applied to the reduction of the unpaid principal balance of the indebtedness, and if the unpaid principal of the indebtedness is paid in full, any remaining excess shall be forthwith paid to the Maker. In determining whether or not the interest paid or payable under any specific contingency exceeds the highest lawful rate, the Maker and Holder shall, to the extent permitted by applicable law: (a) characterize any nonprincipal payments as an expense, fee or premium rather than as interest; (b) exclude voluntary prepayments and the effect thereof; and (c) "spread" the total amount of interest throughout the entire term of the Note.

Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorsers hereof. This Note shall be the joint and several obligation of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their successors and assigns.

EXECUTED October 5, 2007.

  
TOM SEABROOKE

  
KARYN SEABROOKE



Doc # 2008070180  
Bk 10818  
Pg 249-271  
DATE 05/28/08 14:32:06  
Filing Fee \$17.00  
Documentary Tax \$0.00  
State of Oklahoma  
County of Oklahoma  
Oklahoma County Clerk  
Carolann Caudill

Loan No.

RETURN TO:  
PAMELA TOMMIE HOLTSLANDER  
1909 NW 21ST STREET  
OKLAHOMA CITY, OK 73106

TAX ID # 045164000

TREASURER'S ENDORSEMENT  
I hereby certify that I received \$ 500,000.00 & taxed rec. No. 123  
Therefore in payment of mortgage tax on the within mortgage.  
Dated this 27 day of MAY, 2008.  
FORREST "BUTCH" FREEMAN, County Treasurer  
By PAULA WELLS, Deputy

(2)

REAL ESTATE MORTGAGE WITH POWER OF SALE

**"A POWER OF SALE HAS BEEN GRANTED IN THIS MORTGAGE. A POWER OF SALE MAY ALLOW THE MORTGAGEE TO TAKE THE MORTGAGED PROPERTY AND SELL IT WITHOUT GOING TO COURT IN A FORECLOSURE ACTION UPON DEFAULT BY THE MORTGAGOR UNDER THIS MORTGAGE"**

This Mortgage is made this 5th day of October, 2007, by TOM SEABROOKE and KARYN SEABROOKE, husband and wife (hereinafter collectively called the "Mortgagor") and PAMELA TOMMIE HOLTSLANDER (hereinafter collectively called "Mortgagee"), whose address is 1909 NW 21ST STREET, OKLAHOMA CITY, OK 73106.

WHEREAS, the Mortgagor is justly indebted to the Mortgagee in the sum of \$45,000.00 with interest thereon, according to the terms of a certain Promissory Note ("Note") bearing an even date herewith, having a final maturity date of May 1, 2018.

NOW THEREFORE, to secure the Mortgagee the payment of the aforesaid indebtedness, with interest thereon, the payment of all other monies secured hereby or advanced hereunder, and the performance of the covenants and agreements herein contained, the Mortgagor does hereby grant, bargain, sell, convey and mortgage unto the Mortgagee and specifically grants to and confirms upon Mortgagee the power to sell in the manner provided in the "Oklahoma Power of Sale Mortgage Foreclosure Act," 46 O.S. §40-48, the following described real property located in Oklahoma County, Oklahoma, to wit:

Lot ELEVEN (11) of  
Block TWO (2) in  
NICHOLS UNIVERSITY PLACE, an Addition to  
Oklahoma City, Oklahoma County, Oklahoma  
according to the recorded plat thereof.

together with all and singular the tenements, appurtenances and hereditaments thereof; all buildings and improvements now or hereafter constructed thereon; all fixtures, equipment, machinery, apparatus and articles of personal property of every kind and character now owned, or hereafter acquired by, the Mortgagor, and now or hereafter located in, or used for, the operation and maintenance of the aforesaid buildings and improvements. The above described real estate, appurtenances, improvements and collateral are hereafter collectively called the "Mortgaged Premises", are hereby declared to be subject to the Mortgage Lien and security interest created by this Mortgage as security for the payment of all indebtedness and obligations herein described.

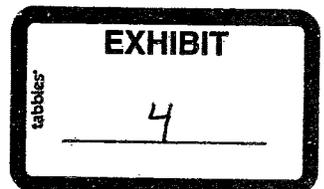
Mortgagor hereby covenants that Mortgagor is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Mortgaged Premises, that the Mortgaged Premises are unencumbered and the Mortgagor will warrant and defend generally the title of the Mortgaged Premises against all claims and demands subject to any oil and gas leases, easements or restrictive covenants of record.

If, the Mortgagor shall pay the indebtedness as herein described, and shall in all things do and perform all other acts and agreements herein contained to be done, then, in that event only, this Mortgage shall be and become null and void.

The Mortgagor and Mortgagee herein do hereby covenant and agree, while this Mortgage remains in force as follows:

1. Mortgagor shall promptly pay when due the principal and interest on the indebtedness evidenced by the Note and to comply with all provisions thereof.
2. The Mortgagor herein agrees to pay all taxes, special assessments, if any, when they become due, upon said premises before same become delinquent, and to keep the premises, free and clear of any liens or claims which might become prior to the lien of this Mortgage and to furnish Mortgagee proof of same upon request.

SW



\*This mortgage being re-recorded to correct previously recorded mtg in book 10635, Page 413, to correct mortgage amount.

3/1

3. The Mortgagor herein agrees to maintain insurance acceptable to, and for the benefit of, the Mortgagee insuring against loss by fire and other hazards included within the term "Extended Coverage", and such insurance policy shall name the Mortgagee herein as additional named insured. Such insurance shall be in an amount not less than the indebtedness due under the terms of this Mortgage and Mortgagor shall furnish Mortgagee proof of same upon request. Such insurance shall provide for at least ten days notice of cancellation to Mortgagee. In the event of damage or destruction to the Mortgaged Premises, unless otherwise agreed in writing by Mortgagee, the insurance proceeds, at the sole option of Mortgagee, shall be applied to the sums secured by this Mortgage with any excess paid to Mortgagor, or to restoration or repair of the Mortgaged Premises.

4. The Mortgagor herein will not sell, convey or otherwise transfer all, or any part of, the Mortgaged Premises. Occurrence of any of the foregoing events without the Mortgagee's prior written approval, at the Mortgagee's option, will constitute an event of default hereunder, and the Mortgagee will have the option to declare the indebtedness hereby secured immediately due and payable and exercise any or all of the Mortgagee's rights herein provided.

5. In the event of the failure of the Mortgagor to maintain hazard insurance and/or pay all taxes, special assessments or other charges as they become due, the Mortgagee herein may effect and maintain hazard insurance for their own benefit and pay such taxes, assessments or other charges against the property and the sum or sums so paid by the Mortgagee shall be a lien against the property and secured by this Mortgage and bear interest at the same rate provided in the Note.

6. In the event of default under the terms of this Mortgage or the Promissory Note, the Mortgagor shall furnish to the Mortgagee upon demand, an abstract of title to the Mortgaged Premises, or the title search of continuation evidence and documentation satisfactory to Mortgagee, certified by a bonded abstractor or other appropriate authority satisfactory to Mortgagee from Government Patent or origination down to then current date. In the event such abstract or other required title search or evidence is not furnished within ten (10) days after such demand, Mortgagee herein may order an abstract or other title evidence, search or documentation, and add the costs thereof, to the debt secured and collectible under this Mortgage.

7. Upon the Mortgagor's breach of any covenant or agreement of Mortgagor in this Mortgage, or the Note secured hereby, Mortgagee prior to acceleration shall mail notice to Mortgagor as provided herein specifying: (1) the breach; (2) the action required to cure such breach; (3) a date by which such breach must be cured, which shall be at least thirty (30) days from the date Notice is mailed; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of sums secured by this Mortgage, foreclosure by judicial proceedings or power of sale and sale of the Property. If any sum to be paid hereunder or under the Note is not paid on the due date thereof, or if a non-monetary breach is not cured on or before the date specified in the notice, Mortgagee, at Mortgagee's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Mortgagee shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorney's fees, and costs of documentary evidence, abstracts and title reports.

Mortgagee, as an alternative to judicial foreclosure, may elect to foreclose by power of sale as provided under and pursuant to the Oklahoma Power of Sale Mortgage Foreclosure Act, 46 O.S. §40-48, and for such purposes Mortgagee authorized Mortgagee or Mortgagee's attorney or agent the power, to sell and convey the Property to a purchaser and to foreclose all right, title, interest and estate of Mortgagor and all other persons having an interest subject to the lien of this Mortgage in and to the Property.

8. Notice to the Mortgagor provided for in the Mortgage shall be given by mailing such notice by certified mail, return receipt requested, addressed to the Mortgagor at the following address:

3040 HEMINGFORD LANE  
OKLAHOMA CITY, OK 73103

9. Appraisal of the Mortgaged Premises is hereby expressly waived or not, at the option of the Mortgagee, such option to be exercised at the time the judgment is rendered in any foreclosure of this Mortgage or at any time prior thereto.

10. The rights of the Mortgagee arising under the clauses and covenants contained in this Mortgage shall be separate, distinct and cumulative, and none of them shall be in exclusion of others; and no act of the Mortgagee herein shall be construed as an election to proceed under any one provision herein to the exclusion to proceed under any other provision, anything herein or otherwise to the contrary notwithstanding.

11. If any term, covenant or condition of this Mortgage shall be held to be invalid, illegal or unenforceable in any such respect, this Mortgage shall be construed without such provision.

12. This Mortgage may not be changed, added to, modified, amended or terminated except by written agreement signed by both the Mortgagor and Mortgagee herein.

13. This Mortgage will be binding on the Mortgagor and all heirs, personal representatives, successors and assigns of the Mortgagor and will inure to the benefit of the Mortgagee and all successors and assigns of the Mortgagees.

14. It is agreed that if, and as often as, this Mortgage or the Note hereby secured is placed in the hands of an attorney for collection, or to protect the priority or validity of this Mortgage, or to defend any suit affecting the title of the Mortgaged Premises, or to enforce or defend any of the Mortgagees' rights hereunder, the Mortgagor herein shall pay to the Mortgagee reasonable attorney's fees, together with all court costs, expenses for title examination, title insurance or other disbursements, relating to the Mortgaged Premises, which sums shall be secured hereby.

15. It is expressly understood that this Mortgage may not be assumed without the written consent of the Mortgagee.



PROMISSORY NOTE AND MORTGAGE

\$60,000

Effective Date: October 31, 2012

FOR VALUE RECEIVED, Tom and Judith Karyn Seabrooke (the "Borrower"), promises to pay to the order of Donald Holtlander (the "Lender") at 1909 NW 21<sup>st</sup> St, Oklahoma City, OK. 73106-1611 the principal sum not to exceed SIXTY THOUSAND DOLLARS (\$60,000.00), together with principal and interest thereon at the rate hereinafter specified:

INTEREST RATE. All principal sums outstanding under this Note shall bear interest at Six Percent (6.00%) per annum. Interest shall be calculated on a year of 360 days based upon the actual number of days elapsed.

PAYMENT TERMS. The Borrower shall make 120 consecutive monthly payments of principal and interest, (\$666.12 per month) beginning on December 1, 2012 and continuing monthly until the "Maturity Date" November 2022.

DEFAULT INTEREST. If any sum is not paid within ten (10) days of when due the unpaid balance of this Note shall bear interest at a rate of four percent (4%) per annum greater than the per annum interest rate prevailing on this Note at the time the unpaid amount came due.

MISCELLANEOUS.

The Lender's records of advances and repayments will be prima facie evidence of the amount owed by the Borrower to the Lender with respect to this Note, in the absence of manifest error.

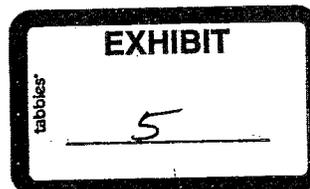
Borrower agrees that if, and as often as, this Note is placed in the hands of an attorney for collection or to defend or enforce any of the Lender's rights hereunder or under any instrument securing payment of this Note, Borrower shall pay the Lender its reasonable attorneys' fees and all court costs and other reasonable expenses incurred in connection therewith.

It is expressly understood that time is of the essence of this Note, and if the Borrower shall fail to pay when due any amount payable under the provisions of this Note, or upon the occurrence of any other default hereunder or under that certain loan agreement of even date herewith (the "Loan Agreement"), such event shall constitute a default hereunder (any of the foregoing being hereinafter referred to as "Default"). Upon Default (i) this Note and all other liabilities of Borrower to Lender together with all accrued but unpaid interest hereon and thereon, at the option of the Lender, and without notice, demand or presentment, or notice of intent to accelerate to the Borrower or any other person or party, may be declared, and thereupon immediately shall become, due and payable; and (ii) the Lender may exercise, from time to time, any and all other rights, remedies and recourses now or hereafter existing in equity, at law, herein or under the Loan Agreement or under any other Loan Documents (as that term is defined in the Loan Agreement), by virtue of statute or otherwise, including but not limited to, all rights and

1

Promissory Note Donald Holtlander.wps

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remedies available to it under the Uniform Commercial Code as in effect from time to time in the State of Oklahoma as the Lender may elect, and the right to foreclose any and all liens and security interests securing this Note. Notwithstanding anything herein or in the Loan Documents to the contrary, this Note and all other liabilities of Borrower to Lender related to the loan evidenced hereby, at the option of Lender, may be accelerated, without notice or demand of any kind in the event Borrower fails to make when due any payments to Lender as required herein or in the Loan Documents.

This Note may be prepaid in whole or in part, at any time and from time to time without prepayment premium or penalty. No such prepayment shall, until all obligations hereunder are fully paid and satisfied, excuse the payment as it becomes due of any payment provided for herein. All prepayments made pursuant to this paragraph shall be applied first to accrued and unpaid interest and then to the principal balance.

The invalidity, or unenforceability in particular circumstances, of any provision of this Note shall not extend beyond such provision or circumstances, and no other provision of this instrument shall be affected thereby.

This Note, to the extent of the full face amount hereof, evidences indebtedness of Borrower to Lender.

This Note shall be deemed to be a contract made under the laws of the State of Oklahoma and shall be construed by and governed in accordance with the laws of the State of Oklahoma.

Borrower hereby consents to the jurisdiction and/or venue of the District Court of Oklahoma County, State of Oklahoma, with respect to any action involving this Note.

Borrower stipulates and agrees that the Lender may, at its sole discretion, assign this Note to any such person it may select, upon such terms and conditions as it may deem appropriate, and that such assignee shall thereafter become the holder of this Note and shall be entitled to enforce all rights, remedies, and other benefits which shall or may inure to the benefit of the Lender.

Borrower further stipulates, represents and agrees that this instrument evidences the valid, enforceable, and binding obligation of the Borrower to the Lender in accordance with the terms and provisions hereof.

IN WITNESS WHEREOF, Borrowers have executed this instrument this 31 day of October 2012 and made effective as of the date first above appearing.

"BORROWER"

Tom Seabrooke

Judith Karyn Seabrooke

ACKNOWLEDGMENT

STATE OF OKLAHOMA )  
 ) ss.  
COUNTY OF Oklahoma )

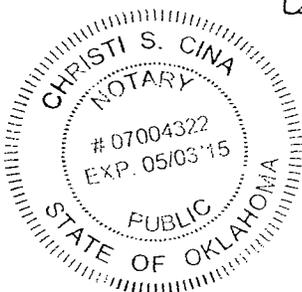
Before me, the undersigned, a Notary Public in and for said County and State on this 31 day of October, 2012, personally appeared Tom and Judith Karyn Seabrooke to me known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

Christi S. Cina  
NOTARY PUBLIC

My Commission Expires:

\_\_\_\_\_  
(SEAL OR STAMP)



2/

**A**

Rec. & Ret. to:  
American Eagle Title Group  
410 N. Walnut, Suite 100  
Oklahoma City, OK 73104

NOTICE



20121114011579860  
11/14/2012 03:32:54 PM  
Bk: RE12085 Pg: 1078 Pgs: 14 RTG  
State of Oklahoma  
County of Oklahoma  
Oklahoma County Clerk  
Carolynn Gaudill

A POWER OF SALE HAS BEEN GRANTED IN THIS MORTGAGE. A POWER OF SALE MAY ALLOW THE MORTGAGEE TO TAKE THE MORTGAGED PROPERTY AND SELL IT WITHOUT GOING TO COURT IN A FORECLOSURE ACTION UPON DEFAULT BY THE MORTGAGOR UNDER THIS MORTGAGE.

**MORTGAGE (WITH POWER OF SALE)**

THIS MORTGAGE (the "Mortgage") is made effective as of the 30<sup>th</sup> day of October 2012 by and between Tom and Judith Karyn Seabrooke, individuals, (the "Mortgagor"), having a notice address of 425 NW 11<sup>th</sup> Street, Oklahoma City, Oklahoma 73103, and Donald Holtslander, an individual, having a notice address of 1909 NW 21ST ST, OKLAHOMA CITY, OK 731061611 (the "Mortgagee").

RECITALS

WHEREAS, the Mortgagor has issued to the Mortgagee a Promissory Note in the original principal amount of **SIXTY THOUSAND DOLLARS (\$60,000.00)**

WHEREAS, it is a condition precedent to Mortgagee making advances on the loan evidenced by the Note that Mortgagor grant this Mortgage; and

WHEREAS, for purposes of this Mortgage, the term "Collateral" means and includes all right, title and interest of the Mortgagor, whether now owned or hereafter acquired, in and to all of the following:

(i) All of the Mortgagor's right, title and interest in, to and under the land located described in Exhibit A attached hereto (the "Land"), together with all and singular, the tenements, rights, easements, hereditaments, rights of way, privileges, liberties, appendages and appurtenances now or hereafter belonging or in anyway appertaining to the Land (including, without limitation, all rights relating to storm and sanitary sewer, water, gas, electric, railway and telephone services); all development rights, air rights, water, water rights, reservoirs and reservoir rights, ditches and ditch rights, wells and well rights, whether evidenced or initiated by permit, decree, well registration, appropriation not decreed, water court application, shares of stock or other interest in mutual ditch or reservoir companies or carrier ditch or reservoir companies or otherwise, appertaining or appurtenant to or beneficially used or useful in connection with the Land, and all gas, oil, minerals, coal and other substances of any kind or character underlying or relating to the Land; all estate, claim, demand, right, title or interest of the Mortgagor in and to any street, road, highway, or alley (vacated or otherwise) adjoining the Land or any part thereof; all strips and gores belonging, adjacent or pertaining to the Land; and any after-acquired title to any of the foregoing (all of the foregoing including the Land are herein referred to collectively as the "Real Estate"); and

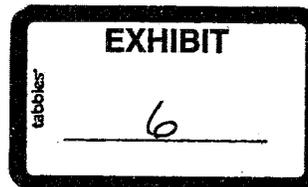
(ii) All of the Mortgagor's right, title and interest, if any, in, to and under the buildings, structures, replacements, fixtures, fittings and other improvements and property of every kind and character now or hereafter located or erected on the Real Estate, (all of the foregoing are herein referred to collectively as the "Improvements"). All of the Real Estate and the Improvements, and any other property hereinabove

1  
Mortgage Donald Holtslander wps2.wps

COURTESY FILING. NO  
LIABILITY IS ASSUMED

RECEIVED MTG TAX \$ 60.00  
PAID on NOVEMBER 14th 2012 RCPT# 38  
FORREST "BUTCH" FREEMAN  
OKLA CO. TREASURER  
BY Paula Wells DEPUTY

1209-0092-61



14/39

referred to which is real estate under applicable law, is sometimes referred to collectively herein as the "Premises".

#### GRANT

NOW, THEREFORE, to secure to Mortgagee the performance by Mortgagor under the Note, the payment of the other Indebtedness (as hereinafter defined) and the performance of the covenants and agreements herein contained, the Mortgagor hereby grants, mortgages, bargains, sells, warrants, assigns, transfers and conveys unto the Mortgagee, with power of sale and right of entry and possession, all the Mortgagor's right, title and interest, if any, in and to the Collateral, including the proceeds of any thereof.

TO HAVE AND TO HOLD the Premises with all the rights, improvements and appurtenances thereunto belonging, or in any way appertaining unto the Mortgagee, its successors and assigns, forever. Subject to those permitted encumbrances identified on Exhibit B attached hereto, Mortgagor covenants that the Mortgagor has a good right to sell, convey and mortgage the Premises, that the Premises are free and clear of all general and special taxes, liens, charges and encumbrances of every kind and character, and that the Mortgagor hereby warrants and will forever defend the title thereto against the claims of all persons whomsoever.

#### ARTICLE I

##### COVENANTS AND AGREEMENTS OF THE MORTGAGOR

Further to secure the payment and performance of the Indebtedness, the Mortgagor hereby covenants, warrants and agrees with the Mortgagee as follows:

1.1 Indebtedness Secured. This Mortgage shall secure the following (collectively, the "Indebtedness"):

- (a) The performance of all obligations of the Mortgagor under the Note, this Mortgage and any other instrument executed in connection therewith, including the obligation to repay all the indebtedness evidenced thereby;
- (b) All obligations taken in substitution of the indebtedness evidenced by the Note and all renewals or extensions of the Note, together with all interest, attorney's fees and other charges, incurred in connection therewith;
- (c) All fees and expenses incurred or paid by Mortgagee in connection with amending, supplementing, continuing and discharging this Mortgage and the mortgage lien and security interest granted by this Mortgage, and all damages, costs and reasonable attorney's fees incurred by Mortgagee in connection with the enforcement of its rights granted under this Mortgage; and
- (d) All liability of Mortgagor to Mortgagee now or hereafter incurred (including, but not limited to, the indebtedness described elsewhere in this paragraph), whether matured or unmatured, direct, indirect or contingent, including, but not limited to, Mortgagor's obligations to any third party acquired by or

assigned to Mortgagee, and any renewals, extensions or modifications thereof or substitutions therefor.

In the event, and only in the event, that all the indebtedness shall be paid in full and Mortgagor shall have punctually performed and complied with all the obligations, covenants and conditions contained in this Mortgage, the Note and any other document executed in connection with the Indebtedness, this Mortgage shall become null and void, and discharged of record.

1.2 Payment of Indebtedness. The Mortgagor agrees to pay all of the Indebtedness in accordance with the terms thereof.

1.3 Subrogation. To the extent that the Mortgagee, on or after the date hereof, pays any sum under any provision of law or any instrument or document creating any lien or other interest prior or superior to the lien of this Mortgage, or the Mortgagor or any other person pays any such sum with the proceeds of the loans secured hereby, the Mortgagee shall have and be entitled to a lien or other interest on the Collateral equal in priority to the lien or other interest discharged and the Mortgagee shall be subrogated to, and receive and enjoy all rights and liens possessed, held or enjoyed by, the holder of such lien, which shall remain in existence and benefit the Mortgagee in securing the Indebtedness.

1.4 Hazardous Material. Mortgagor warrants that it has complied and is now in compliance with all federal, state and local laws, regulations and orders applicable to the Premises and relating to air, water (including surface and groundwater) and land pollution, and the storage and disposal of hazardous or toxic materials. Neither the Mortgagor nor, to the best knowledge of the Mortgagor, any other person has ever caused or permitted any Hazardous Material to be disposed of or released on, under or at the Premises or any part thereof and neither the Premises nor any part thereof has ever been used (whether by the Mortgagor or, to the best knowledge of the Mortgagor, by any other person) as a disposal (whether permanent or temporary) site for any Hazardous Material.

The Mortgagor hereby indemnifies the Mortgagee and agrees to hold the Mortgagee harmless from and against any and all losses, indebtedness, damages, injuries, penalties, fines, costs, expenses and claims of any and every kind whatsoever (including attorneys' fees and costs) paid, incurred or suffered by, or asserted against, the Mortgagee as a result of any claim, demand or judicial or administrative action by any person or entity (including governmental or private entities) for, with respect to, or as a direct or indirect result of, the presence on or under the escape, seepage, leakage, spillage, discharge, emission or release from the Premises of any Hazardous Material (including, without limitation, any losses, indebtedness, damages, injuries, costs, expenses or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act, as amended, any so-called state or local "Superfund" or "Superlien" law, or any other Federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards on conduct concerning, any Hazardous Material), regardless of whether or not caused by, or within the control of, the Mortgagor.

For purposes of this Mortgage, "Hazardous Material" means and includes any hazardous, toxic or dangerous waste, substance or material defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation and Liability Act, as amended, any so-called state or local "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, including radioactive materials as now or at any time hereafter in

effect.

1.5 Mortgagee's Costs and Expenses; Governmental Charges. The Mortgagor shall pay all costs, fees and expenses of Mortgagee in connection with the performance of its duties hereunder, including, without limitation, the cost of any title insurance coverage ordered in connection with any sale or foreclosure proceedings hereunder, and shall pay all taxes (except federal and state income taxes and the Oklahoma Mortgage Registration Tax) or other governmental charges or impositions imposed by any governmental authority upon the Mortgagee by reason of their interest in any of the Indebtedness or this Mortgage.

1.6 Insurance. Mortgagor shall keep the Premises insured for the benefit of the Mortgagee against loss or damage by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles, smoke, vandalism and malicious mischief and (as, when and to the extent insurance against war risks is obtainable from the United States of America or any agency thereof) against war risks, all in amounts approved by the Mortgagee not exceeding 100% of full insurable value, and shall provide the Mortgagee with policies of liability insurance in amounts approved by Mortgagee, and when and to the extent required by the Mortgagee, against any other risk insured against by persons operating like properties in the locality of the Premises. All insurance provided for in this Mortgage shall be in form and with companies approved by the Mortgagee, such approval not to be unreasonably withheld, conditioned, or delayed. Regardless of the types or amounts of insurance required and approved by the Mortgagee, the Mortgagor will assign and deliver to the Mortgagee all policies of insurance which insure against any loss or damage to the Premises as collateral and further security for the payment of the Indebtedness, with loss payable to the Mortgagee. If the Mortgagee by reason of such insurance receives any money for loss or damage, such amount may, at the option of the Mortgagee, be retained and applied by the Mortgagee toward payment of the Indebtedness or be paid over wholly or in part to the Mortgagor for the repair of said buildings or for the erection of new buildings in their place, or for any other purpose or object satisfactory to the Mortgagee, but the Mortgagee shall not be obligated to see to the proper application of any amount paid over to the Mortgagor. Not less than thirty (30) days prior to the expiration dates of each policy required of the Mortgagor pursuant to this Section 1.6, the Mortgagor will deliver to the Mortgagee a renewal policy or policies marked "premium paid" or accompanied by other evidence of payment satisfactory to the Mortgagee. In the event of a foreclosure or power of sale under this Mortgage, the purchaser of the Premises shall succeed to all the rights of the Mortgagor, including any right to unearned premiums, in and to all policies of insurance assigned and delivered to the Mortgagee pursuant to the provisions of this paragraph.

1.7 Condemnation. Mortgagor shall promptly notify Mortgagee upon receipt of notice of condemnation proceedings involving all or any portion of the Premises, and shall contest such condemnation at the election of the Mortgagee to do so. The Mortgagor covenants and agrees that if at any time all or any portion of the Premises shall be taken or damaged under the power of eminent domain, Mortgagor's share of the award received by condemnation proceedings for any property so taken or any payment received in lieu of such condemnation proceedings shall be paid directly to the Mortgagee and all or any portion of such award or payment, at the option of the Mortgagee, shall be applied to the Indebtedness or paid over, wholly or in part, to the Mortgagor for the purpose of altering, restoring or rebuilding any part of the Premises which may have been altered, damaged or destroyed as a result of any such taking or damage, or for any other purpose or object satisfactory to Mortgagee; provided, that the Mortgagee shall not be obligated to see to the application of any amount paid over to the Mortgagor.

1.8 Notice of Default. The Mortgagor shall notify the Mortgagee as soon as practicable, but in

any event within five (5) business days, after it knows or has reason to know that a Default has occurred.

1.9 Taxes; Other Liens. The Mortgagor shall pay when due all taxes, assessments, governmental charges or levies, and all claims for labor, materials, supplies, rent and other obligations which, if unpaid, might become a lien against the Premises, excluding only liabilities being diligently contested in good faith by appropriate legal proceedings and against which there are established reserves in accordance with sound business practices and generally accepted accounting principles.

1.10 Further Assurances. The Mortgagor will, from time to time, promptly cure any defects or omissions in the execution and delivery of, or the compliance with this Mortgage and the Note, including the execution and delivery of additional documents reasonably requested by the Mortgagee.

1.11 Creation or Existence of Liens. The Mortgagor shall not create, assume or suffer to exist any mortgage, pledge, lien, charge or encumbrance on any of its respective assets, properties or leasehold interests, personal or real, tangible or intangible, excluding only: (i) encumbrances in favor of Mortgagee; (ii) deposits to secure payment of worker's compensation, unemployment insurance and similar benefits; (iii) statutory liens, against which there are established reserves in accordance with generally accepted accounting principles, and which (a) are being contested in good faith by appropriate legal proceedings, or (b) arise in the ordinary course of the Mortgagor's businesses and secure current obligations of the Mortgagor which are not in default; (iv) liens for property taxes not yet due; and (v) the permitted encumbrances set forth on Exhibit B.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES

To induce the Mortgagee to enter into this Mortgage, the Mortgagor represents and warrants to the best of its knowledge as follows:

2.1 Validity and Binding Nature. This Mortgage and the Note to which the Mortgagor is a party are valid and binding obligations of the Mortgagor enforceable in accordance with their respective terms (subject to any applicable bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and except as enforceability may be limited by general principles of equity).

2.2 Conflicting Agreements and Restrictions. Neither the execution and delivery of this Mortgage, or the Note, nor fulfillment or compliance with the terms and provisions thereof, (i) will conflict with, or result in a breach of the terms, conditions or provisions of, or constitute a default under, or result in any violation of any agreement, instrument, undertaking, judgment, decree, order, writ, injunction, statute, law, rule or regulation to which the Mortgagor is subject, or (ii) result in the creation or imposition of any lien, charge or encumbrance on, or security interest in, any property now or hereafter owned by the Mortgagor pursuant to the provisions of any mortgage, indenture, security agreement, contract, undertaking or other agreement other than the mortgage liens and security interest in favor of the Mortgagee created by this Mortgage, the Note, or (iii) will require any authorization, consent, license, approval or authorization of or other action by, or notice or declaration to, or registration with, any court or administrative or governmental department, commission, board, bureau, authority, agency or body (domestic or foreign), or, to the extent that any such consent or other action may be required, it has been validly procured or duly taken.

2.3 Tax Liabilities. The Mortgagor has filed all federal, state and local tax reports and returns

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required by any law, rule or regulation to be filed by it except for extensions duly obtained, and has either duly paid all taxes, duties and charges indicated due on the basis of such return and reports, or made adequate provisions for the payments thereof, and the assessments of any material amounts of additional taxes in excess of those paid and reported are not reasonably expected. There are no material unresolved questions or claims concerning any tax liabilities of the Mortgagor.

2.4 Litigation. There are no judgments outstanding against the Mortgagor, nor are there now pending or, to the best of the Mortgagor's knowledge, after diligent inquiry, threatened any litigation, contested claims, or governmental proceedings against the Mortgagor.

2.5 Other Agreements. The Mortgagor is not in default under any contract, lease, commitment or other agreement to which it is a party or by which it is bound. The Mortgagor knows of no dispute regarding any contract, lease, commitment or other agreement.

2.6 Utilities. All utility services necessary for the occupancy and operation of the Premises for their intended purposes (including, without limitation, water, storm and sanitary sewer, electric and telephone facilities) are available to the Land and are in place and have been hooked up.

2.7 No Merger, After-Acquired Title. So long as any of the Indebtedness shall remain unpaid, unless the Mortgagee shall otherwise in writing consent, the fee title and the leasehold estate in the Collateral hereinbefore described, shall not merge but shall always be kept separate and distinct, notwithstanding the union of said estates either in the lessor or in the lessee, or in a third party, by purchase or otherwise.

2.8 Physical Defects. After thorough investigation, Mortgagor knows of no material, physical or mechanical defects of the Premises, including, without limitation, the plumbing, heating, air conditioning, ventilation, and electrical systems which would materially impair the value or interfere with the use of the Premises, other than those which Mortgagee has been advised of by Mortgagor in writing prior to the giving of this Mortgage.

2.9 Licenses and Permits. Mortgagor has obtained all licenses, permits, easements and rights of way required from governmental authorities having jurisdiction over the Premises or from private parties for the normal use and operation of the Premises and to insure vehicular and pedestrian ingress to and egress from the Premises.

2.10 Acknowledgment of Mortgagee's Reliance. All representations, warranties, covenants and agreements made herein or in any certificate or other document heretofore or hereafter delivered to the Mortgagee by or on behalf of the Mortgagor pursuant to or with respect to this Mortgage or the Note shall be deemed to have been relied upon by the Mortgagee notwithstanding any investigation heretofore or hereafter made by the Mortgagee or on its behalf, and shall survive the making of any or all advances contemplated by the Note and shall continue in full force and effect as long as there remains unperformed any obligation to the Mortgagee hereunder or under the Note, or any other security document collateralizing the Indebtedness.

## ARTICLE III

### DEFAULT

The occurrence or existence of any of the following events and conditions, unless waived in writing by the Mortgagee, after an applicable notice and cure period (if any) described herein, shall constitute a default hereunder ("Default"), and at the option of the Mortgagee, the unpaid balance of the Indebtedness shall become immediately due and payable:

- 3.1 Nonpayment of the Note. The failure of the Mortgagor to pay any interest on or principal of the Note within ten (10) business days after the same becomes due and payable; or
- 3.2 Other Nonpayment. The failure of the Mortgagor to pay any other amount due and payable to the Mortgagee, under the terms of this Mortgage, the Note, and any other document executed in connection with the Indebtedness, within ten (10) business days after such payment becomes due and payable; or
- 3.3 Representations and Warranties. Any representation, warranty, statement, certificate, schedule or report made or furnished to the Mortgagee by or on behalf of the Mortgagor proves to have been false or erroneous in any material respect as of the date on which such warranty or representation was made or subsequently becomes false or erroneous without notice of such change to the Mortgagee, or any warranty ceases to be complied with in any material respect; or
- 3.4 Covenants and Agreements. The failure of the Mortgagor to perform or observe any of the covenants or agreements contained in Article I of this Mortgage and continuance thereof for thirty (30) calendar days after written notice thereof from the Mortgagee; or
- 3.5 Insolvency. The Mortgagor shall (i) apply for or consent to the appointment of a custodian, receiver, trustee or liquidator of the Mortgagor or any of its respective properties, (ii) admit in writing the inability to pay, or generally fail to pay, its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) commence any proceeding relating to the bankruptcy, reorganization, liquidation, receivership, conservatorship, insolvency, re-adjustment of debt, dissolution or liquidation of the Mortgagor, and/or its assets, (v) suffer any such appointment or commencement of a proceeding as described in clause (i) or (iv) of this Section 3.6, which appointment or proceeding is not terminated or discharged within thirty (30) calendar days, or (vi) become insolvent; or
- 3.6 Judgment. Entry by any court of a final judgment against the Mortgagor or the attachment of, levy upon or garnishment of any of its properties which is not discharged to the satisfaction of the Mortgagee within thirty (30) calendar days thereafter; or
- 3.7 Maturity of Other Debt. The acceleration of the maturity of any debt of the Mortgagor to any person or entity, or the Mortgagor shall be in breach of or default under any material agreement with any person or entity and such breach or default shall remain unremedied for a period of thirty (30) calendar days; or
- 3.8 Collateral/Repayment. Any time the Mortgagee determines at its commercially reasonable discretion, that its collateral position or prospect of repayment of the Note is impaired.

## ARTICLE IV

### REMEDIES

4.1 Acceleration of Indebtedness. Upon the occurrence of a Default, the Mortgagee, without demand or notice, may, at its sole option, declare all the Indebtedness to be immediately due and payable, whereupon the same shall become forthwith due and payable. Upon such acceleration of maturity, the Mortgagee shall be entitled to exercise all remedies available to it under this Article IV or otherwise under applicable law.

4.2 Waiver of Default. The Mortgagee may, by an instrument in writing, waive any Default and any of the consequences of such Default, and, in such event, the Mortgagee, and the Mortgagor shall be restored to their respective former positions, rights and obligations hereunder. Any Default so waived shall for all purposes of this Mortgage be deemed to have been cured and not to be continuing; but no such waiver shall extend to any subsequent or other Default or impair any consequence of such subsequent or other Default.

4.3 Possession of Premises; Remedies under Related Agreements. Upon the occurrence of a Default, the Mortgagor hereby waives all right to the possession, income, and rents of the Premises from and after the occurrence of any Default, and the Mortgagee is hereby expressly authorized and empowered, at and following any such occurrence, to enter into and upon and take possession of the Premises or any part thereof, to complete any construction in progress thereon at the expense of the Mortgagor, to lease the same, to collect and receive all rents and to apply the same, less the necessary or appropriate expenses of collection thereof, either for the care, operation and preservation of the Premises or, at the election of the Mortgagee in its sole discretion, to a reduction of such of the Indebtedness in such order as the Mortgagee may elect. Upon the occurrence of a Default, the Mortgagee, in addition to the rights provided under any other written agreement or instrument relating to any of the Indebtedness or any security therefor, is also hereby granted full and complete authority to enter upon the Premises, employ watchmen to protect the Improvements from depredation or injury and to preserve and protect the Collateral, and to continue any and all outstanding contracts for the erection and completion of Improvements to the Premises, to make and enter into any contracts and obligations wherever necessary (in the sole judgment of the Mortgagee) in its own name, and to pay and discharge all debts, obligations and indebtedness incurred thereby, all at the expense of the Mortgagor. All such expenditures by the Mortgagee shall be Indebtedness hereunder and secured hereby. Upon the occurrence of any Default, the Mortgagee may also exercise any or all rights or remedies under the Note or any other written agreement or instrument relating to any of the Indebtedness or any security therefor.

4.4 Power of Sale; Judicial Foreclosure. Where there has been an occurrence of any Default set forth in this Article IV, the Mortgagee shall have alternate remedies as follows:

(a) Power of Sale. The Mortgagee may elect to use the non-judicial power of sale which is hereby conferred under the terms of this Mortgage. Such power of sale shall be exercised by giving the Mortgagor notice of intent to foreclose by power of sale and setting forth among other things, the nature of the breach(es) or default(s) and the action required to effect a cure thereof and the time period within which such cure may be effected all in compliance with Title 46 Oklahoma Statutes §§40-48, both inclusive (Oklahoma Power of Sale Mortgage Foreclosure Act), effective November 1, 1986, as the same may be amended from time to time or other applicable statutory authority. If no cure is effected within the statutory time limits, the

Mortgagee may accelerate the indebtedness without further notice and may then proceed in the manner and subject to the conditions of the above referenced statutes to send to the Mortgagor and other necessary parties a notice of sale and sell and convey the Collateral in accordance with the above referenced statute. The sale shall be made at one or more sales, as an entirety or in parcels, upon such notice, at such time and places, subject to all conditions and with the proceeds thereof to be applied all as provided in said Oklahoma Power of Sale Mortgage Foreclosure Act. No action of the Mortgagee based upon the provisions contained herein or contained in the Oklahoma Power of Sale Mortgage Foreclosure Act, including, without limitation, the giving of the notice of intent to foreclose by power of sale or the notice of sale, shall constitute an election of remedies which would preclude the Mortgagee from pursuing judicial foreclosure before or at any time after commencement of the power of sale foreclosure procedure.

(b) Judicial Foreclosure. Whether or not proceedings have commenced by the exercise of the power of sale above given, assuming the breach(es) or default(s) are uncured and continuing, then the Mortgagee or the holder or holders of any of the Indebtedness in lieu of proceeding with the power of sale (or in the event of homestead property where the Mortgagor has elected judicial foreclosure, as provided in the above referenced statutes) may at its option declare the whole amount of Indebtedness remaining unpaid immediately due and payable without notice, and proceed by suit or suits in equity or at law to foreclose the same. Appraisal of the Collateral is hereby waived or not waived at the option of the Mortgagee, such option to be exercised at or prior to the time judgment is rendered in such judicial foreclosure. The Collateral may be sold as one parcel or in such parcels as the Mortgagee may elect unless otherwise provided by law.

4.5 Personal Property. Whenever a Default shall be existing, the Mortgagee may exercise from time to time any rights and remedies available to it under the Note, this Mortgage and applicable law. The Mortgagor agrees, in case of Default, if requested by the Mortgagee, to assemble, at its expense, all of the Collateral at a convenient place or places acceptable to Mortgagee. Any notification of intended disposition of any of the Collateral required by law, shall be deemed reasonably and properly given if given at least ten (10) days before such disposition. Any proceeds of any disposition by the Mortgagee of any of the Collateral may be applied by the Mortgagee to the payment of expenses in connection with the Collateral, including reasonable attorneys' fees and legal expenses, and any balance of such proceeds may be applied by the Mortgagee toward the payment of the Indebtedness then due in such order of application as the Mortgagee shall from time to time elect, with any surplus to be paid to the Mortgagee, its successors and assigns, or as a court of competent jurisdiction may direct.

4.6 Performance of Third Party Agreements. The Mortgagee may, in its sole discretion at any time after the occurrence of a Default, notify any person obligated to the Mortgagor under or with respect to any Third Party Agreements of the existence of a Default, require that performance be made directly to the Mortgagee at the Mortgagor's expense, and advance such sums as are necessary or appropriate to satisfy the Mortgagor's obligations thereunder; and the Mortgagor agrees to cooperate with the Mortgagee in all ways reasonably requested by the Mortgagee (including the giving of any notices requested by, or joining in any notices given by, the Mortgagee) to accomplish the foregoing.

4.7 No Liability on the Mortgagee. Notwithstanding anything contained herein, the Mortgagee shall not be obligated to perform or discharge, and does not hereby undertake to perform or discharge, any obligation, duty or liability of the Mortgagor, whether hereunder, under any of the Third Party Agreements or otherwise, and the Mortgagor shall and does hereby agree to indemnify against and hold the Mortgagee harmless of and from: (i) any and all liabilities, losses or damages which the Mortgagee may incur or pay

under or with respect to any of the Collateral or under or by reason of its exercise of rights hereunder; and (ii) any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings by the Mortgagee to perform or discharge any of the terms, covenants or agreements contained in any of the Collateral or in any of the contracts, documents or instruments evidencing or creating any of the Collateral; provided, however, that the Mortgagor shall have no obligation to indemnify the Mortgagee hereunder for any liabilities, losses or damages proximately caused by the gross negligence or willful misconduct of the Mortgagee. The Mortgagee shall not have responsibility for the control, care, management or repair of the Premises or be responsible or liable for any negligence (except for gross negligence or willful misconduct) in the management, operation, upkeep, repair or control of the Premises resulting in loss, injury or death to any tenant, licensee, employee, stranger or other person. No liability shall be enforced or asserted against the Mortgagee in the exercise of the powers herein granted to them unless proximately caused by the gross negligence or willful misconduct of the Mortgagee, and the Mortgagor expressly waives and releases any such liability. Should the Mortgagee incur any such liability, loss or damage under or with respect to any of the Collateral or under or by reason hereof, or in the defense of any claims or demands, the Mortgagor agrees to reimburse the Mortgagee immediately upon demand for the full amount thereof, including costs, expenses and attorneys' fees.

4.8 Remedies Cumulative. No remedy or right of the Mortgagee hereunder, under the Note, or available under applicable law, shall be exclusive of any other right or remedy, but each such remedy or right shall be in addition to every other remedy or right now or hereafter existing under any such document or under applicable law. No delay in the exercise of, or omission to exercise, any remedy or right accruing on any Default shall impair any such remedy or right or be construed to be a waiver of any such Default or an acquiescence thereto, nor shall it affect any subsequent Default of the same or a different nature. Every such remedy or right may be exercised concurrently or independently, and when and as often as may be deemed expedient by the Mortgagee. All obligations of the Mortgagor, and all rights, powers and remedies of the Mortgagee, expressed herein shall be in addition to, and not in limitation of, those provided by law or in the Note.

## ARTICLE V

### GENERAL

5.1 Permitted Acts. The Mortgagor agrees that, without affecting or diminishing in any way the liability of the Mortgagor or any other person (except any person expressly released in writing by the Mortgagee) for the payment or performance of any of the Indebtedness or for the performance of any obligation contained herein or affecting the lien hereof upon the Collateral or any part thereof, the Mortgagee may at any time and from time to time, without notice to or the consent of any person, release any person liable for the payment or performance of any of the Indebtedness; extend the time for, or agree to alter the terms of payment of, any indebtedness under the Note, or any of the other Indebtedness; modify or waive any obligation; subordinate, modify or otherwise deal with the lien hereof; accept additional security of any kind; release any Collateral or other property securing any or all of the Indebtedness; make releases of any portion of the Premises; consent to the making of any map or plat of the Premises; or to the creation of any easements on the Premises or of any covenants restricting the use or occupancy thereof; or exercise or refrain from

exercising, or waive, any right the Mortgagee may have.

5.2 Legal Expenses. The Mortgagor agrees to indemnify the Mortgagee from all loss, damage and expense, including (without limitation) attorneys' fees incurred in connection with any suit or proceeding in or to which the Mortgagee may be made or become a party for the purpose of protecting the lien or priority of this Mortgage.

5.3 Security Agreement; Fixture Filing. This Mortgage, to the extent that it conveys or otherwise deals with items of personal property which are or may become fixtures, shall also be construed as a security agreement under the Uniform Commercial Code as in effect in the state in which the Premises are located, and this Mortgage constitutes a financing statement filed as a fixture filing in the Official Records of the County Clerk of the County in which the Premises are located with respect to any and all fixtures included within the term "Collateral" as used herein and with respect to any goods or other personal property that may now be or hereafter become such fixtures. Proceeds of such Collateral are also covered hereby.

5.4 Partial Release. Provided there is no event of Default hereunder, the Mortgagee shall issue a partial release of a lot, phase or portion of the Premises to the Mortgagor subject to the terms of the Loan Agreement, except that the final lot, phase or portion of the Premises shall be released only upon payment of all sums secured hereby and as set forth in Section 5.5 below.

5.4 Defeasance. Upon full payment and satisfaction of all the Indebtedness in accordance with their respective terms and at the time and in the manner provided, and when the Mortgagee has no further obligation to make any advance, or extend any credit hereunder or under the Note, this conveyance shall be null and void, and thereafter, upon demand therefor, an appropriate instrument of reconveyance or release shall promptly be made by the Mortgagee to the Mortgagor.

5.5 Notices, Demands, Instructions and Other Communications. Except as otherwise expressly provided herein, any notice, demand, instruction or other communication required or desired to be served, given or delivered hereunder shall be in writing, shall be addressed to the person to be notified at the respective addresses set forth on the first page of this Mortgage (or to such other address or addresses as may hereafter be furnished in writing by the person to be notified). Notice shall be deemed to have been validly served, given or delivered on (i) the date of delivery, if delivered in person, (ii) the third (3<sup>rd</sup>) business day after deposit in the United States mails, if delivered by certified mail, return receipt requested, (iii) the first (1<sup>st</sup>) business day after delivery to the courier, if delivered by private overnight courier service, or (iv) upon actual receipt thereof, if delivered in any other manner.

5.6 Successors; the Mortgagor; Gender. All provisions hereof shall inure to and bind the parties and their respective successors, vendees and assigns. The word "Mortgagor" shall include all persons claiming under or through the Mortgagor and all persons liable for the payment or performance of any of the Indebtedness whether or not such persons shall have executed this Mortgage.

5.7 Care by the Mortgagee. The Mortgagee shall be deemed to have exercised reasonable care in the custody and preservation of any of the Collateral in its respective possession if it takes such action for that purpose as the Mortgagor request in writing, but failure of the Mortgagee to comply with any such request shall not be deemed to be (or to be evidence of) a failure to exercise reasonable care, and no failure of the Mortgagee to preserve or protect any rights with respect to such Collateral against prior parties, or to do any

act with respect to the preservation of such Collateral not so requested by the Mortgagor, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

5.8 No Obligation on the Mortgagee. This Mortgage is intended only as security for the Indebtedness. Anything herein to the contrary notwithstanding, (i) the Mortgagor shall be and remain liable under and with respect to the Collateral to perform all of the obligations assumed by it under or with respect to any thereof, (ii) the Mortgagee shall not have any obligation or liability under or with respect to the Collateral by reason or arising out of this Mortgage, and (iii) the Mortgagee shall not be required or obligated in any manner to perform or fulfill any of the obligations of the Mortgagor under, pursuant to or with respect to any of the Collateral.

5.9 No Waiver, Writing. No delay on the part of the Mortgagee in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by the Mortgagee of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy. The granting or withholding of consent by Mortgagee to any transaction as required by the terms hereof shall not be deemed a waiver of the right to require consent to future or successive transactions.

5.10 Governing Law. This Mortgage shall be construed in accordance with and governed by the laws of the State of Oklahoma; provided, however, that the foreclosure, power of sale and other remedial procedures set forth herein shall be governed by the laws of the state where the Premises are located. Whenever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Mortgage shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Mortgage.

5.11 Waiver. The Mortgagor, on its behalf and all persons now or hereafter interested in the Premises or the Collateral, to the fullest extent permitted by applicable law, hereby waives all rights under all homestead, moratorium, valuation, exemption, stay, extension, and redemption statutes, laws or equities now or here-after existing, and hereby further waives the pleading of any statute of limitations as a defense to any and all Indebtedness, and the Mortgagor agrees that no defense, claim or right based on any thereof will be asserted, or may be enforced, in any action enforcing or relating to this Mortgage or any of the Collateral.

5.12 No Merger. It being the desire and intention of the parties hereto that this Mortgage and the lien hereof do not merge in fee simple title to the Premises, it is hereby understood and agreed that should the Mortgagee acquire an additional or other interests in or to the Premises or the ownership thereof, then, unless a contrary intent is manifested by the Mortgagee as evidenced by an express statement to that effect in an appropriate document duly recorded, this Mortgage and the lien hereof shall not merge in the fee simple title, with the result that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

5.13 Mortgagee Not a Joint Venturer or Partner. The Mortgagor and the Mortgagee acknowledge and agree that in no event shall the Mortgagee be deemed to be a partner or joint venturer with the Mortgagor. Without limitation of the foregoing, the Mortgagee shall not be deemed to be such a partner or joint venturer on account of its becoming a mortgagee in possession or exercising any rights pursuant to this Mortgage or pursuant to any other instrument or document evidencing or securing any of the Indebtedness, or otherwise.

5.14 No Third Party Benefits. This Mortgage is made for the sole benefit of the Mortgagor, the

Mortgagee and their respective successors, assigns and participants, and no other party shall have any legal interest or rights of any kind under or by reason of any of the foregoing. Whether or not the Mortgagee elects to employ any or all of the rights, powers or remedies available to it under any of the foregoing, the Mortgagee shall have no obligation or liability of any kind to any third party by reason of the foregoing or any of the Mortgagee's actions or omissions pursuant thereto or otherwise in connection with this transaction.

5.15 Recitals. The recitals contained in this Mortgage are incorporated herein and by this reference made a part hereof.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Mortgage on the day and year first above written.

"MORTGAGOR/DEBTOR":

Tom Seabrooke

Judith Karyn Seabrooke

ACKNOWLEDGMENT

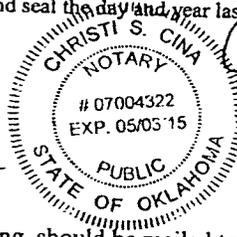
STATE OF OKLAHOMA )  
COUNTY OF Oklahoma ) ss.

Before me, the undersigned, a Notary Public in and for said County and State on this 30th day of October, 2012, personally appeared Tom and Karyn Seabrooke, to me known to be the identical persons who executed the within and foregoing instrument and acknowledged to me that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

My Commission Expires:

(SEAL OR STAMP)



*Christi S. Cina*  
NOTARY PUBLIC

This instrument, after recording, should be mailed to Mortgagee : Donald Holtlander, 1909 NW 21<sup>st</sup> St, Oklahoma City, OK. 731061611

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**EXHIBIT "A"**

Lot Four (4) of Block One (1) in NICHOLS UNIVERSITY PLACE, an Addition to Oklahoma City, Oklahoma County, Oklahoma, according to the recorded plat thereof.

Legal Description

20121114011579960  
Filing Fee: \$39.00  
Doc. Stamps: \$.00  
11/14/2012 03:32:54 PM  
MTG



1209-0082-61