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 Bk:RE11353 Pg:1987 Pgs:14 MTG
 State of Oklahoma
 County of Oklahoma
 Oklahoma County Clerk
 Carolynn Caudill

**MORTGAGE, SECURITY AGREEMENT
 AND FINANCING STATEMENT**

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, SECURITY AGREEMENT AND FINANCING STATEMENT is made effective as of the 27th day of April, 2010, by and between Bruce Horne and Krystal Horne, married individuals, (hereinafter collectively and individually called the "Mortgagor") and Joe M. Milam, Trustee of the 2004 Revocable Trust of Joe Milam u/t/d March 29, 2004, having a mailing address at 13800 S. MacArthur Boulevard, Oklahoma City, OK 73173, (hereinafter called "Mortgagee").

WITNESSETH:

WHEREAS, the Mortgagor has executed and delivered to the Mortgagee a certain Promissory Note dated effective as of 27 April, 2010, and having a maturity date of 31 May, 2040, in the principal amount of \$109,000.00, with interest thereon as described therein (hereinafter called the "Note"); and

WHEREAS, Mortgagee has advanced such amount under said Note; and

WHEREAS, to induce the Mortgagee to make the advances under said Note to the Mortgagor, the Mortgagor has agreed to grant to the Mortgagee a mortgage on the property as hereinafter described.

NOW, THEREFORE, to secure the payment of the aforesaid indebtedness to the Mortgagee, with interest thereon, the payment of all other moneys secured hereby or advanced hereunder and the performance of the covenants and agreements herein contained, Mortgagor does hereby grant, bargain, sell, convey, mortgage and grant a security interest unto the Mortgagee, its successors and assigns, with power of sale, in and to the following (the "Mortgaged Premises"):

(i) the residence located at 2225 Laneway Circle, Oklahoma City, Oklahoma 73159, which legal description is set forth on Exhibit A attached hereto, together with all and singular the tenements, hereditaments, appurtenances, rights, rights-of-way, easements, privileges and appurtenances belonging to or in anywise appertaining to the real property;

(ii) all buildings, structures, improvements and appurtenances now and hereafter located, constructed, erected, installed, affixed, placed and/or maintained in or upon the real property, together with all replacements and substitutions thereof;

RECEIVED MTG TAX \$ 109.00
 PAID on APRIL 29TH 2010 RCPT#///
 FORREST "BUTCH" FREEMAN
 OKLA CO. TREASURER
 BY Paula Wells DEPUTY

(iii) all fixtures, goods to become fixtures, supplies, equipment, machinery and inventory, now or hereafter located, installed, affixed, placed and/or maintained in or upon the Mortgaged Premises, together with all replacements and substitutions thereof, including, but not limited to, furnaces, steam boilers, hot water boilers, oil burners, pipes, radiators, air conditioning and sprinkler systems, gas and electric fixtures, carpets, rugs, shades, awnings, screens, elevators, motors, dynamos, cabinets, incinerators, lawn plants and shrubbery and all other furnishings, tools, equipment and machinery, appliances, building supplies, materials, contract rights, accounts, general intangibles, chattel paper, business records, fittings, goods to become fixtures, and fixtures of every kind used in the construction, operation and/or maintenance of the Mortgaged Premises and all buildings and improvements located therein, and all cash and non-cash proceeds of the aforescribed property which are now or hereafter may be owned by Mortgagor;

(iv) all rents, issues, profits and revenues arising and to arise during the term of this Mortgage for or on account of or with respect to the real property and any and all leases associated with such property, now existing or hereafter incurred;

(v) Mortgagor's rights under any declarations of covenants, conditions and restrictions, reciprocal easement agreements and similar instruments which confer upon the owner of the real property certain appurtenant benefits and any amendments, supplements, revisions or additions thereto;

(vi) all permits, licenses and other general intangibles pertaining to the ownership, operation and management of the real property, buildings and improvements on the real property during the term of this Mortgage, whether now existing or hereafter acquired;

(vii) all judgments and awards (and all proceeds thereof and other rights with respect thereto) made or to be made with respect to any of the real property and buildings and improvements thereon under or in connection with any power of eminent domain; and

(viii) subject to the terms and provisions hereinafter set forth, all rights to collect and receive any insurance proceeds or other sums payable as or for damages to any of the buildings, improvements and tangible personal property located on the real property, for any reason or by virtue of any occurrence.

It is intended by the parties that all of the above-described improvements shall be fixtures and part of the real property. Portions of the Mortgaged Premises are goods which have become or are to become fixtures related to the real property, and Mortgagor expressly covenants and agrees that the recording of this Mortgage in the real estate records of the county where the Mortgaged Premises are located shall also operate from the time of such recording as a financing statement filed as a fixture filing in accordance with Section 1-9-501(a) of the Uniform Commercial Code of the State of Oklahoma (the "UCC").

TO HAVE AND TO HOLD the Mortgaged Premises with all the rights, improvements and appurtenances thereunto belonging, or in anywise appertaining unto the Mortgagee, its successors and assigns, forever. The Mortgagor covenants that the Mortgagor is seized of an indefeasible estate in fee simple in the Mortgaged Premises; that the Mortgagor has a good right to sell, convey and mortgage the same; that the Mortgaged 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.

This Mortgage, Security Agreement and Financing Statement (hereinafter called the "Mortgage") is made subject to the following covenants, conditions and agreements:

1. INDEBTEDNESS SECURED. This Mortgage, and all rights, titles, interests and liens created hereby, or arising by virtue hereof, are given to secure payment and performance of the following indebtedness, liabilities and obligations (herein collectively called the "Secured Indebtedness"):

(a) All loans, principal, interest, fees, expenses, obligations and liabilities of the Mortgagor arising pursuant to or represented by the Note, including any and all future advancements made thereunder;

(b) All indebtedness, liabilities and obligations arising under this Mortgage, or any other security agreement, mortgage, deed of trust, collateral pledge agreement, assignment or other contract of any kind now or hereafter existing as evidence of, security for, or otherwise executed in connection with the indebtedness evidenced by the Note, whether by virtue of future advancements or otherwise; and

(c) Any and all renewals, increases, extensions, modifications, rearrangements or restatements of all or any part of the loans, advances, indebtedness, liabilities and obligations described in (a) and (b), together with all costs, expenses and reasonable attorneys' fees incurred in connection with the enforcement or collection thereof.

If Mortgagor shall pay the Secured Indebtedness in accordance with its terms and Mortgagor shall punctually perform and comply with all the obligations, covenants and conditions contained herein, and upon payment in full of all amounts owing hereunder or secured hereby, then in that event only, this Mortgage shall be and become null and void, and shall be released of record at the cost of the Mortgagor, which cost Mortgagor agrees to pay.

2. PRESERVATION AND MAINTENANCE OF PROPERTY. With respect to the Mortgaged Premises, the Mortgagor covenants and agrees to keep the same in good condition and repair; to pay all general and special taxes and assessments and other charges that may be levied or assessed upon or against the same as they become due and payable and to furnish to the Mortgagee receipts showing payment of any such taxes and assessments, if

demanded; to pay all debts for repair or improvement, now existing or hereafter arising, that may become liens upon or charges against the same; to comply with or cause to be complied with all requirements of any governmental authority relating to the Mortgaged Premises; and to promptly repair, restore, replace or rebuild any part of the Mortgaged Premises which may be damaged or destroyed by any casualty whatsoever or which may be affected by any condemnation proceeding or exercise of eminent domain. The Mortgagor further covenants and agrees that it will not commit nor suffer to be committed any waste of the Mortgaged Premises; nor initiate, join in or consent to any change in any private restrictive covenant, zoning ordinance, or other public or private restrictions limiting or defining the uses which may be made of the Mortgaged Premises or any part thereof; nor permit any lien or encumbrance, of any kind or character, to accrue or remain on the Mortgaged Premises or any part thereof which might take precedence over the lien of this Mortgage provided that with respect to (i) taxes, assessments and other charges levied or assessed, (ii) debts for repair or improvements, or (iii) requirements of governmental authority, Mortgagor shall have the right to contest such items in good faith by appropriate proceedings diligently conducted or provide indemnification satisfactory to the Mortgagee.

3. INSURANCE. The Mortgagor will keep the Mortgaged Premises insured for the benefit of the Mortgagee against loss or damage by fire and other casualty and for extended coverage, all for the full replacement cost of the improvements on the Mortgaged Premises, 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 Mortgaged Premises. All insurance herein provided for shall be in form and with companies approved by the Mortgagee 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, or copies or endorsements thereof or thereto, which insure against any loss or damage to the Mortgaged Premises, 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 Secured Indebtedness if said payment will completely retire such indebtedness or if Mortgagor be then in default pursuant to the terms of this Mortgage or the Note. If the insurance proceeds are not sufficient to completely retire the Secured Indebtedness, and at the time of receipt of said proceeds the Mortgagor be not in default pursuant to the terms of this Mortgage or the Note, then Mortgagor shall have the option of applying said proceeds, or any part thereof, toward payment of the Secured Indebtedness or of applying said proceeds 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. Provided, the Mortgagee shall not be obligated to see to the proper application of any amount paid over to the Mortgagor. Not less than five (5) days prior to the expiration dates of each policy required of the Mortgagor pursuant to this paragraph, the Mortgagor will deliver to the Mortgagee a renewal policy or policies marked "premium paid" or other evidence of payment satisfactory to the Mortgagee.

4. CONDEMNATION. The Mortgagor covenants and agrees that if at any time all or any portion of the Mortgaged Premises shall be taken or damaged under the power of eminent domain, 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 Secured Indebtedness or paid over, wholly or in part, to the Mortgagor for the purpose of altering, restoring or rebuilding any part of the Mortgaged 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.

5. INDULGENCES, EXTENSIONS, RELEASES AND WAIVERS.

(a) Mortgagee may at any time, without notice to any person, grant to the Mortgagor any indulgence, forbearance or any extension of time for the payment of any of the Secured Indebtedness or allow any change or substitution of or for any of the property described in this Mortgage or any other collateral which may be held by the Mortgagee, without in any manner affecting the liability of the Mortgagor, any endorsers of the Secured Indebtedness or any other person liable for the payment of said indebtedness together with interest and any other sums which may be due and payable to the Mortgagee, and also without in any manner affecting or impairing the lien of this Mortgage upon the remainder of the property and other collateral which is not changed or substituted; and it is also understood and agreed that the Mortgagee may at any time, without notice to any person, release any portion of the Mortgaged Premises or any other collateral or any portion of any other collateral which may be held as security for the payment of the Secured Indebtedness, either with or without any consideration for such release or releases without in any manner affecting the liability of the Mortgagor, all endorsers, and all other persons who are or shall be liable for the payment of said indebtedness, and without affecting, disturbing or impairing in any manner whatsoever the validity and priority of the lien of this Mortgage upon the entire remainder of the Mortgaged Premises which is unreleased, and without in any manner affecting or impairing to any extent whatsoever any and all other collateral security which may be held by the Mortgagee. It is distinctly understood and agreed by the Mortgagor and Mortgagee that any release or releases may be made by the Mortgagee without the consent or approval of any person or persons whomsoever.

(b) Any failure by the Mortgagee to insist upon the strict performance of any of the terms and provisions hereof shall not be deemed to be a waiver of any of the terms and provisions hereof, and the Mortgagee, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance of any and all of the terms and provisions of this Mortgage to be performed by the Mortgagor; neither the Mortgagor nor any other person now or hereafter obligated for the payment of the whole or any part of the Secured Indebtedness shall be relieved of such obligation by reason of the failure of the Mortgagee to comply with any request of the Mortgagor or of any other person so

obligated to take action to foreclose this Mortgage or otherwise enforce any of the provisions of this Mortgage or of any obligations secured by this Mortgage, or by reason of the release, regardless of consideration, of the whole or any part of the security held for the Secured Indebtedness, or by reason of any agreement or stipulation between any subsequent owner or owners of the Mortgaged Premises and the Mortgagee extending, from time to time, the time of payment or modifying the terms of the Secured Indebtedness or this Mortgage without first having obtained the consent of the Mortgagor or such other person, and, in the latter event, the Mortgagor and all such other persons shall continue to be liable to make such payments according to the terms of any such agreement of extension or modification unless expressly released and discharged in writing by the Mortgagee; regardless of consideration, and without the necessity for any notice to or consent by the holder of any subordinate lien on the Mortgaged Premises, the Mortgagee may release the obligation of anyone at any time liable for any of the Secured Indebtedness or any part of the security held for the Secured Indebtedness and may from time to time extend the time of payment or otherwise modify the terms of the Secured Indebtedness and/or in this Mortgage without, as to the security or the remainder thereof, in anywise impairing or affecting the lien of this Mortgage or the priority of such lien, as security for the payment of the Secured Indebtedness as it may be so extended or modified, over any subordinate lien; the holder of any subordinate lien shall have no right to terminate any lease affecting the Mortgaged Premises whether or not such lease be subordinate to this Mortgage; and the Mortgagee may resort for the payment of the Secured Indebtedness to any other security therefor held by the Mortgagee in such order and manner as the Mortgagee may elect.

6. SECURITY AGREEMENT AND FINANCING STATEMENT. This Mortgage shall also be construed to be, and shall be construed as, a security agreement and a financing statement with respect to any of the Mortgaged Premises which may be subject to a security interest pursuant to the UCC, and Mortgagor hereby grants to Mortgagee a security interest in said properties and items (hereinafter referred to as the "Collateral").

(a) Financing Statement: Mortgagor agrees that this instrument may be filed by Mortgagee in the appropriate records or index as a financing statement for the purpose of perfecting the aforesaid security interest.

(b) Assembly of Collateral: Upon any Event of Default, the Mortgagee may, at its discretion, require the Mortgagor to assemble the Collateral and make it available to the Mortgagee at a place reasonably convenient to both parties to be designated by the Mortgagee.

(c) Manner of Sale: Upon any Event of Default, all or any part of the Collateral may, at the sole discretion of the Mortgagee, be combined with the real property as an entirety, or the Collateral (or any part of the Collateral not sold together with the real property) may be sold separately, as one parcel or in such parcels, manner or order as the Mortgagee, in its sole discretion, may elect.

(d) Notice of Sale: The Mortgagee shall give the Mortgagor notice, by registered or certified mail, postage prepaid, of the time and place of any public sale of any Collateral or of the time after which any private sale or other intended disposition thereof is to be made by sending notice to the Mortgagor at least ten (10) days before the time of the sale or other disposition, which provisions for notice the parties agree are reasonable.

(e) Additional Documents: The Mortgagor will, from time to time, within fifteen (15) days after request by the Mortgagee, execute, acknowledge and deliver any Financing Statement, Renewal Affidavit, Certificate, Continuation Statement, Inventory or other similar documents as the Mortgagee may request in order to protect, preserve, continue, extend or maintain the security interest under the priority of this Mortgage and will, upon demand, pay any expenses incurred by the Mortgagee in the preparation, execution and filing of any such documents.

7. TAXES. The Mortgagor hereby agrees to pay any and all taxes which may be levied or assessed directly or indirectly upon the Secured Indebtedness and this Mortgage.

8. MORTGAGEE'S RIGHTS. Upon the failure of the Mortgagor to pay any of the taxes or assessments, or other charges above mentioned, as they become due and payable, or upon failure of Mortgagor to pay any other of the debts or liens above mentioned at the time above mentioned, or to perform any of the Mortgagor's covenants and agreements herein, the Mortgagee is hereby authorized, at its option, to pay such taxes, liens, assessments or other charges herein mentioned, or any part thereof, and to remedy the Mortgagor's failure to perform hereunder and pay the costs associated therewith, and the Mortgagor hereby agrees to refund on demand all sum or sums so paid, with interest thereon at the default rate of interest set forth in the Note, and any such sum or sums so paid, together with such interest, shall become a part of the Secured Indebtedness; provided, however, that the retention of a lien hereunder for any sum so paid shall not be a waiver of subrogation or substitution which the Mortgagee might otherwise have had.

9. EVENTS OF DEFAULT; REMEDIES.

(a) An "Event of Default" shall occur after the expiration of any applicable cure period as prescribed in Section 9(b) below: (1) if the Mortgagor shall fail to pay principal or interest under the Note when and as the same shall become due and payable, whether at the due date thereof, by acceleration or otherwise; (2) upon any other failure to pay any of the Secured Indebtedness when due; (3) upon the breach of any term or provision of this Mortgage or any other document executed in connection herewith; or (4) if the Mortgagor, without the prior written consent of the Mortgagee, shall mortgage or otherwise encumber, sell, transfer, convey or voluntarily or involuntarily permit or suffer the Mortgaged Premises or any part thereof to be mortgaged, encumbered, sold, transferred or conveyed, except with respect to the Permitted Exceptions, regardless of

whether or not the Mortgagee has consented to or waived its rights hereunder whether by action or non-action in connection with any previous sale, transfer, conveyance or encumbrance, whether one or more.

(b) If an Event of Default occurs which is described in Sections 9(a)(1) or 9(a)(2) above, Mortgagor shall have five (5) business days after receipt of Mortgagee's written notice thereof to cure said Event of Default to the reasonable satisfaction of the Mortgagee. If an Event of Default occurs which is described in Sections 9(a)(3) above, Mortgagor shall have thirty (30) days after receipt of Mortgagee's written notice thereof to cure said Event of Default to the reasonable satisfaction of the Mortgagee. If the Event of Default set forth in Section 9(a)(4) above occurs, shall have five (5) business days after receipt of Mortgagee's written notice thereof to cure said Event of Default to the reasonable satisfaction of the Mortgagee. If any of the above Events of Default, after the applicable curative period described, if any, are not cured, the whole of the Secured Indebtedness shall, at the election of the Mortgagee, become immediately due and payable without further notice and the Mortgagee, at its option, may proceed to foreclose this Mortgage, with or without appraisal as the Mortgagee may elect at the time judgment is rendered. Thereupon, the Mortgagee shall be entitled to enter into possession of the premises and to collect the rents, issues and profits thereof, accrued and to accrue, and to apply the same on any indebtedness secured hereby or, if the Mortgagee so elects, the Mortgagee shall be entitled to the appointment of a receiver in any court of competent jurisdiction to collect such rents, issues and profits under the direction of the court, notice of the exercise thereof being hereby waived.

(c) In addition to the rights afforded the Mortgagee in this Mortgage with respect to foreclosures by judicial process, the Mortgagor grants to the Mortgagee the right to sell the Mortgaged Premises without judicial process in compliance with the Oklahoma Power of Sale Mortgage Foreclosure Act, as such Act may be amended from time to time, upon the occurrence of any of the events of default described in this Mortgage.

(d) In addition to the remedies set forth in this Mortgage, the Mortgagee shall be entitled to exercise any and all other remedies available by applicable laws and judicial decisions, as well as all remedies available to a secured creditor under the UCC.

10. LEASES, ASSIGNMENT OF RENTS. Mortgagor shall not make or enter into any Leases covering the Mortgaged Premises without the prior written consent of the Mortgagee. However, if any such Leases are permitted, the Mortgagor shall comply with and observe Mortgagor's obligation as landlord under all Leases of the Mortgaged Premises or any part thereof. Mortgagor, at Mortgagee's request, shall furnish Mortgagee with executed copies of all Leases now existing or hereafter made of all or any part of the Mortgaged Premises. Mortgagor shall not, without Mortgagee's written consent, request or consent to the

subordination of any Lease of all or any part of the Mortgaged Premises to any lien subordinate to this Mortgage. Mortgagor does hereby assign, grant, transfer and set over unto Mortgagee all of the rents, issues and profits now due or to become due from the Mortgaged Premises during the term of this Mortgage. Mortgagee hereby grants to Mortgagor a limited license to collect and receive upon accrual, but not prior thereto, all rents, issues and profits prior to the occurrence of an Event of Default. Such license shall be revocable by notice from Mortgagee to Mortgagor at any time after the occurrence and during the continuation of an Event of Default. This Assignment shall be subject to the following terms and conditions.

(i) Upon occurrence of an Event of Default, Mortgagor shall deliver to Mortgagee all Leases covering all or any portion of the Mortgaged Premises. This Assignment shall be an assignment of all such Leases to Mortgagee and Mortgagor will execute any further instruments necessary to perfect the transfer of such Leases and rental thereunder to Mortgagee.

(ii) Mortgagee may, after occurrence of an Event of Default, from time to time, appoint and dismiss such agents or employees as shall be necessary for the collection of the rents, issues and profits, and for the proper care and operation of the Mortgaged Premises, and Mortgagor hereby grants to such agents or employees so appointed full and irrevocable authority on Mortgagor's behalf to manage the Mortgaged Premises and to do all acts relating to such management, including among others the making of new leases in the name of the Mortgagor or otherwise, the alteration or amendment of existing leases, the authorization of repairs or replacements to maintain the building or buildings and chattels incidental thereto in good and tenable condition and the making of such alterations or improvements as in the judgment of the Mortgagee may be necessary to maintain or increase the income from the Mortgaged Premises. Mortgagee shall have the sole control of such agents or employees whose remuneration shall be paid out of the rents, issues, and profits, and Mortgagor hereby expressly releases Mortgagee from any liability to Mortgagor for the acts of such agents, and agrees that Mortgagee shall not be liable for their neglect or for moneys that may come into the possession of such agents.

(iii) The collection and application of the rents, issues and profits as above described shall not constitute waiver of any default which might at the time of application or thereafter exist, and the exercise by Mortgagee of the rights herein provided shall not prevent Mortgagee's exercise of any rights provided elsewhere in this Mortgage.

(iv) The Mortgagee shall not be obligated to perform or discharge any obligation under the Leases hereby assigned, or under or by reason of this Assignment and the Mortgagor hereby agrees to indemnify and hold harmless Mortgagee against any and all liability, loss or damage which Mortgagee might incur under the Leases or under or by reason of this Assignment and of and from any and all claims and demands whatsoever which may be asserted against Mortgagee by reason of any alleged obligation

or undertaking on Mortgagee's part to perform or discharge any of the terms of such Leases.

(v) Upon request of Mortgagee, at any time, Mortgagor will deliver a written notice to each of the tenants and lessees of the Mortgaged Premises, which notice shall inform such tenants and lessees of this Assignment and instruct them that upon receipt of notice by them from the Mortgagee, all rent due thereafter shall be paid to the Mortgagee.

11. FEES AND EXPENSES. It is agreed that if, and as often as this Mortgage or the Secured Indebtedness is placed in the hands of an attorney for (A) collection, or (B) to protect the priority or validity of this Mortgage, or (C) to defend any suit affecting the title to the Mortgaged Premises, or (D) to enforce or defend any of the Mortgagor's or the Mortgagee's rights hereunder, the Mortgagor shall pay to the Mortgagee its 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.

12. ESTOPPEL CERTIFICATE. The Mortgagor upon request, made either personally or by mail, shall certify, by a writing duly acknowledged, to the Mortgagee or to any proposed assignee of this Mortgage or of the Secured Indebtedness or any of them, the amount of principal and interest then owing on this Mortgage and whether any offsets or defenses exist against the Mortgage debt, within ten (10) days in case the request is made personally, or within ten (10) days after the Mortgagor's receipt of mailing of such request in case the request is made by mail.

13. NOTICES. All notices hereunder shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when presented personally or sent by certified or registered mail to any party hereto at the following address:

To Mortgagor: Bruce and Krystal Horne
2225 Laneway Circle
Oklahoma City, OK 73159

To Mortgagee: 2004 Revocable Trust of Joe Milam
c/o Joe M. Milam, Trustee
13800 S. MacArthur Boulevard
Oklahoma City, OK 73173

or at such other address of which it shall have notified the party giving such notice in writing.

14. ACCESS. Mortgagee shall at all times have reasonable access to the Mortgaged Premises for the purpose of inspecting the same and of ascertaining that the various loan requirements and restrictions are being complied with.

15. CHANGE IN PROPERTY. The Mortgagor covenants and agrees to permit or suffer none of the following without the written consent of the Mortgagee:

(a) Any material structural alteration of, or addition to, the buildings or improvements thereafter situated upon the above described real property; or

(b) The removal from the premises of any part of the property covered by this Mortgage, except the renewal, replacement, or substitution of fixtures, equipment, machinery, apparatus and articles of personal property (replacement or substituted items must be of like or better quality than the removed items) covered hereby may be made in the normal course of business; or

(c) The use of any of the buildings or improvements now or hereafter situated upon the above described real estate for any purpose other than as currently used;

provided, however, that Mortgagee hereby consents to such of the foregoing as Mortgagor is obligated to permit or suffer under any lease in effect as to the Mortgaged Premises on the date of this Mortgage.

16. SUBROGATION. In the event all or any portion of the proceeds of the loan evidenced and secured hereby are used for the purpose of retiring debt or debts secured by prior liens on the Mortgaged Premises, the Mortgagee shall be subrogated to the rights and lien priority of the holder of the lien so discharged.

17. ENVIRONMENTAL LAWS. The Mortgagor will not cause any violation of applicable environmental laws, nor permit any tenant of any portion of the Mortgaged Premises to cause such a violation, nor permit any environmental lien to be placed on any portion of the Mortgaged Premises. The Mortgagor and its successors and assigns, agrees to defend, indemnify and hold harmless the Mortgagee and its directors, officers, employees, agents, contractors, subcontractors, licensees, invitees, successors and assigns, from and against any and all claims, demands, judgments, settlements, damages, actions, causes of actions, injuries, administrative orders, consent agreements and orders, liabilities, penalties, costs, including, but not limited to, any cleanup costs, and all expenses of any kind whatsoever, including claims arising out of loss of life, injury to persons, property, or business or damage to natural resources in connection with the activities of Mortgagor or any other party arising out of the actual, alleged or threatened discharge, dispersal, release, storage, treatment, generation, disposal or escape of pollutants or other toxic or hazardous substances, including any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste (including materials to be recycled, reconditioned or reclaimed); or the use, specifications, or inclusion of any product, material or process containing chemicals, the failure to detect the existence or proportion of chemicals in the soil, air, surface water or groundwater, or the performance or failure to perform the abatement of any pollution source or the replacement or removal of any soil, water, surface water, or groundwater-containing chemicals. The Mortgagor and its successors and assigns, shall bear, pay and discharge when

and as the same becomes due and payable, any and all such judgments or claims for damages, penalties or otherwise against the Mortgagee described herein, shall hold the Mortgagee harmless for those judgments or claims, and shall assume the burden and expense of defending all suits, administrative proceedings, and negotiations of any description with any and all persons, political subdivisions or government agencies arising out of any of the occurrences set forth herein. It is agreed that if, and as often as, the Mortgagee shall elect or be required to become involved in any action or proceeding commenced by any governmental authority with respect to storage, disposal or cleanup of any toxic or hazardous materials on the Mortgaged Premises, the Mortgagor shall pay to the Mortgagee its reasonable attorney's fees together with all court costs or other disbursements relating to the Mortgaged Premises, which sums shall constitute a part of the Secured Indebtedness.

18. MISCELLANEOUS.

(a) 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 the others; and no act of the Mortgagee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provisions, anything herein or otherwise to the contrary notwithstanding.

(b) The covenants and agreements contained herein are binding upon the Mortgagor and its successors and assigns and shall inure to the benefit of the Mortgagee, Mortgagor and their respective successors and assigns.

(c) Wherever used in this Mortgage, unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, the word "Mortgagor" shall mean "Mortgagor and/or any subsequent owner or owners of the Mortgaged Premises," the word "Mortgagee" shall mean "Mortgagee or any subsequent holder or holders of this Mortgage," the word "Note" shall mean "notes secured by this Mortgage" and the word "person" shall mean "an individual, corporation, partnership or unincorporated association."


(d) This Mortgage cannot be changed except by an agreement in writing, signed by the party against whom enforcement of the change is sought and in recordable form.

(e) This Mortgage, covering property situated in the State of Oklahoma, is to be governed by the laws of the State of Oklahoma.

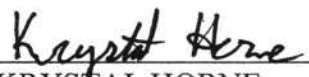
19. PARTIAL INVALIDITY. Should any clause or provision of this Mortgage be invalid or void for any reason, such invalid or void clause shall not affect the whole of this instrument, and the balance of the provisions hereof shall remain in full force and effect.

20. WAIVER. To the fullest extent permitted by law, Mortgagor irrevocably and unconditionally waives and releases (a) all benefits that might accrue to it by virtue of any present or future law exempting the Mortgaged Premises from attachment, levy or sale on execution or providing for any appraisal, valuation, stay of execution, exemption from civil process, redemption or extension of time for payment; (b) all notices of any Event of Default (except as otherwise expressly may be provided for hereinabove) or of Mortgagee's election to exercise or his actual exercise of any right, remedy or recourse provided for hereunder; and (c) any right to a marshaling of assets or a sale in inverse order of alienation.

EXECUTED AND DELIVERED the day and month first above written.



 BRUCE HORNE, a married individual



 KRYSTAL HORNE, a married individual

STATE OF OKLAHOMA)
)
 COUNTY OF CLEVELAND) ss.

Before me, a Notary Public in and for said county and state, on this 27th day of April, 2010, personally appeared Bruce Horne and Krystal Horne, married individuals, to me known to be the identical persons who subscribed their names to the 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.



 NOTARY PUBLIC

My Commission Expires:
2/02/11
 (SEAL)



S:\10312.005\22547DOC

W1

WHEN RECORDED MAIL TO
Robert C. Thompson
 c/o Cheek & Falcone, PLLC
 6301 Waterford Blvd, Ste 320
 Oklahoma City, OK 73118

EXHIBIT A

Lot Forty (40), Block Four (4) of P.B. Odom's South Penn 2nd Addition, to the City of Oklahoma City, Oklahoma County, Oklahoma, according to the recorded plat thereof.

20100429010504460
Filing Fee: \$39.00
Doc. Stamps: \$.00
04/29/2010 03:34:04 PM
MTG



PROMISSORY NOTE

\$109,000.00

FOR VALUE RECEIVED, the undersigned promise to pay to the order of Joe M. Milam, Trustee of the 2004 Revocable Trust of Joe Milam u/t/a dated March 29, 2004 ("Lender"), at 13800 S. MacArthur Boulevard, Oklahoma City, Oklahoma 73173, or such other place as may be designated in writing by the holder of this Note, the principal sum of \$109,000.00, together with interest at the rate stated herein on such outstanding principal amount, payable as follows:

The outstanding principal amount of this Note shall bear interest per annum at a rate equal to three and one-half percent (3 1/2%), calculated on the basis of actual number of days elapsed, but computed as if each calendar year consisted of a 365 day year.

The sum of all principal and interest due under this note shall be paid in 360 equal monthly installments of \$489.46, beginning on June 1, 2010. This Note shall mature on May 31, 2040, at which time all outstanding and unpaid principal and all accrued and unpaid interest on this Note shall be immediately due and payable.

This Note may be prepaid from time to time without premium or penalty, and any such prepayments shall be applied first to accrued interest and then to principal. The Lender shall have no obligation to readvance any part of the principal amount of this Note that has been prepaid.

This Note shall be secured by that certain Mortgage, Security Agreement and Financing Statement of even date herewith executed by the undersigned in favor of Lender (the "Mortgage").

In addition to the payment provided above, the undersigned shall pay to Lender an amount, payable monthly, to provide an escrow account sufficient to pay the ad valorem taxes and comprehensive homeowner's insurance, when said obligations are due on an annual basis. The initial escrow payment is agreed to be \$135.54, per month, provided that the payment is subject to adjustment as needed to provide a sufficient amount on a monthly basis to pay any changes in the taxes or insurance obligations.

Upon default on any of the terms or conditions of this Note or the Mortgage, at the option of the holder hereof, the entire indebtedness hereby evidenced shall become due, payable and collectable then or thereafter as the holder may elect, regardless of the date of maturity thereof. Notice of the exercise of such option is hereby expressly waived.

The undersigned 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 holder's rights hereunder, the

undersigned will pay to the holder hereof its reasonable attorney's fees, together with all court costs and other expenses paid by such holder.

All payments on this Note shall be made in legal tender of the United States of America or other immediately available funds at the Lenders' or other holder's address as shown herein or otherwise indicated and any such payment will not be deemed to have been made until it is received by the holder of this Note in collected funds.


If any provision of this Note, or the application thereof to any party or circumstance is held invalid or unenforceable, the remainder of this Note and the application of such provision to other parties or circumstances shall not be affected thereby, provisions of this Note being severable in any such instance.

The maker of this obligation waives presentment for payment, protest and notice of nonpayment.

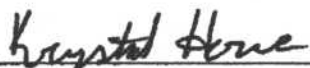
The failure of the holder hereof to exercise any of the remedies or options set forth in this Note or the Mortgage, upon the occurrence of one or more events of default shall not constitute a waiver of the right to exercise the same or any other remedy at any subsequent time in respect to the same or any other event of default. Acceptance by the holder hereof of any payment which is less than the total of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the foregoing remedies or options at that time or at any subsequent time, or nullify any prior exercise of any such remedy or option, without the express consent of the holder hereof, except as and to the extent otherwise provided by law.

This Note is to be construed according to the laws of the State of Oklahoma.

IN WITNESS WHEREOF, the undersigned has executed this instrument effective as of 27 April, 2010.



BRUCE HORNE, a married individual



KRYSTAL HORNE, a married individual

When recorded, mail to:

WI

Cheek & Falcone, PLLC
Attn: Robert Thompson
6301 Waterford Blvd., Suite 320
Oklahoma City, Oklahoma 73118



20100429010504450
04/29/2010 03:34:03 PM
Bk:RE11353 Pg:1985 Pgs:2 DEED
State of Oklahoma
County of Oklahoma
Oklahoma County Clerk
Carolynn Gaudill

**JOINT TENANCY
WARRANTY DEED**

That Joe M. Milam, Trustee of the 2004 Revocable Trust of Joe Milam u/t/a dated March 29, 2004 ("Grantor"), in consideration of the sum of TEN AND NO/100 (\$10.00) DOLLARS and other valuable consideration in hand paid, the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell and convey unto Bruce Horne and Krystal Horne, as joint tenants and not as tenants in common, with right of survivorship, the whole estate to vest in the survivor ("Grantees"), the real property and premises situated in Oklahoma County, State of Oklahoma and described on Exhibit "A" attached hereto and made a part hereof (the "Property"), and warrants title to the same.

TO HAVE AND TO HOLD the Property unto the said Grantees, their, heirs, successors and assigns, forever, clear and discharged of and from all former grants, charges, taxes, judgments, mortgages and other liens and encumbrances of whatsoever nature.

EXCEPT covenants, conditions, easements, restrictions and mineral conveyances of record.

Signed and delivered this 27th day of April, 2010.

2004 Revocable Trust of Joe Milam u/t/a dated
March 29, 2004

By: *Joe Milam*
Joe Milam, Trustee

ACKNOWLEDGMENT

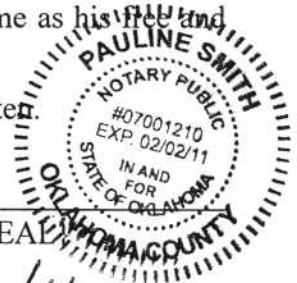
STATE OF OKLAHOMA)
) ss:
COUNTY OF CLEVELAND)

Subscribed and sworn before me, a Notary Public in and for said county and state, on this 27th day of April, 2010, personally appeared Joe Milam to me known to be the identical person who executed the foregoing instrument as Trustee of the 2004 Revocable Trust of Joe Milam u/t/a dated March 29, 2004, and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

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

Pauline Smith

NOTARY PUBLIC {SEAL



My Commission Number: 7001210

My Commission Expires: 2/02/11

2/5

EXHIBIT "A"

LEGAL DESCRIPTION

Lot Forty (40), Block Four (4) of P.B. Odom's South Penn 2nd Addition, to the City of Oklahoma City, Oklahoma County, Oklahoma, according to the recorded plat thereof;

together with all the improvements thereon and the appurtenances thereunto belonging.

Subject to all covenants, conditions, easements, restrictions and mineral conveyances of record.

Street Address: 2225 Laneway Circle
Oklahoma City, Oklahoma 73159

S:\10312.005\22561.doc

20100429010504450
Filing Fee: \$15.00
Doc. Stamps: \$163.50
04/29/2010 03:34:03 PM
DEED



December 15, 2013

Bruce & Krystal Horne

2225 Laneway Circle

Oklahoma City OK 73173

Please see below the breakdown for payments made for 2013.

Beginning January 1, 2014, the escrow needed will be \$208.42 based on the following:

Homeowners Insurance in the amount of \$1137.00 was paid on May 10, 2013 for the year 05/12/2013 to 05/12/2014.

Real Estate Taxes for 2013 were paid on November 22, 2013 in the amount of \$1364.08.

\$1137.00 divided by 12 months – \$94.75

\$1364.08 divided by 12 months - \$113.67

For Total of - \$208.42

This will be your new escrow due beginning with your January 1, 2014 payment.

So new payment will be \$697.88 P&I \$489.46 and Escrow \$208.42.

Payments received for 2013

B Horne	1055	1-Jan-12	\$680.00	\$189.48	\$301.71	\$188.81			\$104,303.87
B Horne	1060	1-Feb-12	\$680.00	\$190.03	\$301.16	\$188.81			\$104,113.84
B Horne	1070	1-Mar-12	\$680.00	\$190.58	\$300.61	\$188.81			\$103,923.26
B Horne	1085	1-Apr-12	\$680.00	\$191.13	\$300.06	\$188.81			\$103,732.13
B Horne	1091	1-May-12	\$670.00	\$181.68	\$299.51	\$188.81			\$103,550.45
B Horne	1099	1-Jun-12	\$670.00	\$182.24	\$298.95	\$188.81			\$103,368.21
B Horne	1114	1-Jul-12	\$700.00	\$212.79	\$298.40	\$188.81			\$103,155.42
B Horne		1-Aug-12	\$680.00	\$193.35	\$297.84	\$188.81			\$102,962.07
B Horne	1153	1-Sep-12	\$680.00	\$193.91	\$297.28	\$188.81			\$102,768.16
B Horne	1164	1-Oct-12	\$680.00	\$194.47	\$296.72	\$188.81			\$102,573.69
B Horne	1177	1-Nov-12	\$680.00	\$195.03	\$296.16	\$188.81			\$102,378.66
B Horne	1084	1-Dec-12	680.00	\$195.59	\$295.60	\$188.81			\$102,183.07

Actual Payout with Principal, Interest, and Taxes, Insurance									
									Balance
	Paid by	Check #	Due Date	Payment	Principal	Interest	Taxes & Insurance	Orkin	\$109,000.00
	B Horne	1129	1-Jun-10	\$625.00	\$171.54	\$317.92	\$135.54		\$108,828.46
	B Horne		1-Jul-10	\$625.00	\$172.04	\$317.42	\$135.54		\$108,656.42
	B Horne		1-Aug-10	\$625.00	\$172.54	\$316.91	\$135.54		\$108,483.88
	B Horne		1-Sep-10	\$625.00	\$173.05	\$316.41	\$135.54		\$108,310.83
	B Horne	1014	1-Oct-10	\$625.00	\$173.55	\$315.91	\$135.54		\$108,137.28
	B Horne	1017	1-Nov-10	\$675.00	\$174.06	\$315.40	\$135.54	\$50.00	\$107,963.22
	B Horne	1020	1-Dec-10	\$675.00	\$174.57	\$314.89	\$135.54	\$50.00	\$107,788.65
	Interest Paid for 2010					\$2,214.86			
	Forgave	with	1-Jan-11		\$0.00	\$0.00	\$135.54		\$107,788.65
	Forgave	no	1-Feb-11		\$0.00	\$0.00	\$135.54		\$107,788.65
	Forgave	penalty	1-Mar-11		\$0.00	\$0.00	\$135.54		\$107,788.65
	Forgave	with	1-Apr-11		\$0.00	\$0.00	\$135.54		\$107,788.65
	Forgave	no	1-May-11		\$0.00	\$0.00	\$135.54		\$107,788.65
	Forgave	penalty	1-Jun-11		\$0.00	\$0.00	\$135.54		\$107,788.65
	K Horne		1-Jul-11	\$625.00	\$178.16	\$311.30	\$135.54		\$107,610.49
	K Horne	1020	1-Aug-11	\$625.00	\$178.68	\$310.78	\$135.54		\$107,431.81
	K Horne	1022	1-Sep-11	\$625.00	\$179.20	\$310.26	\$135.54		\$107,252.61
	K Horne	1026	1-Oct-11	\$625.00	\$179.72	\$309.73	\$135.54		\$107,072.89
	K Horne	98	1-Nov-11	\$625.00	\$180.25	\$309.21	\$135.54		\$106,892.64
	K Horne		1-Dec-11	\$625.00	\$180.77	\$308.68	\$135.54		\$106,711.87
	Interest Paid for 2011					\$1,859.96			

	K Horne	1002	1-Jan-12	\$670.00	\$182.02	\$308.16	\$179.82		\$106,529.85
	K Horne	1004	1-Feb-12	\$669.50	\$182.05	\$307.63	\$179.82		\$106,347.80
	B Horne	1008	1-Mar-12	\$669.50	\$182.58	\$307.10	\$179.82		\$106,165.22
	B Horne	1015	1-Apr-12	\$670.00	\$183.61	\$306.57	\$179.82		\$105,981.61
	B Horne	1023	1-May-12	\$670.00	\$184.15	\$306.03	\$179.82		\$105,797.46
	B Horne	1027	1-Jun-12	\$670.00	\$184.68	\$305.50	\$179.82		\$105,612.78
	B Horne	1029	1-Jul-12	\$670.00	\$185.22	\$304.96	\$179.82		\$105,427.56
	B Horne	1129	1-Aug-12	\$670.00	\$185.76	\$304.42	\$179.82		\$105,241.80
	B Horne	1133	1-Sep-12	\$670.00	\$186.30	\$303.88	\$179.82		\$105,055.50
	B Horne	1141	1-Oct-12	\$670.00	\$186.84	\$303.34	\$179.82		\$104,868.66
	B Horne	1143	1-Nov-12	\$670.00	\$187.38	\$302.80	\$179.82		\$104,681.28
	B Horne	1035	1-Dec-12	\$670.00	\$187.93	\$302.25	\$179.82		\$104,493.35
	Interest Paid for 2012					\$3,662.64			\$104,493.35
	Paid by	Check #	Due Date	Payment	Principal	Interest	Taxes & Insurance		
	B Horne	1055	1-Jan-13	\$680.00	\$189.48	\$301.71	\$188.81		\$104,303.87
	B Horne	1060	1-Feb-13	\$680.00	\$190.03	\$301.16	\$188.81		\$104,113.84
	B Horne	1070	1-Mar-13	\$680.00	\$190.58	\$300.61	\$188.81		\$103,923.26
	B Horne	1085	1-Apr-13	\$680.00	\$191.13	\$300.06	\$188.81		\$103,732.13
	B Horne	1091	1-May-13	\$670.00	\$181.68	\$299.51	\$188.81		\$103,550.45
	B Horne	1099	1-Jun-13	\$670.00	\$182.24	\$298.95	\$188.81		\$103,368.21
	B Horne	1114	1-Jul-13	\$700.00	\$212.79	\$298.40	\$188.81		\$103,155.42
	B Horne		1-Aug-13	\$680.00	\$193.35	\$297.84	\$188.81		\$102,962.07
	B Horne	1153	1-Sep-13	\$680.00	\$193.91	\$297.28	\$188.81		\$102,768.16
	B Horne	1164	1-Oct-13	\$680.00	\$194.47	\$296.72	\$188.81		\$102,573.69
	B Horne	1177	1-Nov-13	\$680.00	\$195.03	\$296.16	\$188.81		\$102,378.66
	B Horne	1184	1-Dec-13	\$680.00	\$195.59	\$295.60	\$188.81		\$102,183.07
	Interest Paid for 2013					\$3,584.00			

	Paid by	Check #	Due Date	Payment	Principal	Interest	Taxes & Insurance	
	B Horne	1196	12-Jan-14	\$700.00	\$196.55	\$295.03	\$208.42	\$101,986.52
	B Horne	1205	9-Feb-14	\$700.00	\$197.12	\$294.46	\$208.42	\$101,789.40
	B Horne	1212	9-Mar-14	\$700.00	\$197.69	\$293.89	\$208.42	\$101,591.71
			1-Apr-14	\$697.88	\$196.13	\$293.32	\$208.42	\$101,395.58
			1-May-14	\$697.88	\$196.71	\$292.75	\$208.42	\$101,198.87
			1-Jun-14	\$697.88	\$197.28	\$292.18	\$208.42	\$101,001.59
			1-Jul-14	\$697.88	\$197.86	\$291.60	\$208.42	\$100,803.73
			1-Aug-14	\$697.88	\$198.43	\$291.03	\$208.42	\$100,605.30
			1-Sep-14	\$697.88	\$199.01	\$290.45	\$208.42	\$100,406.29
			1-Oct-14	\$697.88	\$199.59	\$289.87	\$208.42	\$100,206.70
			1-Nov-14	\$697.88	\$200.17	\$289.28	\$208.42	\$100,006.53
			1-Dec-14	\$697.88	\$200.76	\$288.70	\$208.42	\$99,805.77
	Interest Paid for 2014					\$3,502.56		