

MORTGAGE DEED WITH RELEASE OF HOMESTEAD

KNOW ALL MEN BY THESE PRESENTS, THAT THIS MORTGAGE is made this 19th day of December, 2002 between **The Courtvards at Sheridan Limited Partnership** hereinafter referred to as "Mortgagor(s)" of the City of Nampa, County of Canyon, State of Idaho, and **WYOMING COMMUNITY DEVELOPMENT AUTHORITY** hereinafter referred to as "Mortgagee", to secure the payment of the principal sum of **Four Hundred Twenty-Five Thousand and no/100 (\$425,000.00) Dollars**, evidenced by a promissory note (the "Note") of even date herewith and, payable to the order of Wyoming Community Development Authority, or its order, do hereby mortgage, warrant, transfer, and convey, to Mortgagee the following described real estate situated in the County of Sheridan, State of Wyoming, to wit:

Lot 1, Riverside Industrial Park Second Addition, a subdivision in Sheridan County, Wyoming, as filed in Drawer R, Plat #32, in the Office of the County Clerk of Sheridan County, Wyoming.

including all buildings and improvements thereon or that may hereafter be erected thereon.

Mortgagor hereby relinquishes and waives all rights under and by virtue of the homestead laws of the State of Wyoming, hereby covenants that it is lawfully seized of the premises, that the premises are free from all encumbrances with exception of the following:

NONE

and hereby covenants to warrant and defend the title of the premises against the lawful claims of all persons whomsoever.

Mortgagor hereby covenants and agrees with Mortgagee as follows:

1. To pay the indebtedness hereby secured in accordance with the Note executed and of even date herewith.
2. To keep the premises and buildings thereon situate in good and sightly order, repair and condition by Mortgagor at its expense during the term of this Mortgage.
3. To keep the premises insured against loss by fire and other hazards and casualties in a sum not less than its replacement cost in favor of the parties as their interests may appear. Mortgagor shall pay promptly, when due, all premiums on such insurance and any renewals thereof. All insurance shall be carried in companies approved by Mortgagee, and a copy of the policy and renewals thereof shall be held by Mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to Mortgagee. In the event of loss, Mortgagor shall give Mortgagee immediate notice by mail, and Mortgagee may make proof of loss if not promptly made by Mortgagor. Each insurance company is hereby authorized and directed to make payment for any such loss directly to Mortgagee. Such insurance proceeds shall be applied toward the restoration, replacement or rebuilding ("Restoration") of the project destroyed or damaged, provided sufficient funds are available from all sources to complete such Restoration.
4. To comply with all terms and conditions of (including but not limited to rent restrictions set forth in) the HOME Agreement (the "HOME Agreement") between Mortgagor and Mortgagee dated 19th day of December, 2002.
5. To pay all ground rents, taxes, assessments, water rents and other governmental or municipal charges or other lawful charges. In case Mortgagor defaults in the payment of ground rents, if any, taxes, assessments, water, or other governmental or municipal charges, or other lawful charges as herein provided, and Mortgagee pays the same, Mortgagor shall

repay such sums so paid and all expenses so incurred by Mortgagee, with interest thereon from the date of payment, at the rate of ten percent (10%) per annum, and the same shall be a lien on the premises and shall be secured by this Mortgage; in default of making such repayments the whole amount hereby secured if not then due shall, if Mortgagee so elects, become due and payable forthwith, anything herein contained to the contrary notwithstanding.

6. In the event of default in the payment, when due, of the indebtedness hereby secured, or of any part thereof, or if the above-described real property or any interest therein is transferred in any manner or sold by Mortgagor, either by deed or contract for deed, provided that, transfers of interest in Mortgagor or transfer of title, upon death through an intestate estate, or testate probate proceedings and administration, or in the case of ownership under tenants by the entirety, or joint tenants with right to survivorship, by survivorship upon the death of one tenant shall not be deemed a transfer, and will not result in acceleration, or in the event of breach of any covenant or agreement herein contained or contained in the HOME Agreement or the Note, the whole of the then indebtedness secured hereby, inclusive of principal, interest arrearages, ground rents, if any, taxes, assessments, water charges, expenditures for repairs or maintenance, together with all other sums payable pursuant to the provisions hereof, shall become immediately due and payable, at the option of Mortgagee, anything herein before or in the Note contained to the contrary notwithstanding; any failure to exercise such option shall not constitute a waiver of the right to exercise the same at any other time; and it shall be lawful for Mortgagee to proceed to enforce the provisions of this Mortgage either by suit at law or in equity, as it may elect, or to foreclose this Mortgage by advertisement and sale of the premises, at public auction, according to Wyoming statutes governing mortgage foreclosures by power of sale, and cause to be executed and delivered to the purchaser or purchasers at any such sale a good and sufficient deed or deeds of conveyance of the property so sold, and to apply the net proceeds arising from such sale first to the payment of the costs and expenses of such foreclosure and sale and in payment of all moneys expended or advanced by Mortgagee pursuant to the provisions in Paragraph 4 hereof, and then to the payment of the balance due on account of the principal indebtedness secured hereby, together with interest thereon, and the surplus if any, shall be paid by Mortgagee on demand to Mortgagor. There shall be included in any or all such proceedings a reasonable attorney's fee. In case Mortgagee fails promptly to foreclose on the happening of any default, it shall not thereby be prejudiced in its right to foreclose at any time thereafter during which such default continues, and shall not be prejudiced in its foreclosure rights in case of further default.
7. W.C.D.A. agrees to accept cures tendered by Mortgagor's limited partners pursuant to the same terms and conditions as are provided to Mortgagor.
8. In case of any default whereby the right of foreclosure occurs hereunder, Mortgagee shall at once become entitled to exclusive possession, use, and enjoyment of all property, and to all rents, issues, and profits thereof, from the accruing of such right and during the pendency of foreclosure proceedings and the period of redemption, if there is any; and such possession, rents, issues, and profits shall at once be delivered to Mortgagee on request, and on refusal, the delivery of such possession, rents, issues, and profits may be enforced by Mortgagee by an appropriate civil suit or proceeding, including action or actions in

ejectment, or forcible entry, or unlawful detainer; and Mortgagee shall be entitled to a receiver for the property all rents, issues, and profits thereof, after any such default, including the time covered by foreclosure proceedings and the period of redemption, if there is any, and shall be entitled thereto as a matter of right without regard to the solvency or insolvency of Mortgagor or the then owner of the property, and without regard to the value of the property or the sufficiency thereof to discharge the mortgage debt and foreclosure costs, fees and expenses; and such receiver may be appointed by any court of competent jurisdiction on ex parte application and without notice (notice being hereby expressly waived, and the appointment of any such receiver on any such application without notice being hereby consented to by Mortgagor on Mortgagor's own behalf), and all rents issues, profits, income, and revenue of the property shall be applied by such receiver, according to law and the orders and directions of the court.

9. The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

IN WITNESS WHEREOF, Mortgagor(s) has/have hereunto set his/their hand this 19th day of December, 2002.

BORROWER(S)

The Courtyards at Sheridan Limited Partnership

[Signature]

The Courtyards at Sheridan Limited Partnership

[Signature]

BY: Caleb Roope, Manager Roope, LLC

Its: General Partner

BY: Tim German, Manager, Sparrow Group, LLC

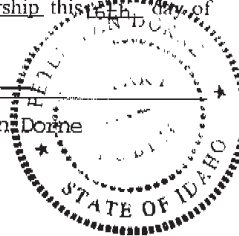
Its: General Partner

State of IDAHO)
County of CANYON)

The foregoing instrument was acknowledged before me by Caleb Roope, Manager Roope, LLC of The Courtyards at Sheridan Limited Partnership this 19th day of December, 2002.

My Commission Expires: 07-26-2005

[Signature]
Notary Public Peter Van Dorne

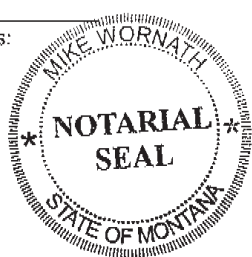


State of MONTANA)
County of MISSOULA)

The foregoing instrument was acknowledged before me by Tim German of The Courtyards at Sheridan Limited Partnership this 18th day of December, 2002.

8/5/2003
My Commission Expires:

[Signature]
Notary Public



Return To:

FIRST INTERSTATE BANK
4 SOUTH MAIN, PO BOX 2007, SHERIDAN, WY 82801

Prepared By:

CHIP KING

RECORDED DECEMBER 26, 2002 BK 504 PG 188 NO 428074 AUDREY KOLTISKA, COUNTY CLERK

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MORTGAGE

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated December 19, 2002, together with all Riders to this document.

(B) "Borrower" is MICHAEL D. SWAN and MOLLY A. SWAN, HUSBAND AND WIFE

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is FIRST INTERSTATE BANK

Lender is a A CORPORATION

organized and existing under the laws of

STATE OF MONTANA

WYOMING-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Form 3051 1/01

VMP-6(WY) (0005)

Page 1 of 15 MW 05/00.01 Initials: *MS*

VMP MORTGAGE FORMS - (800)521-7291 *ms*



Lender's address is 4 SOUTH MAIN, PO BOX 2007, SHERIDAN, WY 82801

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated December 19, 2002. The Note states that Borrower owes Lender One Hundred Forty Two Thousand and no/100 Dollars

(U.S. \$142,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than January 1, 2033

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

<input type="checkbox"/> Adjustable Rate Rider	<input type="checkbox"/> Condominium Rider	<input type="checkbox"/> Second Home Rider
<input type="checkbox"/> Balloon Rider	<input type="checkbox"/> Planned Unit Development Rider	<input type="checkbox"/> 1-4 Family Rider
<input type="checkbox"/> VA Rider	<input type="checkbox"/> Biweekly Payment Rider	<input checked="" type="checkbox"/> Other(s) [specify]

MORTGAGE INSURANCE RIDER

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(K) "Escrow Items" means those items that are described in Section 3.

(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.